Under the Euro Medium Term Note Programme described in this Base Prospectus (the “Programme”), Schneider Electric SA (the “Company” or the “Issuer”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro medium term notes (the “Notes”). The aggregate nominal amount of Notes outstanding will not at any time exceed Euro 7,500,000,000 (or the equivalent in other currencies).

This Base Prospectus supersedes and replaces the Base Prospectus dated 25 June 2012.

Application has been made for approval of this Base Prospectus to the Autorité des marchés financiers (the “AMF”) in France in its capacity as competent authority pursuant to Article 212-2 of its Règlement Général which implements Directive 2003/7/EC on the prospectus to be published when securities are offered to the public or admitted to trading (the “Prospectus Directive”). References in this Base Prospectus to the “Prospectus Directive” shall include the amendments made by Directive 2010/73/EU (the “2010 PD Amending Directive”) to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area (the “EEA”).

Application has been made to Euronext Paris for Notes issued under a 12-month period from the date of this Base Prospectus to be listed and admitted to trading on Euronext Paris. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC (a “Regulated Market”). Application may also be made to the competent authority of any other Member State of the EEA for Notes to be listed and admitted to trading on any other Regulated Market in such Member State. However, Notes may be issued pursuant to the Programme which are not listed and admitted to trading on a Regulated Market. The relevant final terms (the “Final Terms”) (forms of which are contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading, and, if so, the relevant Regulated Market in the EEA on which they would be listed and admitted to trading. Notes issued under the Programme will be governed by French law and may be issued either in dematerialised form (“Dematerialised Notes”) or in materialised form (“Materialised Notes”) as more fully described herein. Dematerialised Notes will at all times be in book-entry form in compliance with Articles L.211-3 and R.211-1 of the French Code monétaire et financier. No physical documents of title will be issued in respect of the Dematerialised Notes.

Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms, save that the minimum denomination of each Note offered to the public and/or listed and admitted to trading on a Regulated Market in a Member State of the EEA in circumstances which require the publication of a Base Prospectus under the Prospectus Directive will be at least Euro 1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency), or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant specified currency.

Dematerialised Notes may, at the option of the Issuer, be (a) in bearer dematerialised form (au porteur) inscribed as from the issue date in the books of Euroclear France (“Euroclear France”) (acting as central depositary) which shall credit the accounts of Account Holders (as defined in “Terms and Conditions of the Notes - Form, Denomination and Title”) including Euroclear Bank S.A./N.V. (“Euroclear”) and the depositary bank for Clearstream Banking, société anonyme (“Clearstream, Luxembourg”) or (b) in registered dematerialised form (au nominatif) and, in such latter case, at the option of the relevant Noteholder (as defined in Condition 1(c)(iv)), in either fully registered form (au nominatif pur) or, in which case they will be inscribed with the registration agent (designated in the relevant Final Terms) for the Issuer, or in administered registered form (au nominatif administré) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholders.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a “Temporary Global Certificate”) will initially be issued in connection with Materialised Notes. Such Temporary Global Certificate will be exchanged for definitive Materialised Notes in bearer form with, where applicable, coupons for interest attached on or after a date expected to be on or about the 40th day after the issue date of the Notes (subject to postponement as described in “Temporary Global Certificates issued in respect of Materialised Notes”) upon registration as to non-US beneficial ownership as more fully described herein.

Temporary Global Certificates will (a) in the case of a Tranche (as defined in “Summary” below) intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the issue date with a common depositary on behalf of Euroclear and Clearstream, Luxembourg and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer(s) (as defined below).

The final terms of the relevant Notes will be determined at the time of the offering of each Tranche and will be set out in the relevant Final Terms.

As of the date of this Base Prospectus, the long-term corporate rating of the Issuer by Standard & Poor’s Ratings Services (“S&P”) is A-. Tranches of Notes issued under the Programme may be rated or unrated. The credit ratings included or referred to in this Base Prospectus or in any Final Terms have been or will be, as the case may be, issued by one or more credit rating agencies established in the European Union, registered under Regulation (EC) No. 1060/2009 on credit rating agencies (the “CRA Regulation”), as amended by Regulation (EU) No 513/2011 and included in the list of credit agencies registered in accordance with the CRA Regulation published on the website of the European Securities and Markets Authority (www.esma.europa.eu/page/List-registered-and-certified-CRAs) as of the date of this Base Prospectus. The relevant Final Terms will specify whether or not credit ratings are issued by a credit rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the risk factors described under the section headed “Risk Factors” in this Base Prospectus, before deciding to invest in the Notes issued under the Programme.

Arranger for the Programme

BNP PARIBAS

THE ROYAL BANK OF SCOTLAND

Dealers

BARCLAYS

BNP PARIBAS

CRÉDIT AGRICOLE CIB

DEUTSCHE BANK

NATIXIS

SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING

BASE PROSPECTUS dated 25 June 2013

Schneider Electric SA

Euro 7,500,000,000

Euro Medium Term Note Programme

Due from seven days from the date of original issue

SCHNEIDER ELECTRIC SA

Euro 7,500,000,000

Euro Medium Term Note Programme

Due from seven days from the date of original issue
This Base Prospectus (together with any Supplements hereto (each a “Supplement” and together the “Supplements”) comprises a Base Prospectus for the purposes of Article 5.4 of the Prospectus Directive and for the purposes of giving information with regard to the Issuer, the Issuer and its subsidiaries taken as a whole (the “Group”) and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

This Base Prospectus is to be read in conjunction with any document and/or information which is or may be incorporated herein by reference in accordance with Article 11 of the Prospectus Directive.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “Documents Incorporated by Reference” below).

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (each as defined in “Summary”). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or with any securities commission or regulatory authority of any state or other jurisdiction of the United States and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or, in the case of Notes in bearer form, delivered within the United States or its possessions or to U.S. persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see “Subscription and Sale”.

This Base Prospectus does not constitute an offer of, an offer to sell, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

The Arranger and the Dealers have not separately verified the information contained in this Base Prospectus. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.
In connection with the issue of any Tranche, one of the Dealers may act as a stabilising manager (the “Stabilising Manager”). The identity of such Stabilising Manager will be disclosed in the relevant Final Terms.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or person(s) acting on behalf of a Stabilising Manager) will undertake any stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the Final Terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of Stabilising Manager(s)) in accordance with all applicable laws and rules.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to “€” “EURO” or “Euro” are to the single currency of the participating Member States of the European Union, references to “CHF” or “Swiss Francs” are to the lawful currency of the Swiss Confederation, references to “U.S. dollars,” are to the lawful currency of the United States of America, references to “Yen” or “JPY” are to the lawful currency of Japan, references to “£”, “pounds sterling” or “Sterling” are to the lawful currency of the United Kingdom, and references to “Yuan”, “RMB”, “CNY” or “Renminbi” are to the Chinese Yuan Renminbi, the lawful currency of the People’s Republic of China, which, for the purpose of this document, excludes the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and Taiwan (the “PRC”). References in this Base Prospectus to “day” or “days” are to a calendar day or to calendar days, respectively.
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**SUMMARY**

Summaries are made up of disclosure requirements known as “Elements” the communication of which is required by Annex XXII of Regulation (EC) No 809/2004 of 29 April 2004 as amended by Commission Delegated Regulation (EU) No 486/2012 of 30 March 2012 and Commission Delegated Regulation (EU) No 862/2012 of 4 June 2012. These Elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of securities and for Schneider Electric S.A. (the “Issuer”). Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding such Element. In this case a short description of the Element is included in the summary and marked as “Not applicable”.

This summary is provided for purposes of the issue by the Issuer of Notes of a denomination of less than Euro 100,000 which are offered to the public and/or admitted to trading on a Regulated Market of the European Economic Area (the “EEA”). The issue specific summary relating to this type of Notes will be annexed to the relevant Final Terms and will comprise (i) the information below with respect to the summary of the Base Prospectus and (ii) the information below included in the items “issue specific summary”.

<table>
<thead>
<tr>
<th>Section A - Introduction and warnings</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A.1</strong> General disclaimer regarding the summary</td>
<td>This summary must be read as an introduction to this Base Prospectus. Any decision to invest in the Notes should be based on a consideration by any investor of the Base Prospectus as a whole, including any documents incorporated by reference and any supplement from time to time. Where a claim relating to information contained in this Base Prospectus is brought before a court, the plaintiff may, under the national legislation of the Member State of the EEA where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</td>
</tr>
<tr>
<td><strong>A.2</strong> Information regarding consent by the Issuer to the use of the Prospectus</td>
<td>In the context of any offer of Notes in France and in the Grand Duchy of Luxembourg (the “Public Offer Jurisdictions”) that is not within an exemption from the requirement to publish a prospectus under the Prospectus Directive, as amended, (a “Public Offer”), the Issuer consents to the use of this Base Prospectus and the relevant Final Terms (together with the Base Prospectus, the “Prospectus”) in connection with a Public Offer of any Notes during the offer period specified in the relevant Final Terms (the “Offer Period”) and in the Public Offer Jurisdiction(s) specified in the relevant Final Terms by any financial intermediary duly authorised designated in such Final Terms (each an “Authorised Offeror”). The consent referred to above relates to Offer Periods (if any) ending no later than the date falling 12 months from the date of the approval of the Base Prospectus by the Autorité des marchés financiers.</td>
</tr>
</tbody>
</table>
The specific terms of the Public Offer shall be provided to investors by that Authorised Offeror at the time of the Public Offer. Neither the Issuer nor any of the Dealers (as defined below) or other Authorised Offerors has any responsibility or liability for such information.

References in this Base Prospectus to “Permanent Dealers” are to the persons listed as Dealers (as defined below) and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to “Dealers” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

**Issue specific Summary:**

[In the context of the offer of the Notes in [●] (“Public Offer Jurisdiction[s]”) which is not made within an exemption from the requirement to publish a prospectus under the Prospectus Directive, as amended (the “Public Offer”), the Issuer consents to the use of the Prospectus in connection with such Public Offer of any Notes during the period from [●] until [●] (the “Offer Period”) and in the Public Offer Jurisdiction[s] by [●] / [any financial intermediary] (the “Authorised Offeror[s]”). [The Authorised Offeror[s] must satisfy the following conditions: [●]])

The specific terms of the Public Offer shall be provided to Investors by that Authorised Offeror at the time of the Public Offer. Neither the Issuer nor any of the Dealers or other Authorised Offerors has any responsibility or liability for such information.]

[Not applicable]]

<table>
<thead>
<tr>
<th>Section B – Issuer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>B.1</strong></td>
</tr>
<tr>
<td><strong>B.2</strong></td>
</tr>
<tr>
<td><strong>B.4b</strong></td>
</tr>
</tbody>
</table>
B.5 A description of the Issuer’s group and the Issuer’s position within the group

The Issuer is the holding company of the Group.

The Group offers integrated products, and solutions (systems, software, services) in order to make energy, safe, reliable, efficient, productive and green.

As a global specialist in energy management, with operation in over 100 countries, the Group enjoys leadership in the five markets on which it operates: Non-residential buildings, Utilities & Infrastructures, Industries & Machine manufacturers, Data Centres and Residential Buildings.

B.9 Profit forecast or estimate

Not applicable.

B.10 Qualifications in the auditors’ report

Not applicable.

B.12 Selected historical key financial information

The selected historical consolidated financial data presented below has been derived from Schneider Electric’s consolidated financial statements and related notes for the years ended 31 December 2012 and 2011 in accordance with IFRS.

<table>
<thead>
<tr>
<th>In € million, except data per share and other data</th>
<th>31/12/2012</th>
<th>31/12/2011(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated Income Statement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>23,946</td>
<td>22,345</td>
</tr>
<tr>
<td>Net Profit – Group Share</td>
<td>1,840</td>
<td>1,793</td>
</tr>
<tr>
<td>Net Income per Share:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>3.39</td>
<td>3.34</td>
</tr>
<tr>
<td>Diluted</td>
<td>3.36</td>
<td>3.30</td>
</tr>
<tr>
<td><strong>Consolidated Balance Sheet</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>36,156</td>
<td>35,828</td>
</tr>
<tr>
<td>Equity attributable to owners of the Company</td>
<td>16,642</td>
<td>15,853</td>
</tr>
<tr>
<td><strong>Other Data</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Outstanding Shares</td>
<td>555,417,014</td>
<td>548,943,024</td>
</tr>
<tr>
<td>Dividend per Share</td>
<td>1.87</td>
<td>1.70</td>
</tr>
</tbody>
</table>

(1) The financial information for the year ended 31 December 2011 was restated.

Except for the Company’s first quarter 2013 results described in paragraph B.13 below, there has been no significant change in the financial or trading position of the Issuer or of the Group since 31 December 2012 and no material adverse change in the prospects or affairs of the Issuer since 31 December 2012.
B.13 Recent material events relevant to the evaluation of the Issuer’s solvency

The Company’s first quarter 2013 results ( unaudited)

- Asia-Pacific improved sequentially with China turning positive
- Market conditions remained difficult in Western Europe
- Mixed picture in North America with positive underlying trend, but performance penalized by one-offs and high comparable base
- Group organic sales down 2.7% mainly due to fewer working days
- New economies organic growth 8 points above mature countries
- Services up 3% organically, outperforming rest of Group by 7 points

Schneider Electric reported first quarter, revenues of €5,211 million, down 3.7% year-on-year on current structure and exchange rate basis. Organic revenues were down 2.7%, of which fewer working days accounted for about 1.6% of decline.

The breakdown of revenues by business segment was as follows:
Q1 2013

<table>
<thead>
<tr>
<th>€ million</th>
<th>Revenues</th>
<th>Organic growth</th>
<th>Changes in scope of consolidation</th>
<th>Currency effect</th>
<th>Reported growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner</td>
<td>1,930</td>
<td>-3.3%</td>
<td>+0.3%</td>
<td>-1.2%</td>
<td>-4.2%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>1,110</td>
<td>+1.0%</td>
<td>+2.1%</td>
<td>-1.0%</td>
<td>+2.1%</td>
</tr>
<tr>
<td>Industry</td>
<td>1,011</td>
<td>-3.6%</td>
<td>-0.9%</td>
<td>-1.6%</td>
<td>-6.1%</td>
</tr>
<tr>
<td>IT</td>
<td>793</td>
<td>-2.4%</td>
<td>-0.5%</td>
<td>-2.2%</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Buildings</td>
<td>367</td>
<td>-8.1%</td>
<td>+1.2%</td>
<td>-0.7%</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Group</td>
<td>5,211</td>
<td>-2.7%</td>
<td>+0.3%</td>
<td>-1.3%</td>
<td>-3.7%</td>
</tr>
</tbody>
</table>

The Group achieved €5.2 billion revenues in Q1 2013. Improvement in China supported return to growth in Asia Pacific and other new economies continued to grow. The Issuer experienced a positive underlying trend in North America in some of its end markets though its performance was negatively impacted by one-offs and high comparables. Western Europe remained difficult.

While the visibility remains limited, the trends are in line with the Issuer’s expectation at beginning of the year and the Group therefore confirms its full year 2013 guidance.

B.14 Extent to which the Issuer is dependent upon other

The holding company of the Group, the Issuer has no operations and its therefore dependent upon its subsidiaries for cash-flow generation.
| B.15 Principal activities of the Issuer | Schneider Electric operates in five principal markets: utilities and infrastructure, industry and machine manufacturers, data centres and networks, non-residential as well as residential buildings. The Group’s operations are organized as follows: **The Partner Business** The Partner business covers low voltage and renewable technologies and is in charge of integrated solutions (i.e. combining several of the Group’s technological domains) for the residential and marine end-markets. **End User Business Group** *The Industry business* The Industry business covers industrial automation, control and sensors technologies and is in charge of integrated solutions for the OEMs, water treatment and mining, minerals & metals (“MMM”) end-markets. *The IT Business* The IT business specializes in critical power and cooling technologies for data centers and is in charge of integrated solutions for the data centers and financial services end-markets. *The Infrastructure Business* The Infrastructure business covers medium voltage and grid automation technologies and the business is in charge of integrated solutions for the oil & gas and utilities end-markets. *The Buildings Business* The Buildings business covers building automation and security technologies and is in charge of integrated solutions for hotels, hospitals, office buildings and retail buildings. |
**B.16 Extent to which the Issuer is directly or indirectly owned or controlled**

Not applicable.

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**B.17 Credit ratings assigned to the Issuer or its debt securities**

As of the date of the Base Prospectus, the long-term corporate rating of the Issuer by Standard & Poor’s Ratings Services (“S&P”) is A-. The Notes to be issued under the Programme may or may not be rated and, if so, will be rated by one or more credit rating agencies, which are established in the European Union and registered under Regulation (EC) No. 1060/2009 on credit rating agencies (the “CRA Regulation”), as amended by Regulation (EU) No. 513/2011, and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website (www.esma.europa.eu/page/List-registered-and-certified-CRAs) as of the date of the Base Prospectus.

The rating (if any) of the Notes will be specified in the Final Terms.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

*Issue specific summary:*

Credit ratings: [Not applicable/The Notes to be issued [have been/are expected to be] rated:

[●] by [●]

---

**Section C - Securities**

**C.1 Type, class and identification number of the Notes**

Up to Euro 7,500,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time pursuant to the Euro Medium Term Note Programme arranged by BNP Paribas (the “Programme”).

The Notes may be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “Series”) having one or more issue dates and on terms otherwise identical, the Notes of each Series being intended to be interchangeable or identical (other than in respect of the first payment of interest, the issue date, the issue price and the nominal amount) with all other Notes of that Series. Each Series may be issued in tranches (each a “Tranche”) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the relevant final terms to this Base Prospectus (the “Final Terms”).
Notes may be issued in either dematerialised form ("Dematerialised Notes") or materialised form ("Materialised Notes").

Dematerialised Notes may, at the option of the Issuer be issued in bearer dematerialised form (au porteur) or in registered dematerialised form (au nominatif) and, in such latter case, at the option of the relevant holder, either in fully registered form (au nominatif pur) or in administered registered form (au nominatif administré). No physical documents of title will be issued in respect of Dematerialised Notes. Materialised Notes may be in bearer materialised form ("Bearer Materialised Notes") only if they are issued outside France. A Temporary Global Certificate will be issued initially in respect of each Tranche of Bearer Materialised Notes.

The Notes have been accepted for clearance through Euroclear France as central depository in relation to Dematerialised Notes and Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), Euroclear Bank S.A./N.V. ("Euroclear") or any other clearing system that may be agreed between the Issuer, the fiscal agent in respect of the Programme (the "Fiscal Agent") and the relevant Dealer in relation to Materialised Notes.

Identification number of the Notes: the International Securities Identification Number (ISIN) and a common code will be specified in the relevant Final Terms.

<table>
<thead>
<tr>
<th>Issue specific summary:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Series Number:</td>
<td>[●]</td>
</tr>
<tr>
<td>Tranche Number:</td>
<td>[●]</td>
</tr>
<tr>
<td>Aggregate Nominal Amount:</td>
<td>[●]</td>
</tr>
<tr>
<td>Series:</td>
<td>[●]</td>
</tr>
<tr>
<td>Tranche:</td>
<td>[●]</td>
</tr>
</tbody>
</table>
| Form of Notes: | [Dematerialised Notes / Materialised Notes].  
If the Notes are Dematerialised Notes: Dematerialised Notes are [in bearer dematerialised form (au porteur) / in registered dematerialised form (au nominatif)].  
If the Notes are Materialised Notes: Materialised Notes will be in bearer form only] |
| ISIN: | [●] |
| Common Code: | [●] |
| Central Depository: | [●] |
| Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): | [Not applicable]/[give name(s) and number(s) [and address(es)]] |

C.2 Currencies of the Notes  
Notes may be issued in any currency agreed between the Issuer, and the relevant Dealers, including Euros, Swiss Francs, U.S. dollars, Sterling, Japanese Yen and Renminbi ("RMB").
## Issue specific summary:
The currency of the Notes is:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>C.5</td>
<td>Description of any restrictions on the free transferability of the Notes</td>
</tr>
<tr>
<td></td>
<td>Save certain restrictions regarding the purchase, offer, sale and delivery of the Notes, or possession or distribution of the Base Prospectus, any other offering material or any Final Terms, there is no restriction on the free transferability of the Notes.</td>
</tr>
<tr>
<td>C.8</td>
<td>Description of rights attached to the Notes</td>
</tr>
<tr>
<td></td>
<td>- <strong>Issue price</strong></td>
</tr>
<tr>
<td></td>
<td>The Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.</td>
</tr>
<tr>
<td></td>
<td>- <strong>Specified denomination</strong></td>
</tr>
<tr>
<td></td>
<td>The Notes will be in such denominations as may be specified in the relevant Final Terms.</td>
</tr>
<tr>
<td></td>
<td>The Notes will be issued in such denomination(s) as may be agreed between the Issuer and the relevant Dealer save that in respect of any Notes that are offered to the public and/or listed and admitted to trading on a Regulated Market in the EEA in circumstances which require the publication of a prospectus under the Prospectus Directive, such Notes will have a minimum denomination of Euro 1,000 (or its equivalent in other currencies).</td>
</tr>
<tr>
<td></td>
<td>- <strong>Status of the Notes</strong></td>
</tr>
<tr>
<td></td>
<td>The Notes will constitute direct, unsubordinated and unsecured obligations of the Issuer and will have the benefit of a negative pledge and the events of default set out in the “Terms and Conditions of the Notes”.</td>
</tr>
<tr>
<td></td>
<td>- <strong>Negative pledge</strong></td>
</tr>
<tr>
<td></td>
<td>So long as any of the Notes or, if applicable, any coupons relating to them, remain outstanding, the Issuer will not, and will ensure that none of its principal subsidiaries will, create or permit to subsist any mortgage, lien, charge, pledge or other form of security interest (sûreté réelle) (“Security”) upon any of their respective assets or revenues, present or future, to secure (i) any Relevant Debt or (ii) any guarantee or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer’s obligations under the Notes are equally and rateably secured therewith, except for any Security created by the Issuer over any equity share capital acquired by the Issuer in any company resulting in that company becoming a majority-owned subsidiary of the Issuer after the issue of the Notes for the sole purpose of financing that acquisition and securing principal moneys not exceeding the cost of that acquisition.</td>
</tr>
<tr>
<td></td>
<td>- <strong>Relevant Debt</strong></td>
</tr>
<tr>
<td></td>
<td>“Relevant Debt” means any present or future indebtedness for borrowed money in the form of, or represented by, bonds (obligations) which are for the time being, or are capable of being, quoted, admitted to trading or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market.</td>
</tr>
<tr>
<td></td>
<td>- <strong>Events of default, including cross default</strong></td>
</tr>
<tr>
<td></td>
<td>The Notes may become immediately due and payable by a holder upon</td>
</tr>
</tbody>
</table>
occurrence of certain events of default such as the non-repayment of amounts due under the Notes on their due date, breach of any obligation relating to the Notes or insolvency (or other similar proceeding) of the Issuer.

- **Withholding tax**

  All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

- **Governing law**

  French law.

### Issue specific summary:

| Issue Price: | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)] |

| Specified Denomination[s]: | [●] |

### C.9 Interest, maturity and redemption provisions, yield and representation of the holders of Notes

- **Interest rates and interest periods**

  The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. All such information will be set out in the relevant Final Terms.

- **Fixed Rate Notes**

  Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

- **Floating Rate Notes**

  Floating Rate Notes will bear interest determined separately for each Series as follows:

  (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., or

  (ii) by reference to LIBOR or EURIBOR in both cases, as adjusted for any applicable margin.

- **Zero Coupon Notes**

  Zero Coupon Notes may be issued at their nominal amount or at a discount and will not bear interest.
• **Maturities**
Subject to compliance with all relevant laws, regulations and directives, any maturity equal to or greater than seven calendar days.

• **Redemption**
The relevant Final Terms will specify the basis for calculating the redemption amounts payable.

• **Optional Redemption**
The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the holders, and if so, the terms applicable to such redemption.

If a Change of Control Put Option is specified in the relevant Final Terms, following the occurrence of a Change of Control, the Noteholders will be entitled to request the Issuer to redeem the Notes or, at the Issuer’s option, procure the purchase of their Notes.

• **Early Redemption**
Except as provided in “Optional Redemption” above, the Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons.

• **Yield**
The Final Terms issued in respect of each issue of Fixed Rate Notes will set out an indication of the yield of the Notes.

• **Representation of the holders of the Noteholders**
In respect of the representation of the Noteholders, the following shall apply:

  (a) If the Notes are issued in France, the relevant Final Terms will specify that “Full Masse” is applicable and the holders of Notes will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a Masse and the provisions of the French Code de Commerce relating to the Masse shall apply; and

  (b) If the Notes are issued outside France for the purpose of Article L.228-90 of the French Code de Commerce, the relevant Final Terms will specify that “Contractual Masse” is applicable and the holders of Notes will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a Masse. The Masse will be governed by the provisions of the French Code de Commerce with the exception of Articles L. 228-48, L. 228-59, R.228-63, R.228-67 and R.228-69.

If either paragraph (a) or (b) above is provided as applicable in the relevant Final Terms, the Masse will act in part through a representative (the “Representative”) and in part through general meetings of the holders of Notes. The names and addresses of the initial Representative and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the representative of the single Masse of all Tranches in such Series.
### Issue specific summary:

<table>
<thead>
<tr>
<th><strong>Rate[s] of Interest:</strong></th>
<th>([●] per cent. Fixed Rate) ([●] +/- [●] per cent. Floating Rate) [Fixed/Floating Rate] [Zero Coupon]</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest Commencement Date:</strong></td>
<td>([Specify]/Issue Date/[Not applicable])</td>
</tr>
<tr>
<td><strong>Maturity Date:</strong></td>
<td>([Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year])</td>
</tr>
<tr>
<td><strong>Final Redemption Amount of each Note:</strong></td>
<td>([●] per Note of [●] Specified Denomination)</td>
</tr>
<tr>
<td><strong>Call Option:</strong></td>
<td>[Applicable]/[Not applicable]</td>
</tr>
<tr>
<td><strong>Optional Redemption Amount:</strong></td>
<td>[Applicable: [●] per Note of [●] specified Denomination / [Not applicable]]</td>
</tr>
<tr>
<td><strong>Early Redemption Amount:</strong></td>
<td>[Applicable: [●] per Note of [●] Specified Denomination / [Not applicable]]</td>
</tr>
<tr>
<td><strong>Yield (in respect of Fixed Rate Notes):</strong></td>
<td>[Applicable]/[Not applicable] / [●]</td>
</tr>
<tr>
<td><strong>Representation of the holders of Notes:</strong></td>
<td>[Full Masse/Contractual Masse]</td>
</tr>
</tbody>
</table>

The Masse will act in part through a representative (the “Representative”) and in part through general meetings of the holders of Notes. The name and address of the initial Representative are [●] and of its alternate are [●]. The Representative(s) appointed in respect of the first Tranche of any Series of Notes will be the representative of the single Masse of all Tranches in such Series.

| **C.10** Derivative component in interest payments | Not applicable |
| **C.11** Listing and admission to trading | Notes of any particular Series may be listed and admitted to trading on Euronext Paris and/or on the official list (the “Official List”) of the Luxembourg Stock Exchange and/or on such other stock exchanges (whether a regulated market or not) as may be specified in the applicable Final Terms, or unlisted. The applicable Final Terms will state whether or not the relevant Notes are to be listed and, if so, on which stock exchange(s). |
### Issue specific summary:

[[Application has been made]/[Application is expected to be made] by the Issuer (or on its behalf) for the Notes to be listed and admitted to trading [on [Euronext Paris] / [the Official List of the Luxembourg Stock Exchange] / [●]] with effect from [●]/[Not applicable]

### C.21 Negotiation

**Market(s)**
The Notes may (or not) be listed and admitted to trading on Euronext Paris, on the Official List of the Luxembourg Stock Exchange or any other regulated market, as may be specified in the relevant Final Terms. The Base Prospectus will be published for the purposes of this or these regulated market(s).

**Issue Specific Summary**

[The Notes will be listed and admitted to trading on [Euronext Paris]/ [the Official List of the Luxembourg Stock Exchange] / [●].]/[Not applicable.]

### Section D – Risk Factors

**D.2 Key information on the key risks that are specific to the Issuer**

There are certain factors that may affect the Issuer’s ability to fulfill its obligations under the Notes. These risk factors are related to the Issuer, its operations, industry and its structure. These risk factors are not exhaustive.

The Group and its business are subject to various risks relating to changing competitive, economic, legal, political, social, industrial, business and financial conditions. Its operations and profit could be affected mainly by:

- Risk factors related to the Group’s business:
  - The worldwide markets for the Group’s products are competitive in terms of pricing, quality of products, systems and services, development and introduction time for new offers. The Group faces strong competitors, some of whom are larger or are developing in certain lower cost countries. It is also exposed, in particular in emerging markets, to fluctuations in economic growth cycles and to the respective levels of investments within the different countries in which it operates, as well as to political or social instability.
  - The growth and success of the Group’s products depend on its ability to develop new products and solutions and adapt to market and customer needs. Introducing new products, systems and services requires a significant commitment to research and development, which may not always lead to successful results and the Group’s revenue and margins may suffer if it invests in technologies that do not function as expected or are not accepted in the marketplace or if its products, systems or service offers are not brought to market in a timely manner, become obsolete or are not responsive to our customers’ requirements.
  - The Group’s strategy involves strengthening its positions through acquisitions, strategic alliances, joint ventures and mergers. External
growth transactions are inherently risky because of the difficulties that may arise in integrating people, operations, technologies and products, and the related acquisition, administrative and other costs.

- The future success of the Group depends in part on its ability to hire, assimilate and retain engineers, sales people and other qualified personnel, especially in the area of energy efficiency solutions, and competition for that type of highly qualified personnel is intense in the Group’s industry.

- Industrial and environmental risks
  - The Group’s products might not operate properly or might contain design faults or defects, which could give rise to disputes in respect of its liability as seller or manufacturer, leading to a loss of revenue, claims under warranty and legal proceedings. Such disputes could reduce demand for the Group’s products or harm their reputation for safety and quality.
  - The Group’s plants and products are subject to extensive and increasingly stringent environmental laws and regulations in the countries in which it operates. In addition to the cost of complying with those rules, it is possible that the Group be required to pay significant fines or compensation or incur significant other costs as a result of past, current or future breaches of environmental laws and regulations.

- Information systems risk
  - The Group operates, either directly or through service providers, a wide range of highly complex information systems, including servers, networks, applications and databases, that are essential to the efficiency of its sales and manufacturing processes. Failure of any of these hardware or software systems, a fulfillment failure by a service provider, human error or computer viruses could adversely affect the quality of service offered by the Group.

- Market risks
  - The Group is exposed to risks associated with the effect of changing interest rates.
  - The Group’s international operations expose it to currency exchange risk.
  - The Group is exposed to equity risk primarily due through its holdings of treasury shares.
  - The Group is exposed to fluctuations in energy and raw material prices, in particular steel, copper, aluminium, silver, lead, nickel, zinc and plastics.
  - The Group is exposed to counterparty risk and liquidity risk.
- Legal risks
  - The Group’s products are subject to varying national and international standards and regulations, including trade restrictions, tariffs, tax regimes and product safety standards. Changes to any of these regulations or standards or their applicability to the Group’s business could lead to lower sales or increased operating costs.
  - The Group’s future success depends to a significant extent on the development, protection and maintenance of its intellectual property rights. Third parties may also infringe its intellectual property rights, and the Group may have to expend significant resources monitoring, protecting and enforcing its rights. If the Group fails to protect or enforce its intellectual property rights, its competitive position and its business could suffer.

<table>
<thead>
<tr>
<th>D.3</th>
<th>Key information on the key risks that are specific to the Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>There are certain factors that may affect the Issuer’s ability to fulfil its obligations under the Notes issued under the Programme, including:</td>
</tr>
<tr>
<td></td>
<td>- General risks relating to the Notes such as:</td>
</tr>
<tr>
<td></td>
<td>- The trading market for debt securities may be volatile and may be adversely impacted by many events.;</td>
</tr>
<tr>
<td></td>
<td>- An active trading market for the Notes may not develop;</td>
</tr>
<tr>
<td></td>
<td>- The Notes may be redeemed prior to maturity;</td>
</tr>
<tr>
<td></td>
<td>- Any early redemption at the option of the Issuer, if provided for in any Final Terms for a particular issue of Notes, could cause the yield anticipated by Noteholders to be considerably less than anticipated;</td>
</tr>
<tr>
<td></td>
<td>- Investors will not be able to calculate in advance their rate of return on Floating Rate Notes;</td>
</tr>
<tr>
<td></td>
<td>- Exercise of a Change of Control Put Option in respect of certain Notes may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised;</td>
</tr>
<tr>
<td></td>
<td>- Zero Coupon Notes are subject to higher price fluctuations than non-discounted bonds;</td>
</tr>
<tr>
<td></td>
<td>- Exchange rates may significantly change and there is a risk that authorities with jurisdiction over the investor’s currency may impose or modify exchange controls ;;</td>
</tr>
<tr>
<td></td>
<td>- Taxation: Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions;</td>
</tr>
<tr>
<td></td>
<td>- The EU Savings Directive - If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld</td>
</tr>
</tbody>
</table>
from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax;

- Credit ratings may not reflect all risks;

- Change of law - No assurance can be given as to the impact of any possible judicial decision or change in French law or the official application or interpretation of French law after the date of this Base Prospectus;

- The draft EU Directive on Financial Transaction Tax has a very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

- Risks related to RMB Notes:

  - RMB is not freely convertible and the liquidity of the Notes denominated in RMB may be adversely affected;

  - RMB currency risk : As a result of the restrictions by the People’s Republic of China (“PRC”) government on cross-border RMB fund flows, the availability of RMB outside the PRC is limited.;

  - RMB exchange rate risk : The value of RMB against the Hong Kong dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors.

An investment in the Notes involves certain risks which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. While all of these risk factors are contingencies which may or may not occur, potential investors should be aware that the risks involved with investing in the Notes may lead to volatility and/or a decrease in the market value of the relevant Tranche of Notes whereby the market value falls short of the expectations (financial or otherwise) of an investor who has made an investment in such Notes.

However, each prospective investor in Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and conditions, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.
### Section E – Offer

| **E.2b** | **Reasons for the offer and use of proceeds** | The net proceeds of the issue of each Tranche of Notes will be used by the Issuer for its general corporate purposes unless otherwise specified in the relevant Final Terms.

**Issue Specific Summary**

[The net proceeds of the issue of the Notes will be used by the Issuer for its general corporate purposes./specify other]

| **E.3** | **Terms and conditions of the offer** | Notes may be offered to the public in France and/or in the Grand Duchy of Luxembourg in which the Base Prospectus has been passported, which shall be specified in the applicable Final Terms.

There are certain restrictions regarding the purchase, offer, sale and delivery of the Notes, or possession or distribution of the Base Prospectus, any other offering material or any Final Terms.

**Issue Specific Summary**

[Not applicable. The Notes are not offered to the public.]/

[The Notes are offered to the public in: [France]/[the Grand Duchy of Luxembourg] / [●]]

Offer Price: [Issue Price/Specify]

Conditions to which the offer is subject: [Not applicable/give details]

Offer Period (including any possible amendments): [●]

Description of the application process: [Not applicable/give details]

Details of the minimum and/or maximum amount of the application: [Not applicable/give details]

Manner in and date on which results of the offer are made public: [Not applicable/give details]

<p>| <strong>E.4</strong> | <strong>Interests of natural and legal persons</strong> | The relevant Final Terms will specify any interest of natural and legal persons involved in the issue of the Notes. |</p>
<table>
<thead>
<tr>
<th><strong>Issue Specific Summary</strong></th>
<th>[So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.] / [The Dealers will be paid an aggregate commission equal to [●] per cent. of the nominal amount of the Notes. So far as the Issuer is aware, no other person involved in the issue of the Notes has an interest material to the offer].</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>E.7 Estimated expenses charged to investor by the Issuer or the offeror</strong></td>
<td>The relevant Final Terms will specify as the case may be the estimated expenses applicable to any Tranche of Notes.</td>
</tr>
<tr>
<td><strong>Issue Specific Summary</strong></td>
<td>[Not applicable / The estimated expenses charged to the investor(s) amount to [●].]</td>
</tr>
</tbody>
</table>

Ce résumé est fourni dans le cadre de l'émission par l’Émetteur de Titres ayant une valeur nominale unitaire inférieure à 100.000 euros qui sont offerts au public ou admis à la négociation sur un marché réglementé de l'Espace Economique Européen (l’ « EEE »). Le résumé spécifique à ce type d'émission de Titres figurera en annexe des Conditions Définitives applicables et comprendra (i) les informations relatives au résumé du Prospectus de Base et (ii) les informations contenues dans les rubriques "résumé spécifique à l'émission" figurant ci-dessous.

<table>
<thead>
<tr>
<th>Section A - Introduction et avertissements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A.1 Avertissement général concernant le résumé</strong></td>
</tr>
<tr>
<td>Ce résumé doit être lu comme une introduction au présent Prospectus de Base. Toute décision d'investir dans les Titres doit être fondée sur un examen exhaustif du Prospectus de Base par les investisseurs, y compris les documents qui y sont incorporés par référence et tout supplément qui pourrait être publié à l’avenir. Lorsqu’une action concernant l'information contenue dans le présent Prospectus de Base est intentée devant un tribunal, le plaignant peut, selon la législation nationale de l’État Membre de l’EEE, avoir à supporter les frais de traduction de ce Prospectus de Base avant la début de la procédure judiciaire. Seule peut être engagée la responsabilité civile des personnes qui ont présenté le résumé ou la traduction de ce dernier, mais seulement si le contenu du résumé est trompeur, inexact ou contradictoire par rapport aux autres parties du Prospectus de Base ou s’il ne fournit pas, lu en combinaison avec les autres parties du Prospectus de Base, les informations clés permettant d'aider les investisseurs lorsqu’ils envisagent d'investir dans les Titres.</td>
</tr>
</tbody>
</table>


Les références dans le présent résumé aux « Agents Placeurs Permanents » sont aux personnes nommées ci-dessus en qualité d’Agents Placeurs (tels que définis ci-dessous), ainsi qu’aux personnes additionnelles qui seraient nommées comme agents placeurs pour les besoins du Programme en sa totalité (et il n’a pas été mis fin à une telle nomination) et les références aux « Agents Placeurs » couvrent tous les Agents Placeurs Permanents ainsi que toutes les personnes nommées en qualité d’agents placeurs pour les besoins d’une ou plusieurs Tranches.

Résumé spécifique à l’émission :


Les Modalités de l’Offre au Public devront être communiquées aux Investisseurs par l’Établissement Autorisé au moment de l’Offre au Public. Ni l’Émetteur ni aucun des Agents Placeurs ou des Établissements Autorisés ne sont responsables de cette information.]

[Sans objet]
**Section B – Émetteur**

<table>
<thead>
<tr>
<th></th>
<th>Raison sociale et nom commercial de l’Émetteur</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.1</td>
<td>SCHNEIDER ELECTRIC SA (la « Société » l’« Émetteur », ou « Schneider Electric », et, avec ses filiales consolidées, le « Groupe »).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Siège social et forme juridique de l’Émetteur, législation qui régit l’activité et le pays d’origine de l’Émetteur</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.2</td>
<td>Schneider Electric SA est une société anonyme française, immatriculée au Registre du commerce et des sociétés de Nanterre sous le numéro 542 048 574. Son siège social est situé au 35, rue Joseph Monier, 92500 Rueil-Malmaison, France. Outre la France, qui est le pays où a été constituée la Société, l’Émetteur est présent dans plus de 100 pays et ses activités sont donc soumises à la législation française et à la législation de ces pays.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Description de toutes les tendances connues l’ayant des répercussions sur l’Émetteur et ses secteurs d’activité</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.4b</td>
<td>Schneider Electric s’attend à ce que l’environnement économique reste contrasté en 2013, avec des défis persistants en Europe de l’Ouest, des opportunités d’accélération dans les nouvelles économies et une reprise modérée en Amérique du Nord.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Description du groupe de l’Émetteur et de la position de l’Émetteur au sein de son groupe</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.5</td>
<td>L’Émetteur est la société holding du Groupe. Le Groupe offre des produits et solutions (systèmes, logiciels, services) afin de rendre l’énergie sûre, fiable, efficace, productive et verte. Spécialiste mondial de la gestion de l’énergie, présent dans plus de 100 pays, le Groupe bénéficie de position de leaders dans les cinq marchés sur lesquels il opère: les régies et infrastructures ; les industries et constructeurs de machines ; les centres de données; les bâtiments résidentiels ainsi que non résidentiels.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Prévision ou estimation du bénéfice</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.9</td>
<td>Sans objet.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Réserves contenues dans le rapport des commissaires aux comptes</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.10</td>
<td>Sans objet.</td>
</tr>
</tbody>
</table>
Les informations financières historiques consolidées sélectionnées présentées ci-dessous sont issues des comptes consolidés de Schneider Electric et les notes associées pour les exercices clos les 31 décembre 2012 et 2011 préparés conformément aux normes IFRS.

<table>
<thead>
<tr>
<th>En millions d'euros, sauf les données par action et les autres informations</th>
<th>31/12/2012</th>
<th>31/12/2011&lt;sup&gt;(1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compte de résultat consolidé</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chiffre d’affaires</td>
<td>23 946</td>
<td>22 345</td>
</tr>
<tr>
<td>Résultat net part du Groupe</td>
<td>1 840</td>
<td>1 793</td>
</tr>
<tr>
<td>Résultat net par action:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Avant dilution</td>
<td>3,39</td>
<td>3,34</td>
</tr>
<tr>
<td>Après dilution</td>
<td>3,36</td>
<td>3,30</td>
</tr>
<tr>
<td>Bilan consolidé</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actif total</td>
<td>36 156</td>
<td>35 828</td>
</tr>
<tr>
<td>Capitaux propres</td>
<td>16 642</td>
<td>15 853</td>
</tr>
<tr>
<td>Autres informations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nombre d’actions en circulation</td>
<td>555 417 014</td>
<td>548 943 024</td>
</tr>
<tr>
<td>Dividende par action</td>
<td>1,87</td>
<td>1,70</td>
</tr>
</tbody>
</table>

(1) Les informations financières pour l’exercice clos le 31 décembre 2011 ont été retraitées.


**B.13  Evénement récent propre à l’Emetteur et présentant un intérêt significatif pour l’évaluation de sa solvabilité**

Chiffre d’affaires du premier trimestre 2013 de 5,2 milliards d’euros

- Amélioration séquentielle de l’Asie-Pacifique, la Chine passe en positif
- Conditions de marché toujours difficiles en Europe de l'Ouest
- Performance contrastée en Amérique du Nord, avec des tendances sous-jacentes positives, mais pénalisée par des éléments non récurrents et une base de comparaison élevée
- CA Groupe en baisse organique de 2,7%, essentiellement en raison d’un nombre plus faible de jours ouvrés
- Croissance organique des nouvelles économies 8 points au-dessus de celle des pays matures
- Services en hausse organique de 3%, surpassant de 7 points le reste
Schneider Electric enregistre un chiffre d’affaires de 5 211 millions d’euros pour le premier trimestre 2013, en baisse de 3,7% par rapport au premier trimestre 2012. La croissance organique est en baisse de 2,7%, le nombre plus faible de jours ouvrés sur la période comptant pour près de 1,6% de cette baisse.

Le chiffre d’affaires par activité se répartit comme suit :

<table>
<thead>
<tr>
<th>En millions d’euros</th>
<th>T1 2013</th>
<th>Croissance organique</th>
<th>Variation du périmètre de consolidation</th>
<th>Effet de change</th>
<th>Croissance courante</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner</td>
<td>1 930</td>
<td>-3.3%</td>
<td>+0.3%</td>
<td>-1.2%</td>
<td>-4.2%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>1 110</td>
<td>+1.0%</td>
<td>+2.1%</td>
<td>-1.0%</td>
<td>+2.1%</td>
</tr>
<tr>
<td>Industry</td>
<td>1 011</td>
<td>-3.6%</td>
<td>-0.9%</td>
<td>-1.6%</td>
<td>-6.1%</td>
</tr>
<tr>
<td>IT</td>
<td>793</td>
<td>-2.4%</td>
<td>-0.5%</td>
<td>-2.2%</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Buildings</td>
<td>367</td>
<td>-8.1%</td>
<td>+1.2%</td>
<td>-0.7%</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Group</td>
<td>5,211</td>
<td>-2.7%</td>
<td>+0.3%</td>
<td>-1.3%</td>
<td>-3.7%</td>
</tr>
</tbody>
</table>


Bien que la visibilité reste limitée, ces tendances sont en ligne avec les attentes de début d’année et le Groupe confirme donc ses perspectives pour 2013.

B.14 Degré de dépendance de l’Émetteur à l’égard d’autres entités de son Groupe

La société holding du Groupe, l’Emetteur, n’exerce pas d’activités opérationnelles et dépend donc de ses filiales pour la génération de ses cash flows.

B.15 Principales activités de l’Émetteur

Le Groupe opère sur cinq grands marchés : les régies et infrastructures, les industries et constructeurs de machines, les centres de données et réseaux, les bâtiments résidentiels ainsi que non résidentiels.

Les activités du Groupe sont organisées de la façon suivante:
L’activité Partner
L’activité Partner inclut les technologies basse tension et renouvelables et est responsable de la fourniture de solutions intégrées (c’est-à-dire combinant plusieurs des domaines technologiques du Groupe) pour les marchés finaux résidentiel et marine.

Le groupe d’activités End User

L’activité Industry
L’activité Industry inclut les technologies d’automatismes et de contrôle industriels et est responsable de la fourniture de solutions intégrées pour les marchés finaux constructeurs de machines, traitement de l’eau, mines, minéraux et métaux.

L’activité IT
L’activité IT inclut les technologies d’énergie sécurisée et de refroidissement pour les centres de données et est responsable de la fourniture de solutions intégrées pour les marchés finaux centres de données et services financiers.

L’activité Infrastructure
L’activité Infrastructure inclut les technologies moyenne tension et automatismes du réseau et est responsable de la fourniture de solutions intégrées pour les marchés finaux pétrole et gaz et régies électriques.

L’activité Buildings
L’activité Buildings inclut les technologies d’automatismes et de sécurité du bâtiment et est responsable de la fourniture de solutions intégrées pour les marchés finaux hôtels, hôpitaux, bureaux et commerces.

B.16 Entité(s) ou personne(s) détenant ou contrôlant directement ou indirectement l’Émetteur
Sans objet.

B.17 Notation assignée à l’Émetteur ou à ses titres d'emprunt

La notation (le cas échéant) des Titres sera indiquée dans les Conditions Définitives.

Une notation n’est pas une recommandation d’achat, de vente ou de détention de titres et peut, à tout moment, être suspendue, modifiée, ou retirée par l’agence de notation concernée.

Résumé spécifique à l’émission :
Notation de crédit :

[Sans objet/Les Titres qui seront émis [ont été/devraient être] notées :

[●] par [●]

[●]

Section C – Valeurs mobilières

C.1 Nature, catégorie et numéro d'identification des Titres

Jusqu'à 7.500.000.000 euros (ou la contre-valeur de ce montant dans d'autres devises à la date de l'émission) représentant le montant nominal total des Titres en circulation à tout moment dans le cadre du Programme d'Euro Medium Term Notes arrêté par BNP Paribas (le « Programme »).

Les Titres peuvent être émis sur une base syndiquée ou non syndiquée. Les Titres seront émis par souche (dénommée chacune « Souche ») à une même date ou à des dates d'émissions différentes et seront à tous autres égards identiques, les Titres d’une même Souche étant supposés être fongibles entre eux ou identiques à tous égards (à l’exception du premier paiement d’intérêts, de la date d’émission, du prix d’émission et du montant nominal). Chaque Souche pourra être émise par tranches (dénommées chacunes « Tranche ») aux mêmes dates d'émission ou à des dates d'émission différentes. Les conditions particulières de chaque Tranche (qui seront complétées, si nécessaire, par des conditions complémentaires et qui, sauf en ce qui concerne la date d'émission, le prix d'émission, le premier paiement d'intérêts et le montant nominal de la Tranche, seront identiques aux conditions des autres Tranches de la même Souche) seront indiquées dans les Conditions Définitives jointes au présent Prospectus de Base (les « Conditions Définitives »).

Les Titres pourront être émis sous forme de titres dématérialisés (« Titres Dématérialisés ») ou matérielisés (« Titres Matérialisés »).


Un numéro d'identification des Titres (Code ISIN) et un code commun seront indiqués dans les Conditions Définitives applicables.

Résumé spécifique à l'émission :

Souche N° : [●]
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tranche N° :</td>
<td>[●]</td>
</tr>
<tr>
<td>Montant nominal total :</td>
<td>[●]</td>
</tr>
<tr>
<td>Souche :</td>
<td>[●]</td>
</tr>
<tr>
<td>Tranche :</td>
<td>[●]</td>
</tr>
<tr>
<td>Forme des Titres :</td>
<td>[Titres Matérialisés/Titres Dématérialisés]</td>
</tr>
<tr>
<td></td>
<td>[Si les Titres sont des Titres Dématérialisés : Les Titres Dématérialisés sont des Titres au porteur / au nominatif.]</td>
</tr>
<tr>
<td></td>
<td>[Si les Titres sont des Titres Matérialisés : Les Titres Matérialisés sont des Titres au porteur uniquement]</td>
</tr>
<tr>
<td>Code ISIN :</td>
<td>[●]</td>
</tr>
<tr>
<td>Code commun :</td>
<td>[●]</td>
</tr>
<tr>
<td>Dépositaire Central :</td>
<td>[●]</td>
</tr>
<tr>
<td>Tout système de compensation autre qu’Euroclear Bank S.A./N.V. et Clearstream Banking, société anonyme et les numéros d’identification applicables :</td>
<td>[Sans objet]/[donner le(s) nom(s) et le(s) numéro(s) [et le(s) adresse(s)]]</td>
</tr>
</tbody>
</table>

### C.2 Devises des Titres

Les Titres peuvent être émis en toute devise qui pourrait être convenue entre l’Emetteur et les Agents Placeurs concernés notamment, en euro, franc suisse, dollar américain, livre sterling, yen japonais et yuan chinois (« RMB »).

**Résumé spécifique à l’émission :**

La devise des Titres est : [●]

### C.5 Description de toute restriction imposée à la libre négociabilité des Titres

Sous réserve de certaines restrictions relatives à l'achat, l'offre, la vente et la livraison des Titres et à la possession ou distribution du Prospectus de Base, de tout autre document d'offre ou de toutes Conditions Définitives, il n’existe pas de restriction imposée à la libre négociabilité des Titres.

### C.8 Description des droits attachés aux Titres

- **Prix d’émission**

Les Titres peuvent être émis à leur valeur nominale ou avec une décote ou une prime par rapport à leur valeur nominale.

- **Valeur nominale unitaire**

Les Titres auront la valeur nominale indiquée dans les Conditions Définitives correspondantes.

Les Titres auront la ou les valeur(s) nominale(s) convenue(s) entre l’Emetteur et l’Agent Placeur concerné sauf pour la valeur nominale minimale de tout Titre admis à la négociation sur un marché réglementé, ou offert au public dans un Etat membre de l’EEE dans des circonstances exigeant la publication d’un prospectus en vertu de la Directive Prospectus, qui est fixée à 1.000 euros au
moins (ou, leur contre-valeur dans toute autre devise).

- **Rang de créance des Titres**

Les Titres constitueront des engagements directs, non subordonnés et non-assortis de sûreté de l’Emetteur et, bénéficieront d’une clause de maintien de l’emprunt à son rang ainsi que des cas de défaut décrits dans les « Modalités des Titres ».

- **Maintien de l’emprunt à son rang**

Tant que les Titres ou, le cas échéant, les coupons attachés aux Titres seront en circulation, l’Emetteur ne constituera pas ou ne laissera pas subsister et s’assurera qu’aucune de ses filiales principales ne constituera ou ne laissera subsister, d’hypothèque, de gage, de nantissement, ou toute autre sûreté réelle ("Sûreté") sur l’un quelconque de leurs actifs ou revenus respectifs, présents ou futurs, aux fins de garantir (i) tout Dette Concernée ou (ii) toute garantie ou engagement d’indemnisation relatif à toute Dette Concernée, à moins qu’au même moment ou au préalable, les obligations de l’Emetteur découlant des Titres ne bénéficient d’une sûreté équivalente et de même rang, à l’exception de toute Sûreté constituée par l’Emetteur sur toute action acquise par ce dernier dans toute société qui aurait pour conséquence que cette société devienne une filiale détenue en majorité par l’Emetteur à la suite de l’émission de Titres pour le seul besoin du financement de cette acquisition et de la garantie du montant principal n’excédant le coût de cette acquisition.

- « **Dette Concernée** » signifie toute dette d’emprunt, qu’elle soit présente ou future, relative à un emprunt d’argent dans la forme de, ou représenté par, des obligations cotées ou négociées ou susceptibles d’être cotées ou négociées sur toute bourse de valeurs, tout marché de gré à gré ou tout autre marché de titres.

- **Cas de défaut, y compris le défaut croisé**

Les Titres peuvent devenir immédiatement échus et exigibles par le porteur en raison de la survenance de certains cas de défaut tels que le défaut de paiement des sommes dues en vertu des Titres à leur date d’échéance, le manquement à une quelconque obligation se rapportant aux Titres, ou la faillite (ou autre procédure équivalente) de l’Emetteur.

- **Retenue à la source**

Tous les paiements de principal, d’intérêts et autres revenus effectués par ou pour le compte de l’Emetteur en vertu des Titres devront l’être nets de toute retenue à la source ou prélèvement, de tous taxes, droits, impôts ou prélèvements de toute nature, imposés, levés, collectés ou retenus à la source par l’Etat français ou sur le territoire français ou par toute autorité de cet Etat ayant le pouvoir de lever l’impôt, à moins que cette retenue à la source ou ce prélèvement ne soit exigé par la loi.

- **Droit applicable**

Droit français.

**Résumé spécifique à l’émission** :

Prix d’Émission : [●] % du Montant Nominal Total [majoré des intérêts courus à compter de [insérer la date] (si applicable)].
C.9 | Intérêts, échéance et modalités de remboursement, rendement et représentation des porteurs des Titres
---|---

Valeur Nominale Unitaire : [●]

- **Périodes d'intérêt et taux d'intérêts**
  La durée des périodes d'intérêts des Titres et le taux d'intérêt applicable ou sa méthode de calcul pourront être constants ou varier au cours du temps pour chaque Souche. Les Titres pourront avoir un taux d'intérêt maximum, un taux d'intérêt minimum, ou les deux. Ces informations seront prévues dans les Conditions Définitives concernées.

- **Titres à Taux Fixe**
  Les coupons fixes seront payables à terme échu chaque année à la date ou aux dates de chaque année prévues dans les Conditions Définitives.

- **Titres à Taux Variable**
  Les Titres à Taux Variable porteront intérêt déterminé de façon différente pour chaque Souche, comme suit:

  (i) sur la même base que le taux variable applicable à une operation d'échange de taux d'intérêt notionnel dans la Devise Prévue concernée, conformément à un contrat incluant les Définitions ISDA 2006 telles que publiées par l’International Swaps and Derivatives Association, Inc. ; ou

  (ii) par référence au LIBOR ou EURIBOR dans les deux cas, tels qu’ajustés des marges applicables.

- **Titres à Coupon Zéro**
  Les Titres à Coupon Zéro peuvent être émis à leur valeur nominale ou avec décote et ne porteront pas intérêt.

- **Échéances**
  Sous réserve du respect de toutes lois, réglementations et directives applicables, toute échéance égale ou supérieure à 7 jours calendaires.

- **Remboursement**
  Les Conditions Définitives concernées définiront la base de calcul des montants de remboursement dus.

- **Option de Remboursement**
  Les Conditions Définitives préparées à l’occasion de chaque émission de Titres indiqueront si ceux-ci peuvent être remboursés avant la date d’échéance prévue au gré de l’Émetteur et/ou des porteurs de Titres (en totalité ou en partie) et, si tel est le cas, les modalités applicables à ce remboursement.

  Si une option de remboursement en cas de changement de contrôle est prévue dans les Conditions Définitives concernées, en cas de changement de contrôle, les porteur de Titres pourront demander à l’Émetteur le remboursement des Titres, ou au gré de l’Émetteur, obtenir le rachat de leurs Titres.

- **Remboursement anticipé**
  Excepté dans les conditions prévues dans le paragraphe “Option de Remboursement” ci-dessus, les Titres seront remboursables avant échéance au gré de l’Émetteur uniquement pour des raisons fiscales.

- **Rendement**
  Les Conditions Définitives de chaque émission de Titres à Taux Fixe
préciseront le rendement des Titres.

- **Représentation des porteurs des Titres**

En ce qui concerne la représentation des porteurs de Titres, les règles suivantes s’appliqueront:

(a) Si les Titres sont émis en France, les Conditions Définitives concernées stipuleront qu’une « Masse Complète » sera constituée et que les porteurs de Titres seront groupés, au titre de toutes les Tranches d’une même Souche, pour la défense de leurs intérêts communs en une masse (la « Masse ») et les dispositions du Code de commerce relatives à la Masse s’appliqueront ; et

(b) Si les Titres sont émis hors de France pour les besoins de l’article L.288-90 du Code de commerce, les Conditions Définitives concernées stipuleront qu’une « Masse Contractuelle » sera constituée et que les porteurs de Titres seront groupés automatiquement, au titre de toutes les Tranches d’une même Souche, pour la défense de leurs intérêts communs en une Masse. La Masse sera régie par les dispositions du Code de commerce, à l’exception des articles L. 228-48, L. 228-59, R.228-63, R.228-67 et R.228-69.

Si les Conditions Définitives indiquent que les stipulations des paragraphes (a) ou (b) ci-dessus sont applicables, la Masse agira en partie par l’intermédiaire d’un représentant (le « **Représentant** ») et en partie par l’intermédiaire d’une assemblée générale des porteurs de titres. Les noms et adresses du Représentant initial et de son suppléant seront précisés dans les Conditions Définitives concernées. Le Représentant désigné dans le cadre de la première Tranche d’une Souche sera le représentant de la Masse unique de toutes les autres Tranches de cette Souche.

**Résumé spécifique à l’émission :**

<table>
<thead>
<tr>
<th>Base(s) d’Intérêt :</th>
<th>[Taux Fixe [●]%]</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>[Taux Variable [●] +/- [●]%]</td>
</tr>
<tr>
<td></td>
<td>[Taux Fixe/Variable]</td>
</tr>
<tr>
<td></td>
<td>[Coupon Zéro]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date de Commencement des Intérêts :</th>
<th>[Préciser/Date d'Émission/Sans objet]</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Date d'échéance :</th>
<th>[Préciser <em>(pour les Titres à Taux Variable)</em> la Date de Paiement des Intérêts tombant le ou le plus près du mois et de l'année concernés]</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Montant de Remboursement Final de chaque Titre :</th>
<th>[●] par Titre d’une Valeur Nominale Unitaire de [●]</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Option de Remboursement :</th>
<th>[Applicable] / [Sans objet]</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Montant de Remboursement Optionnel :</th>
<th>[Applicable : [●] par Titre d'une Valeur Nominale Unitaire de [●] / [Sans objet]]</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Montant de Remboursement Anticipé :</th>
<th>[Applicable : [●] par Titre d'une Valeur Nominale Unitaire de [●] / [Sans objet]]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>C.10</td>
<td>Paiement des intérêts liés à un (des) instrument(s) dérivé(s)</td>
</tr>
</tbody>
</table>
| C.11    | Cotation et admission à la négociation | Les Titres d’une quelconque Souche peuvent être cotés et admis aux négociations sur Euronext Paris et/ou sur la liste officielle (la « Liste Officielle » de la Bourse de Luxembourg et/ou sur tout autre marché (réglementé ou non) mentionné dans les Conditions Définitives ou peuvent ne pas être cotés. Les Conditions Définitives concernées indiqueront si les Titres seront cotés ou non et mentionneront le cas échéant sur quel(s) marché(s). Résumé spécifique à l’émission :
[[Une demande a été faite]/[Une demande doit être faite] par l’Émetteur (ou au nom et pour le compte de l’Émetteur) en vue de la cotation et de l’admission des Titres aux négociations sur [[[Euronext Paris] /[la Liste Officielle de la Bourse de Luxembourg] / [●] à compter de [●]] / [Sans objet]] |
| C.21    | Marchés de négociation | Les Titres pourront (ou non) être cotés et admis aux négociations sur Euronext Paris, la Liste Officielle de la Bourse de Luxembourg ou tout autre marché réglementé, tel que précisé dans les Conditions Définitives applicables. Le Prospectus de Base sera publié à l’intention du ou des marchés réglementés ainsi désignés. Résumé spécifique à l’émission :

**Section D – Facteurs de Risque**

<table>
<thead>
<tr>
<th>D.2</th>
<th>Informations clés sur les principaux</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Certains facteurs sont susceptibles d’affecter la capacité de l’Émetteur à remplir ses obligations découlant des Titres. Ces risques sont liés à l’Émetteur, à ses activités, son secteur et sa structure. Ces facteurs de risque ne sont pas</td>
</tr>
</tbody>
</table>
| risques propres à l'Émetteur | exhaustifs.
Le Groupe et ses activités sont soumis à différents risques liés aux changements dans les circonstances concurrentielles, économiques, juridiques, politiques, sociales, industrielles, commerciales et financières. Ses activités et son résultat pourraient être affectés principalement par :

- Risques opérationnels :
  - Les marchés sur lesquels les produits du Groupe sont commercialisés dans le monde se caractérisent par une forte concurrence sur les prix, la qualité de l’offre, les délais de développement et de mise sur le marché et le service client. Cette concurrence est exercée par des entreprises d’une taille parfois plus importante ou qui se développent dans des pays à bas coûts. Le Groupe est également exposé, en particulier dans les pays émergents, aux fluctuations des cycles de croissance économique et aux niveaux respectifs d’investissements des différents pays dans lesquels il est présent, ainsi qu’à l’instabilité politique ou sociale.
  - Le développement et le succès des produits du Groupe dépendent de sa capacité à concevoir de nouveaux produits et services et à s’adapter aux marchés et aux besoins de ses clients. Introduire de nouveaux produits, systèmes et services implique des investissements importants en recherche et développement, à l’issue parfois incertaine et le chiffre d’affaires et les marges du Groupe peuvent reculer s’il investit dans des technologies qui n’apportent pas le résultat escompté ou sont mal accueillies par le marché, si ses produits, systèmes ou services ne sont pas mis sur le marché au moment opportun, sont frappés d’obsolescence ou ne répondent pas aux besoins de ses clients.
  - La stratégie du Groupe implique un renforcement de ses positions par le biais d’acquisitions, d’alliances stratégiques, de joint-ventures et de fusions. Ce type d’opérations comporte des risques inhérents aux difficultés potentielles rencontrées lors de l’intégration du personnel, des activités, des technologies et des produits, ainsi que des coûts (d’acquisitions, administratifs ou autres) associés.
  - La réussite future du Groupe dépend en partie de sa capacité à recruter, intégrer et conserver ses ingénieurs, commerciaux et autres collaborateurs qualifiés, notamment dans le domaine des solutions d’efficacité énergétique, et la concurrence pour attirer du personnel très qualifié de ce type est intense dans le secteur d’activité du Groupe.
- Risques industriels et environnementaux
  - Les produits du Groupe peuvent présenter des risques de dysfonctionnements, d’erreurs ou de défauts, susceptibles de donner lieu à des litiges engageant sa responsabilité soit de vendeur, soit de fabricant, d’entraîner une perte de chiffre d’affaires, des réclamations au titre de la garantie, ainsi que des procédures juridiques. Ces contentieux pourraient entraîner une baisse de la demande pour les produits du Groupe et nuire à leur réputation de qualité et de sécurité.
Dans tous les pays où il est présent, les sites et les produits du Groupe sont soumis au respect des exigences exhaustives et de plus en plus strictes des lois et réglementations en matière de protection de l’environnement. Outre les coûts résultant de l’application de ces règles, il ne peut être exclu que le Groupe soit tenu de payer des amendes ou dommages et intérêts d’un montant significatif ou doivent engager d’autres dépenses significatives au titre de violations passées, présentes ou futures des lois et réglementations environnementales.

- Risques liés aux systèmes d’information
 - Le Groupe exploite, directement ou par l’intermédiaire de prestataires, des systèmes d’information multiples et très complexes (serveurs, réseaux, applications, bases de données, etc.), indispensables à la bonne conduite de son activité commerciale et industrielle. Une défaillance de l’un de ces systèmes (matériel ou logiciel), ou de l’un des prestataires, des erreurs humaines ou encore des virus informatiques pourraient influer sur la qualité de service du Groupe.

- Risques de marché
 - Le Groupe est exposé aux risques liés à l’évolution des taux d’intérêt.
 - La présence internationale du Groupe l’expose au risque de change.
 - L’exposition du Groupe au risque des marchés actions est essentiellement liée aux actions Schneider Electric S. A. autodétenues.
 - Le Groupe est exposé au risque de contrepartie et au risque de liquidité.

- Risques juridiques
 - Commercialisés dans le monde entier, les produits du Groupe sont soumis à la réglementation de chaque marché national mais également des règlements supranationaux (restrictions commerciales, barrières douanières, régimes fiscaux et normes de sécurité…). Toute modification de ces réglementations ou de ces normes ou de leurs conditions d’application à l’activité du Groupe est susceptible de se traduire par une baisse des ventes ou une augmentation des coûts d’exploitation.
 - Le développement et la protection des droits de propriété intellectuelle du Groupe jouent un rôle déterminant dans sa réussite future. En cas de violation de ses droits de propriété intellectuelle par des tiers, le Groupe pourrait être dans l’obligation de mobiliser des ressources importantes pour contrôler, protéger et faire valoir ses droits. L’absence de mesure de protection pourrait mettre en péril l’avantage
<table>
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<tr>
<th><strong>D.3</strong></th>
<th><strong>Informations clés sur les principaux risques propres aux Titres</strong></th>
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<tbody>
<tr>
<td></td>
<td>Certains facteurs sont susceptibles d'affecter la capacité de l’Emetteur à remplir ses obligations relatives aux Titres devant être émis en vertu du Programme :</td>
</tr>
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<td></td>
<td>- Risques généraux liés aux Titres tels que :</td>
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<td></td>
<td>- Le marché de négociation peut être volatile et peut être affecté de manière négative par de nombreux événements ;</td>
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<td>- Un marché de négociation liquide pour les Titres pourrait ne pas se développer ;</td>
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<td>- Les Titres peuvent être remboursés avant leur échéance ;</td>
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<td>- S’il a été prévu un remboursement anticipé au gré de l’Emetteur dans les Conditions Définitives pour une émission de Titres donnée, le rendement anticipé par les Porteurs de Titres pourrait être considérablement moins élevé que le montant attendu ;</td>
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<td>- Les Investisseurs ne seront pas en mesure de calculer par avance leur taux de rendement se rapportant aux Titres à Taux Variable ;</td>
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<td></td>
<td>- L’exercice d’une option de remboursement en cas de changement de contrôle se rapportant à certains Titres pourrait affecter la liquidité des Titres de la Souche pour lesquels cette option n’est pas exercée ;</td>
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<td>- Les Titres à coupon zéro sont soumis à des fluctuations de prix plus importantes que celles des obligations sans décote ;</td>
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<td></td>
<td>- Les taux de change peuvent évoluer de manière significative et il existe un risque que les autorités ayant compétence sur la devise de l’investisseur puissent imposer ou modifier des contrôles de change ;</td>
</tr>
<tr>
<td></td>
<td>- Fiscalité : Les acheteurs et vendeurs potentiels de Titres devraient être avertis qu’ils pourraient être tenus de payer des impôts ou autres taxes ou droits conformément aux lois et pratiques du pays où les Titres sont transférés ou autres juridictions ;</td>
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<td></td>
<td>- La directive européenne en matière de fiscalité des revenus de l’épargne sous forme de paiements d'intérêts – si un paiement devait être effectué ou collecté au sein d’un État Membre qui a opté pour un système de retenue à la source et qu’un montant devait être retenu sur ce paiement en tant qu’impôt, ni l’Emetteur ni aucun agent payeur, ni aucune autre personne ne sera tenu de payer des montants additionnels afférents aux Titres du fait de l’application de cette retenue ou de ce prélèvement à la source ;</td>
</tr>
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<td></td>
<td>- Les notations peuvent ne pas refléter tous les risques ;</td>
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<td></td>
<td>- Un changement du droit applicable - aucune assurance ne peut être donnée quant à l’impact d’une décision de justice ou d’une modification de la législation française ou d’un changement dans l’application ou l’interprétation de la législation française postérieur à la date du présent Prospectus de Base ;</td>
</tr>
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</table>
- La proposition de directive européenne relative à la taxe sur les transactions financières a un champ d’application large et pourrait, si elle était introduite dans son format actuel, s’appliquer à certaines opérations de Titres (notamment les transactions du marché secondaire) dans certaines circonstances;

- Risques relatifs aux Titres libellés en RMB :
  - Le RMB n’est pas librement convertible et la liquidité des Titres libellés en RMB pourrait en être négativement affectée ;
  - Risque de devises RMB: Du fait des restrictions imposées par le gouvernement de la République populaire de Chine (« RPC ») sur les flux financiers RMB transfrontières, la disponibilité du RMB à l’extérieur de la RPC est limitée;
  - Risque de taux de change RMB : La valeur du RMB contre le dollar de Hong Kong et autres devises étrangères fluctue et est affectée par les changements des conditions politiques internationales et économiques et par de nombreux autres facteurs.

Un investissement dans les Titres comporte certains risques qui sont importants dans l'évaluation des risques de marché associés aux Titres émis dans le cadre du Programme. Même si tous ces risques constituent des éventualités susceptibles ou non de se produire, les investisseurs potentiels doivent savoir que les risques encourus en investissant dans des Titres peuvent aboutir à une volatilité et/ou une diminution de la valeur de marché de la Tranche de Titres concernée pour laquelle la valeur de marché ne correspond plus aux attentes (financières ou autres) d'un investisseur qui a souscrit ces Titres.

Toutefois, chaque investisseur potentiel dans les Titres doit déterminer en se fondant sur son propre jugement et en faisant appel à des conseils professionnels s'il le juge nécessaire, si l'acquisition de Titres est adaptée à ses besoins financiers, ses objectifs et ses conditions, si cette acquisition est conforme et compatible avec toutes les politiques d'investissement, les directives et restrictions qui lui sont applicables et s'il s'agit d'un investissement qui lui convient, malgré les risques évidents et substantiels inhérents à l'investissement et à la détention de Titres.

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**Section E – Offre**

<table>
<thead>
<tr>
<th>E.2b</th>
<th>Raisons de l'offre et utilisation du produit de l'offre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Le produit net de l’émission de chaque Tranche de Titres sera utilisé par l’Émetteur pour ses besoins généraux sauf indication contraire dans les Conditions Définitives concernées.</td>
</tr>
</tbody>
</table>

**Résumé spécifique à l’émission :**

[Le produit net de l’émission des Titres sera utilisé par l’Émetteur pour ses besoins généraux /préciser autre]

<table>
<thead>
<tr>
<th>E.3</th>
<th>Modalités et conditions de l'offre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Les Titres pourront être offerts au public en France et/ou au Grand-Duché de Luxembourg, où le Prospectus de Base a été passeporté, ce qui sera spécifié dans les Conditions Définitives applicables.</td>
</tr>
</tbody>
</table>
Il existe certaines restrictions concernant l'achat, l'offre, la vente et la livraison des Titres ainsi qu'à la possession ou la distribution du Prospectus de Base ou de tout autre document d'offre ou des Conditions Définitives.

A l'exception de la section A.2 ci-dessus, ni l'Emetteur ni aucun des Agents Placeurs n'a autorisé une quelconque personne à faire une Offre au Public en aucune circonstance et aucune autre personne n'est autorisée à utiliser le Prospectus dans le cadre de ses propres offres de Titres. De telles offres ne seraient pas faites au nom de l'Emetteur ni par aucun des Agents Placeurs ou des Etablissements Autorisés et ni l'Emetteur ni aucun des Agents Placeurs ou des Etablissements Autorisés n'est responsable des actes de toute personne procédant à ces offres.

**Résumé spécifique à l'émission :**

[Sans objet, les Titres ne font pas l'objet d'une offre au public.]

Les Titres sont offerts au public [en France] /[au Grand-Duché de Luxembourg]

| Prix d'Offre : | [●] |
| Conditions auxquelles l'Offre est soumise : | [Sans objet/●] |
| Période d'Offre (y compris les modifications possibles) : | [●] |
| Description de la procédure de demande de souscription : | [Sans objet/●] |
| Informations sur le montant minimum et/ou maximum de souscription : | [Sans objet/●] |
| Modalités et date de publication des résultats de l'Offre : | [Sans objet/●] |

### E.4 Intérêts des personnes morales ou physiques impliquées dans l'émission des Titres

Les Conditions Définitives concernées précisent les intérêts des personnes morales ou physiques impliquées dans l'émission des Titres.

**Résumé spécifique à l'émission :**

[A la connaissance de l'Émetteur, aucune personne participant à l'émission de Titres n'y a d'intérêt significatif.]

Les Agents Placeurs percevront une commission d'un montant de [●]% du montant en principal des Titres. A la connaissance de l'Émetteur, aucune autre personne participant à l'émission de Titres n'y a d'intérêt significatif.

### E.7 Estimation des dépenses mises à la charge de l'investisseur par l'Émetteur ou l'offreur

Les Conditions Définitives concernées précisent le cas échéant les estimations des dépenses pour toute Tranche de Titres.

**Résumé spécifique à l'émission :**

[Sans objet / Les dépenses mises à la charge de l'investisseur sont estimées à [●].]
CONDITIONS ATTACHED TO THE CONSENT OF THE ISSUER TO USE THE PROSPECTUS

In the context of any offer of Notes in France and/or in the Grand Duchy of Luxembourg (the “Public Offer Jurisdictions”) that is not within an exemption from the requirement to publish a prospectus under the Prospectus Directive, as amended, (a “Public Offer”), the Issuer consents to the use of this Base Prospectus and the relevant Final Terms (together, the “Prospectus”) in connection with a Public Offer of any Notes during the offer period specified in the relevant Final Terms (the “Offer Period”) and in the Public Offer Jurisdiction(s) specified in the relevant Final Terms by:

(1) subject to the conditions set out in the relevant Final Terms, any financial intermediary designated in such Final Terms; or

(2) if so specified in the relevant Final Terms, any financial intermediary which satisfies the following conditions: (a) acts in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the “Rules”), from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential investor; (b) complies with the restrictions set out under “Subscription and Sale” in this Base Prospectus which would apply as if it were a Dealer; (c) ensures that any fee (and any commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Notes is fully and clearly disclosed to investors or potential investors; (d) holds all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules; (e) retains investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested, make such records available to the relevant Dealer(s) and the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Dealer(s) in order to enable the Issuer and/or the relevant Dealer(s) to comply with anti-money laundering, anti-bribery and “know your client” rules applicable to the Issuer and/or the relevant Dealer(s); (f) does not, directly or indirectly, cause the Issuer or the relevant Dealer(s) to breach any Rule or any requirement to obtain or make any filing, authorisation or consent in any jurisdiction; and (g) satisfies any further conditions specified in the relevant Final Terms (in each case an “Authorised Offeror”). For the avoidance of doubt, none of the Dealers or the Issuer shall have any obligation to ensure that an Authorised Offeror complies with applicable laws and regulations and shall therefore have no liability in this respect.

The Issuer accepts responsibility, in the Public Offer Jurisdiction(s) specified in the Final Terms, for the content of the Prospectus in relation to any person (an “Investor”) in such Public Offer Jurisdiction(s) to whom an offer of any Notes is made by any Authorised Offeror and where the offer is made during the period for which that consent is given. However, neither the Issuer nor any Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

The consent referred to above relates to Offer Periods (if any) ending no later than the date falling 12 months from the date of the approval of this Base Prospectus by the AMF.

In the event the Final Terms designate financial intermediary(ies) to whom the Issuer has given its consent to use the Prospectus during an Offer Period, the Issuer may also give its consent to additional Authorised Offerors after the date of the relevant Final Terms and, if it does so, will publish any new information in relation to such Authorised Offerors who are unknown at the time of the approval of this Base Prospectus or the filing of the relevant Final Terms at http://www.schneider-electric.com.
If the Final Terms specify that any financial intermediary may use the Prospectus during the Offer Period, any such Authorised Offeror is required, for the duration of the Offer Period, to publish on its website that it is using the Prospectus for the relevant Public Offer with the consent of the Issuer and in accordance with the conditions attached thereto.

Other than as set out above, neither the Issuer nor any of the Dealers has authorised the making of any Public Offer by any person in any circumstances and such person is not permitted to use the Prospectus in connection with its offer of any Notes. Any such offers are not made on behalf of the Issuer or by any of the Dealers or Authorised Offerors and none of the Issuer or any of the Dealers or Authorised Offerors has any responsibility or liability for the actions of any person making such offers.

An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price allocations and settlement arrangements (the “Specific Terms of the Public Offer”). The Issuer will not be a party to any such arrangements with Investors (other than Dealers) in connection with the offer or sale of the Notes and, accordingly, the Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Public Offer shall be provided to Investors by that Authorised Offeror at the time of the Public Offer. Neither the Issuer nor any of the Dealers or other Authorised Offerors has any responsibility or liability for such information.
RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The risk factors may relate to the Issuer or to any of its subsidiaries.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors (although not exhaustive) described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. The risks described below are not the only risks the Issuer faces. Additional risks and uncertainties not currently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. In particular, investors should make their own assessment as to the risks associated with the Notes prior to investing in Notes issued under the Programme.

RISK FACTORS RELATING TO THE ISSUER

See the 2012 Reference Document pages 33 to 40, as defined and further described under “Documents Incorporated by Reference” in this Base Prospectus.

RISK FACTORS RELATING TO THE NOTES

Independent Review and Advice

Each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and conditions, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

A prospective investor may not rely on the Issuer or the Dealer(s) or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Modification, waivers and substitution

The conditions of the Notes contain provisions for calling General Meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting and Noteholders who voted in a manner contrary to the majority.

Potential Conflicts of Interest

All or some of the Dealers and their affiliates (including their parent companies) have and/or may in the future engage, in the ordinary course of business, in investment banking, commercial banking and/or other financial advisory and commercial dealings with the Issuer and their affiliates and in relation to securities issued by any entity of the Group. They have or may, in the ordinary course of their business, (i) engage in investment banking, trading or hedging activities including activities that may include prime brokerage
business, financing transactions or entry into derivative transactions, (ii) act as underwriters in connection with offering of shares or other securities issued by any entity of the Group or (iii) act as financial advisers to the Issuer or other companies of the Group. In the context of these transactions, certain of such Dealers have or may hold shares or other securities issued by entities of the Group. Where applicable, they have or will receive customary fees and commissions for these transactions.

The Issuer and the Dealer(s) may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Potential conflicts of interest may arise between the calculation agent, if any, for a Tranche of Notes and the Noteholders, including with respect to certain discretionary determinations and judgements that such calculation agent may make pursuant to the Terms and Conditions that may influence the amount receivable upon redemption of the Notes.

*The trading market for debt securities may be volatile and may be adversely impacted by many events.*

The market for debt securities issued by issuers is influenced by global economic and market conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in European and other countries. There can be no assurance that events in France, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Notes or that global economic and market conditions will not have any other adverse effect.

*An active trading market for the Notes may not develop.*

There can be no assurance that an active trading market for the Notes will develop, or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the market or trading price and liquidity of the Notes may be adversely affected. The Issuer and any of its subsidiaries are entitled to buy the Notes, as described in Condition 6(h), and the Issuer may issue further notes, as described in Condition 13. Such transactions may adversely affect the price development of the Notes. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes.

*The Notes may be redeemed prior to maturity.*

Unless in the case of any particular Tranche of Notes the relevant Final Terms specify otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the jurisdiction of the Issuer or a political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

*Any early redemption at the option of the Issuer, if provided for in any Final Terms for a particular issue of Notes, could cause the yield anticipated by Noteholders to be considerably less than anticipated.*

The Final Terms for a particular issue of Notes may provide for early redemption at the option of the Issuer. Such right of termination is often provided for bonds or notes in periods of high interest rates. If the market interest rates decrease, the risk to Noteholders that the Issuer will exercise its right of termination increases. As a consequence, the yields received upon redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholder. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.
Investors will not be able to calculate in advance their rate of return on Floating Rate Notes.

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the terms and conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Exercise of Change of Control Put Option in respect of certain Notes may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised.

Depending on the number of Notes of the same Series in respect of which the Change of Control Put Option provided, if any, in the relevant Final Terms is exercised, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid. In addition, investors may only be able to reinvest the moneys they receive upon such early redemption in securities with a lower yield than the redeemed Notes.

Zero Coupon Notes are subject to higher price fluctuations than non-discounted bonds.

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary Notes because the discounted issue prices are substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.

Exchange rate risks and exchange controls.

The Issuer will pay principal and interest on the Notes in the Specified Currency (as defined in the relevant Final Terms). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “Investor’s Currency”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (1) the Investor’s Currency-equivalent yield on the Notes, (2) the Investor’s Currency-equivalent value of the principal payable on the Notes and (3) the Investor’s Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial obligations such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus and/or in the Final Terms but to ask for their own tax adviser’s advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of
the potential investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus and the additional tax sections, if any, contained in the relevant Final Terms.

**EU Savings Directive**

On 3 June 2003, the European Council of Economics and Finance Ministers adopted Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the "Directive"). The Directive requires Member States, subject to a number of conditions being met, to provide to the tax authorities of other Member States details of payments of interest and other similar income made by a paying agent located within their jurisdiction to an individual resident, or certain types of entities established, in that other Member State, except that, for a transitional period, Luxembourg and Austria will instead withhold an amount on interest payments unless the relevant beneficial owner of such payment elects otherwise and authorises the paying agent to disclose the above information (see “Taxation – EU Taxation”).

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on a payment made by a Paying Agent, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

**The proposed financial transactions tax (“FTT”)**

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

**Credit ratings may not reflect all risks**

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. The rating reflects the possibility of default of the Issuer of the Notes as judged by the credit rating agencies.
Change of Law

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French law or the official application or interpretation of French law after the date of this Base Prospectus.

French insolvency law

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the “Assembly”) in order to defend their common interests if an accelerated financial safeguard (procédure de sauvegarde financière accélérée), safeguard (procédure de sauvegarde) or a judicial reorganisation procedure (procédure de redressement judiciaire) is opened in France with respect to the Issuer. The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme (EMTN) and regardless of their governing law. The Assembly deliberates on the proposed safeguard plan (projet de plan de sauvegarde), proposed accelerated financial accelerated safeguard plan (projet de plan de sauvegarde financière accélérée) or judicial reorganisation plan (projet de plan de redressement) applicable to the Issuer and may further agree to:

- increase the liabilities (charges) of holders of debt securities (including the Noteholders) by rescheduling due payments and/or partially or totally writing off receivables in form of debt securities;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders attending such Assembly or represented thereat). No quorum is required to convoke the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in this Base Prospectus will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

Risks related to RMB Notes

RMB is not freely convertible and the liquidity of the Notes denominated in RMB may be adversely affected

RMB is not freely convertible at present. The PRC government continues to regulate conversion between RMB and foreign currencies, including the Hong Kong Dollar, despite the significant reduction over the years by the PRC government of its control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of RMB trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in August 2011 to cover the whole nation and to make RMB trade and other current account item settlement available in all countries worldwide. Subject to limited exceptions, there is currently no specific PRC regulation on the remittance of RMB into the PRC for settlement of capital account items. Foreign investors may only remit offshore RMB into the PRC for capital account purposes such as shareholders’ loan or capital contribution upon obtaining specific approvals from the relevant authorities on a case by case basis. There is no assurance that the PRC government will continue to gradually liberalise the control over cross-border RMB remittances in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of RMB into or outside the PRC.
Holders of beneficial interests in the Notes denominated in RMB may be required to provide certifications and other information (including RMB account information) in order to allow such holder to receive payments in RMB in accordance with the RMB clearing and settlement system for participating banks in Hong Kong.

**RMB currency risk**

As a result of the restrictions by the PRC government on cross-border RMB fund flows, the availability of RMB outside the PRC is limited.

The People’s Bank of China (“PBOC”) has established a RMB clearing and settlement system for participating banks in Hong Kong pursuant to a settlement agreement relating to the clearing of RMB business between PBOC and Bank of China (Hong Kong) Limited. However, the current size of RMB and RMB denominated financial assets in Hong Kong is limited, and its growth is subject to many constraints which are directly affected by PRC laws and regulations on foreign exchange and may adversely affect the liquidity of Notes denominated in RMB. In addition, participating banks are also required by the Hong Kong Monetary Authority (“HKMA”) to maintain a total amount of RMB (in the form of cash and its settlement account balance with the RMB Clearing Bank) of no less than 25 per cent. of their RMB deposits, which further limits the availability of RMB that participating banks can utilise for conversion services for their customers. RMB business participating banks do not have direct RMB liquidity support from the PBOC. On 14 June 2012, the HKMA introduced a facility for providing RMB liquidity to authorised institutions participating in RMB business (“Participating AIs”) in Hong Kong. The facility will make use of the currency swap arrangement between the PBOC and the HKMA. With effect from 15 June 2012, the HKMA will, in response to requests from individual Participating AIs, provide RMB term funds to the Participating AIs against eligible collateral acceptable to the HKMA. The facility is intended to address short-term RMB liquidity tightness which may arise from time to time, for example, due to capital market activities or a sudden need for RMB liquidity by the Participating AIs’ overseas bank customers.

Except in limited circumstances, all payments of RMB under Notes denominated in RMB to an investor will be made solely by transfer to a RMB bank account maintained in Hong Kong by such investor in accordance with the prevailing rules and regulations and in accordance with the terms and conditions of the Notes. The Issuer cannot be required to make payment by any other means (including in bank notes or by transfer to a bank account in the PRC or anywhere else outside Hong Kong). RMB is not freely convertible at present, and conversion of RMB into other currencies through banks in Hong Kong is subject to certain restrictions. In particular, for personal investors, currently conversions of RMB conducted through RMB deposit accounts are subject to a daily limit (as of the date hereof, such limit being up to RMB20,000 per person per day), and investors may have to allow time for conversion of RMB from/to another currency of an amount exceeding such daily limit.

In addition, there can be no assurance that access to RMB for the purposes of making payments under such Notes or generally may remain or will not become restricted. If it becomes impossible to convert RMB from/to another freely convertible currency, or transfer RMB between accounts in Hong Kong, or the general RMB exchange market in Hong Kong becomes illiquid, any payment of RMB under the Notes may be delayed or the Issuer may make such payments in another currency selected by the Issuer using an exchange rate determined by the Calculation Agent, or the Issuer may redeem the Notes by making payment in another currency.

**RMB exchange rate risk**

The value of RMB against the Hong Kong dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. The Issuer will make all RMB payments under Notes denominated in RMB in RMB (subject to the second paragraph
under the heading "RMB currency risk" above). As a result, the value of such payments in RMB (in Hong Kong dollars or other applicable foreign currency terms) may vary with the prevailing exchange rates in the marketplace. If the value of RMB depreciates against the Hong Kong dollar or other foreign currencies, the value of an investor’s investment in Hong Kong dollars or other applicable foreign currency terms will decline.
This Base Prospectus should be read and construed in conjunction with the sections set out in the cross-references tables below from the following documents:

- the document de référence in the French language of the Issuer which received n° D.13-0196 from the AMF on 21 March 2013, except for the third paragraph of the section “Responsables du document de référence” on page 313 (the “2012 Reference Document”);

- the document de référence in the French language of the Issuer which received n° D.12-0198 from the AMF on 22 March 2012, except for the third paragraph of the section “Responsables du document de référence” on page 273 (the “2011 Reference Document”); and


Any reference in this Base Prospectus, in the 2012 Reference Document or in the 2011 Reference Document to the registration documents and/or annual reports (either 2012 or 2011) shall be deemed to exclude the above-mentioned excluded sections.

This Base Prospectus should be read and construed in conjunction with the 2012 Reference Document and the 2011 Reference Document.

Any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus may be obtained, free of charge, from (i) the registered office of the Issuer, (ii) the website of the Issuer (www.schneider-electric.com) and/or (iii) at the offices of each Paying Agent set out at the end of this Prospectus during normal business hours.


The information incorporated by reference in this Base Prospectus shall be read in connection with the cross-reference list below.

Any information not listed in the cross-reference list below but included in the documents incorporated by reference shall not form part of this Base Prospectus and is not relevant for investors.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2. STATUTORY AUDITORS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1 Names and addresses of the Issuer’s auditors for the period covered by the historical financial information (together with their membership in a professional body)</td>
<td>N/A</td>
<td>314</td>
</tr>
<tr>
<td>2.2 If auditors have resigned, been removed or reappointed during the period covered by the historical financial information, details if material.</td>
<td>N/A</td>
<td>314</td>
</tr>
<tr>
<td>3. SELECTED FINANCIAL INFORMATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1 Selected historical financial information regarding the issuer, presented, for each financial year for the period covered by the historical financial information, and any subsequent interim financial period, in the same currency as the financial information. The selected historical financial information must provide key figures that summarise the financial condition of the issuer.</td>
<td>N/A</td>
<td>8-10</td>
</tr>
<tr>
<td>3.2 If selected financial information for interim periods is provided, comparative data from the same period in the prior financial year must also be provided, except that the requirement for comparative balance sheet data is satisfied by presenting the year end balance sheet information.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>4. RISK FACTORS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prominent disclosure of risk factors that may affect the Issuer’s ability to fulfil its obligations under the securities to investors in a section headed “Risk Factors”</td>
<td>N/A</td>
<td>33-40</td>
</tr>
<tr>
<td>5. INFORMATION ABOUT THE ISSUER</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.1 History and development of the Issuer</td>
<td>N/A</td>
<td>22-24</td>
</tr>
<tr>
<td>5.1.5 any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer’s solvency</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>5.2 Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.2.1 A description of the principal investments made since the date of the last published financial statements.</td>
<td>N/A</td>
<td>156</td>
</tr>
<tr>
<td>5.2.2 Information concerning the Issuer’s principal future investments, on which its management bodies have already made firm commitments</td>
<td>N/A</td>
<td>156</td>
</tr>
<tr>
<td>5.2.3 Information regarding the anticipated sources of funds needed to fulfil commitments referred to item 5.2.2.</td>
<td>N/A</td>
<td>156</td>
</tr>
<tr>
<td>6. BUSINESS OVERVIEW</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.1 Principal activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.1.1 A description of the Issuer’s principal activities stating the main categories of products sold and/or services performed; and</td>
<td>N/A</td>
<td>18-21</td>
</tr>
<tr>
<td>6.1.2 An indication of any significant new products and/or activities.</td>
<td>N/A</td>
<td>18-19</td>
</tr>
<tr>
<td>6.2 Principal markets</td>
<td>N/A</td>
<td>19-21, 150-151</td>
</tr>
<tr>
<td>Section</td>
<td>Reference</td>
<td>Page(s)</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>-----------</td>
<td>---------</td>
</tr>
<tr>
<td>A brief description of the principal markets in which the Issuer competes</td>
<td>N/A</td>
<td>18-19</td>
</tr>
<tr>
<td>6.3 The basis for any statements made by the Issuer regarding its competitive position.</td>
<td>N/A</td>
<td>30-31</td>
</tr>
<tr>
<td>7. ORGANISATIONAL STRUCTURE</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>7.1 If the issuer is part of a group, a brief description of the group and of the issuer’s position within it.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>7.2 If the issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>8. TREND INFORMATION</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>8.1 Include a statement that there has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.</td>
<td>N/A</td>
<td>26, 157</td>
</tr>
<tr>
<td>In the event that the issuer is unable to make such a statement, provide details of this material adverse change.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>8.2 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer’s prospects for at least the current financial year.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>9. PROFIT FORECASTS AND ESTIMATES</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>9.1 A statement setting out the principal assumptions upon which the issuer has based its forecast, or estimate.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>There must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; the assumptions must be readily understandable by investors, be specific and precise and not relate to the general accuracy of the estimates underlying the forecast.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>9.2 A report prepared by independent accountants or auditors must be included stating that in the opinion of the independent accountants or auditors the forecast or estimate has been properly compiled on the basis stated and that the basis of accounting used for the profit forecast or estimate is consistent with the accounting policies of the Issuer.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>9.3 The profit forecast or estimate must be prepared on a basis comparable with the historical financial information.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>10. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES</td>
<td>N/A</td>
<td>6-7</td>
</tr>
<tr>
<td>10.1 Names, business addresses and functions in the Issuer of the members of the administrative, management and supervisory bodies, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to the Issuer.</td>
<td>N/A</td>
<td>130</td>
</tr>
<tr>
<td>10.2 Statement that there are no conflicts of interest</td>
<td>N/A</td>
<td>124-127</td>
</tr>
<tr>
<td>11. BOARD PRACTICES</td>
<td>N/A</td>
<td>148</td>
</tr>
<tr>
<td>11.1 Details relating to the Issuer’s audit committee</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>11.2 A statement as to whether or not the Issuer complies with its country’s</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

A16490523  50
## Incorporation Corporate Governance

### 12. Major Shareholders

12.1 To the extent known to the Issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.

| N/A | 10, 259 |

12.2 A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.

| N/A | 255 |

### 13. Financial Information Concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses

#### 13.1 Historical Financial Information

- Audited historical financial statements/information

#### 13.2 Consolidated financial statements

Consolidated financial statements

| 151-217 | 159-230 |

#### 13.3 Auditing of historical annual financial information

| 217, 234-235 | 229-230 |

#### 13.5 Interim and other financial information

| N/A | N/A |

#### 13.6 Legal and arbitration proceedings

| N/A | 38-39 |

#### 13.7 Significant change in the Issuer’s financial or trading position

| N/A | N/A |

### 14. Additional Information

#### 14.1 Share Capital

The amount of the issued capital, the number and classes of the shares of which it is composed with details of their principal characteristics, the part of the issued capital still to be paid up, with an indication of the number, or total nominal value, and the type of the shares not yet fully paid up, broken down where applicable according to the extent to which they have been paid up.

| N/A | 255 |

#### 14.2 Memorandum and Articles of Association

The register and the entry number therein, if applicable, and a description of the issuer’s objects and purposes and where they can be found in the memorandum and articles of association.

| N/A | 252 |

### 15. Material Contracts

A brief summary of all material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any group member being under an obligation or entitlement that is material to the Issuer’s ability to meet its obligation to security holders in respect of the securities being issued.

| N/A | 217 |

### 16. Third Party Information and Statement by Experts and Declarations of Any Interest
The EMTN Previous Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (assimilées) and form a single series with Notes already issued with the relevant EMTN Previous Conditions.

<table>
<thead>
<tr>
<th>EMTN Previous Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008 EMTN Conditions</td>
</tr>
<tr>
<td>2009 EMTN Conditions</td>
</tr>
<tr>
<td>2010 EMTN Conditions</td>
</tr>
<tr>
<td>2011 EMTN Conditions</td>
</tr>
<tr>
<td>2012 EMTN Conditions</td>
</tr>
</tbody>
</table>

Information contained in the Documents Incorporated by Reference other than information listed in the table above is for information purposes only.
SUPPLEMENT TO THE BASE PROSPECTUS

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to the provisions of Article 16 of the Prospectus Directive and any legislation in any Member State of the EEA that implements the Prospects Directive and subordinates legislation thereto, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or a restated Base Prospectus, which shall constitute a supplement to this Base Prospectus for the purpose of the relevant provisions of the Prospectus Directive.
TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed by the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on Definitive Materialised Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. Those definitions will be endorsed on the definitive Notes, as the case may be. References in these Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

An Amended and Restated Agency Agreement (as amended or supplemented as at the Issue Date, the “Agency Agreement”) dated 25 June 2013 has been agreed between Schneider Electric SA (the “Issuer”), BNP Paribas Securities Services as fiscal agent and the other agents named in it. The fiscal agent, the paying agents, and the calculation agent(s) for the time being (if any) are referred to below respectively as the “Fiscal Agent”, the “Paying Agents” (which expression shall include the Fiscal Agent), and the “Calculation Agent(s)”. Copies of the Agency Agreement are available for inspection at the specified offices of each of the Paying Agents.

References below to “Conditions” are, unless the context requires otherwise, to the numbered paragraphs below. References below to “day” or “days” are to a calendar day or to calendar days, respectively.

1 Form, Denomination and Title

(a) Form: Notes may be issued either in dematerialised form (“Dematerialised Notes”) or in materialised form (“Materialised Notes”).

(i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French Code monétaire et financier (the “Code”) by book entries (inscriptions en compte). No physical document of title (including certificats représentatifs pursuant to Article R.211-7 of the Code) will be issued in respect of Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer and as specified in the relevant Final Terms (the “Final Terms”), in either (i) bearer dematerialised form (au porteur) only, in which case they are inscribed in the books of Euroclear France S.A. (acting as central depositary) (“Euroclear France”) which shall credit the accounts of Account Holders, or (ii) in registered dematerialised form (au nominatif) and, in such latter case, at the option of the relevant Noteholder in either administered registered form (au nominatif administré) inscribed in the books of an Account Holder or in fully registered form (au nominatif pur) inscribed in an account in the books of Euroclear France maintained by the Issuer or the Registration Agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the “Registration Agent”).

For the purpose of these Conditions, “Account Holder” means any authorised financial intermediary institution entitled directly or indirectly to hold accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V. (“Euroclear”) and the depositary bank for Clearstream Banking, société anonyme (“Clearstream, Luxembourg”).
(ii) Materialised Notes are issued in bearer form (“Materialised Notes”) in the Specified Denomination(s) shown in the relevant Final Terms. Materialised Notes are serially numbered and are issued with coupons (“Coupons”) (and, where appropriate, a talon (“Talon”)) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

In accordance with Article L.211-3 of the Code, securities (such as Notes) which are governed by French law and are in materialised form must be issued outside the French territory.

(b) Denomination: Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the “Specified Denomination(s)”) save that the minimum denomination of each Note that are offered to the public and/or listed and admitted to trading on a Regulated Market in a Member State of the European Economic Area (“EEA”) in circumstances which require the publication of a Base Prospectus under the Prospectus Directive will be at least Euro 1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. Dematerialised Notes shall be issued in one Specified Denomination only.

(c) Title:

(i) Title to Dematerialised Notes in bearer dematerialised form (au porteur) and in administered registered form (au nominatif administré) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Account Holders. Title to Dematerialised Notes in fully registered form (au nominatif pur) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Issuer or of the Registration Agent.

(ii) Title to Materialised Notes in definitive form having, where appropriate, Coupons and/or a Talon attached thereto on issue (“Definitive Materialised Notes”), shall pass by delivery.

(iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

(iv) In these Conditions, “holder of Notes”, “holder of any Notes” or “Noteholder” means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Account Holder or the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any Definitive Materialised Note , and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

(d) Redenomination: The Issuer may (if so specified in the relevant Final Terms), without the consent of the holder of any Note, Coupon or Talon, by giving at least 30 days’ notice in accordance with Condition 14, redenominate, on any Interest Payment Date all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly on or after the date on which the Member State of the European Union in whose national currency such Notes are denominated has become a participant member in the third stage of the European economic and monetary union (as provided in the Treaty establishing the European Community (the “EC”), as amended from time to time), or events have
occurred which have substantially the same effects all as more fully provided in the relevant Final Terms.

2 Conversion and Exchange of Notes

(a) Dematerialised Notes:

(i) Dematerialised Notes being issued in bearer dematerialised form (au porteur) may not be converted into Dematerialised Notes in registered dematerialised form, whether in fully registered form (au nominatif pur) or in administered registered form (au nominatif administré).

(ii) Dematerialised Notes issued in registered dematerialised form (au nominatif) may not be converted into Dematerialised Notes in bearer dematerialised form (au porteur).

(iii) Dematerialised Notes issued in fully registered form (au nominatif pur) may, at the option of the Noteholder, be converted into Notes in administered registered form (au nominatif administré), and vice versa. The exercise of any such option by such Noteholder shall be made in accordance with Article R.211-4 of the Code. Any such conversion shall be effected at the cost of such Noteholder.

(b) Materialised Notes:

Materialised Notes of one Specified Denomination may not be exchanged for Materialised Notes of another Specified Denomination.

3 Status of Notes

Notes and, where applicable, the Coupons relating to them, constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and rank and will rank pari passu and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law), equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

4 Negative Pledge

So long as any of the Notes or, if applicable, any Coupons relating to them, remain outstanding (as defined below), the Issuer will not, and will ensure that none of its Principal Subsidiaries (as defined below) will, create or permit to subsist any mortgage, lien, charge, pledge or other form of security interest (sûreté réelle) (“Security”) upon any of their respective assets or revenues, present or future, to secure (i) any Relevant Debt (as defined below) or (ii) any guarantee or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer’s obligations under the Notes are equally and rateably secured therewith, except for any Security created by the Issuer over any equity share capital acquired by the Issuer in any company resulting in that company becoming a majority-owned subsidiary of the Issuer after the issue of the Notes for the sole purpose of financing that acquisition and securing principal moneys not exceeding the cost of that acquisition.

For the purposes of this Condition:

(i) “Principal Subsidiary” means at any relevant time a Subsidiary of the Issuer:

(a) whose net operating income is at least 10 per cent. of the consolidated net operating income of the Issuer and its consolidated subsidiaries (the “Consolidated Group”) or whose total assets amount to at least 10 per cent. of the total consolidated assets of the Consolidated Group, in each case calculated by reference to the latest audited consolidated accounts of the Issuer.
(b) to which is transferred all or substantially all the assets and undertakings of a Subsidiary which immediately prior to such transfer is a Principal Subsidiary.

(ii) “Relevant Debt” means any present or future indebtedness for borrowed money in the form of, or represented by, bonds (obligations) which are for the time being, or are capable of being, quoted, admitted to trading or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market.

(iii) “Subsidiary” means, in relation to any person or entity at any time, any other person or entity (whether or not now existing) as defined in Article L.233-1 of the French Code de commerce or any other person or entity controlling directly or indirectly such person or entity within the meaning of Article L.233-3 of the French Code de commerce.

(iv) “outstanding” means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid (i) in respect of Dematerialised Notes in bearer form or in administered registered form, to the relevant Account Holders on behalf of the Noteholder as provided in Condition 7(a), (ii) in the case of Dematerialised Notes in fully registered form, to the account of the Noteholder as provided in Condition 7(a) and (iii) in the case of Materialised Notes, to the Fiscal Agent as provided in the Agency Agreement and remain available for payment against presentation and surrender of Materialised Notes and/or Coupons, as the case may be, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in these Conditions, (e) in the case of Materialised Notes (i) those mutilated or defaced Materialised Notes that have been surrendered in exchange for replacement Materialised Notes, (ii) (for the purpose only of determining how many such Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Materialised Notes have been issued, and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Notes, pursuant to its provisions

5 Interest and Other Calculations

(a) Interest on Fixed Rate Notes: Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

(b) Interest on Floating Rate Notes:

(i) Interest Payment Dates: Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the
preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) Business Day Convention: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is:

(A) the Floating Rate Business Day Convention or “FRN Convention”, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment,

(B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day,

(C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought to the immediately preceding Business Day or

(D) the Preceding Business Day Convention, such date shall be brought to the immediately preceding Business Day.

(iii) Rate of Interest for Floating Rate Notes: the Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), “ISDA Rate” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified in the relevant Final Terms;

(y) the Designated Maturity is a period specified in the relevant Final Terms; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period or such other date as specified in the relevant Final Terms.

For the purposes of this sub-paragraph (A), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity”, “Reset Date” and “Swap Transaction” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

(a) Where Screen Rate Determination is specified in the relevant Final Terms as the manner according to which the Rate of Interest is to be determined, the Rate of
Interest for each Interest Accrual Period will, subject as provided below, be either:

(i) the offered quotation or

(ii) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the relevant Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the relevant Final Terms.

(b) if the Relevant Screen Page is not available or if sub-paragraph (a)(i) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (a)(ii) applies and fewer than three such offered quotations appear on the Relevant Screen Page, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have
been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Rate Multiplier or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(c) Zero Coupon Notes: Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 6(b)(i)).

(d) Accrual of Interest: Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgement) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(e) Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding:

(i) If any Margin or Rate Multiplier is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions, (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Yen, which shall be
rounded down to the nearest Yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country/ies of such currency.

(f) **Calculations:** The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(g) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts:** As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or any Optional Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the second Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

(i) in the case of a currency other than Euro or RMB, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
(ii) in relation to any sum payable in RMB, a day on which commercial banks and foreign exchange markets settle payments in RMB in Hong Kong and in the relevant Business Centre(s) (if any); and/or

(iii) in the case of Euro, a day on which the TARGET system is operating (a “TARGET Business Day”); and/or

(iv) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting an Interest Period, the “Calculation Period”):

(i) if “Actual/Actual” or “Actual/Actual - ISDA” or “Act/Act” or “Act/Act - ISDA” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if “Actual/365 (Fixed)” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;

(iii) if “Actual/360” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;

(iv) if “Actual/Actual ICMA” is specified in the relevant Final Terms:
   a. if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
   b. if the Calculation Period is longer than one Determination Period, the sum of:
      (x) the number of days in such Calculation Period falling in the next Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year;
      (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“Determination Date” means the date specified herein or, if none is so specified, the Interest Payment Date.
(v) if “30/360” or “360/360 (Bond Basis)” is specified in the relevant Final Terms, the number of days in the Calculation Period by 360 calculated on a formula basis as follows:

\[
\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}
\]

where:

“Y_1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y_2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M_1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M_2” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“D_1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

“D_2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30

(vi) if “30E/360” or “Eurobond Basis” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

\[
\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}
\]

where:

“Y_1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y_2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M_1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M_2” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“D_1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

“D_2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30
(vii) if “30E/360 (ISDA)” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

\[
\text{Day Count Fraction} = \frac{360 \times (Y_2 - Y_1) + 30 \times (M_2 - M_1) + (D_2 - D_1)}{360}
\]

where:

“\(Y_1\)” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“\(Y_2\)” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“\(M_1\)” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“\(M_2\)” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“\(D_1\)” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case \(D_1\) will be 30; and

“\(D_2\)” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case \(D_2\) will be 30.

“Effective Date” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

“Euro-zone” means the region comprised of member states of the European Union that adopt or have adopted the single currency in accordance with the Treaty establishing the EC as amended.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Amount” means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be.

“Interest Commencement Date” means the Issue Date or such other date as may be specified in the relevant Final Terms.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period or the interest amount in relation to RMB Notes, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro.
“Interest Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date.

“ISDA Definitions” means the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc.

“Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000 (“Reuters”)) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

“Rate of Interest” means the rate of interest payable from time to time in respect of any particular Note and that is specified in the relevant Final Terms.

“Reference Banks” means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified in the relevant Final Terms.

“Relevant Financial Centre” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, London.

“Relevant Rate” means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre or, if no such customary local time exists, 11.00 hours in the Relevant Financial Centre and, for the purpose of this definition, “local time” means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, Brussels Time.

“Representative Amount” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

“RMB Note” means a Note denominated in RMB.

“Specified Currency” means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated.
“Specified Duration” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(b)(ii).

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto.

(i) Calculation Agent and Reference Banks: The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined in the Agency Agreement). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid and notice of any such change of Calculation Agent shall promptly be given to the Noteholders in accordance with Condition 14 below.

(j) RMB Notes: Notwithstanding the foregoing, each RMB Note which is a Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest. For the purposes of calculating the amount of interest, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day. Interest will be payable in arrear on each Interest Payment Date.

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Hong Kong time) on each Interest Determination Date, calculate the amount of interest payable per Specified Denomination for the relevant Interest Period. The determination of the amount of interest payable per Specified Denomination by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties.

The Calculation Agent will cause the amount of interest payable per Specified Denomination for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to be notified to Noteholders as soon as possible after their determination but in no event later than the fourth Business Day thereafter. The amount of interest payable per Specified Denomination and Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the
event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest per Specified Denomination shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this provision but no publication of the amount of interest payable per Specified Denomination so calculated need be made.

Interest shall be calculated in respect of any period by applying the Rate of Interest to the Specified Denomination, multiplying such product by the actual number of days in the relevant Interest Period or, as applicable, other period concerned and dividing it by 365, and rounding the resultant figure to the nearest RMB sub-unit, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

6 Redemption, Purchase and Options

(a) Final Redemption:

Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer’s or Noteholder’s option in accordance with Condition 6(d) or 6(e), each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount).

(b) Early Redemption:

(i) Zero Coupon Notes:

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Nominal Amount (calculated as provided below) of such Note.

(B) Subject to the provisions of sub-paragraph (C) below, the “Amortised Nominal Amount” of any such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).
Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

(ii) **Other Notes:** The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount.

(c) **Redemption for Taxation Reasons:**

(i) If, by reason of any change in, or any change in the official application or interpretation of, the law of a Relevant Jurisdiction (as defined below), becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8 below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Final Terms, at any time, subject to having given not more than 45 nor less than 30 days’ prior notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 14, redeem all, but not some only, of the Notes at their Redemption Amount together with any interest accrued to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for such additional amounts.

(ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by the law of a Relevant Jurisdiction from making payment to the Noteholders or, if applicable, Couponholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8 below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days’ prior notice to the Noteholders in accordance with Condition 14, redeem all, but not some only, of the Notes then outstanding at their Redemption Amount together with any interest accrued to the date set for redemption on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) 14 days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified on this Note, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or Coupons or, if that date is passed, as soon as practicable thereafter.

“Relevant Jurisdiction” means the Republic of France or any other jurisdiction in which the Issuer, or its successor, is or becomes organized or resident for tax purposes, or any political subdivision or taxing authority in, or of, any of the foregoing.

(d) **Redemption at the Option of the Issuer and Exercise of Issuer’s Options and Partial Redemption:** If Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) redeem, or exercise any Issuer’s Option (as may be described in the relevant Final Terms) in relation to, all or, if so provided, some, of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal
to the minimum nominal amount to be redeemed specified in the relevant Final Terms and no greater than the maximum nominal amount to be redeemed specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer’s Option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer’s Option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the certificate numbers of the Definitive Materialised Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements.

In the case of a partial redemption of or a partial exercise of an Issuer’s option in respect of Dematerialised Notes of any Series, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes that will not be redeemed shall be made in accordance with Article R.213-16 of the Code and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and stock exchange requirements.

So long as the Notes are admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) a notice specifying the aggregate nominal amount of Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

(e) **Redemption at the Option of Noteholders and Exercise of Noteholders’ Options:** If Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days’ notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Noteholders’ Option that may be set out in the relevant Final Terms (which must be exercised on an Option Exercise Date) the holder must deposit with any Paying Agent at its specified office, together with a duly completed option exercise notice (“Exercise Notice”) in the form obtainable from any Paying Agent within the notice period. In the case of Materialised Notes, the Exercise Notice shall have attached to it the relevant Notes (together with all unmatured Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Fiscal Agent or the Paying Agent with a specified office in Paris as specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred, may be withdrawn without the prior consent of the Issuer.

(f) **Redemption at the Option of Noteholders following a Change of Control:** If Change of Control Put Option is specified in the relevant Final Terms, and if at any time while any such Note remains outstanding there occurs a Change of Control of the Issuer and within the Change of Control Period a Rating Downgrade occurs as a result of that Change of Control or as a result of a Potential Change of Control (a “Put Event”), then the holder of such Note will have the option (the “Change of Control Put Option”) (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives
notice of its intention to redeem such Note under Condition 6(c)) to require the Issuer to redeem or, at
the Issuer’s option, to procure the purchase of that Note on the Optional Redemption Date (all as
defined below) at its principal amount together with (or, where purchased, together with an amount
equal to) accrued interest to but excluding the Optional Redemption Date.

A “Change of Control” shall be deemed to have occurred at each time that any person or persons
acting in concert come(s) to own or acquire(s) (i) more than 50 per cent. of the issued share capital of
the Issuer or (b) such number of the shares in the capital of the Issuer carrying more than 50 per cent.
of the voting rights.

“Change of Control Period” means:

(i) pursuant to a Change of Control, the period commencing on the date of the public
announcement of the result (avis de résultat) by the Autorité des marchés financiers (the
“AMF”) of the relevant Change of Control and ending on the date which is 90 days (inclusive)
after the date of the public announcement by the AMF of the relevant Change of Control
provided that (a) a Rating Downgrade occurs during that period and (b) such Rating Downgrade
results from a Change of Control; or

(ii) pursuant to a Potential Change of Control, the period commencing 180 days prior to the date of
the public announcement of the result (avis de résultat) by the AMF of the relevant Change of
Control and ending on the date of such announcement (inclusive) provided that (a) a Rating
Downgrade occurs during that period and (b) such Rating Downgrade results from a Potential
Change of Control.

“Rating Agency” means S&P or any other rating agency of equivalent international standing requested
from time to time by the Issuer to grant a rating to the Notes and, in each case, their respective
successors or affiliates.

A “Rating Downgrade” shall be deemed to have occurred in respect of a Change of Control or in
respect of a Potential Change of Control if within the Change of Control Period the rating previously
assigned to the Notes by any Rating Agency is (x) withdrawn or (y) changed from an investment grade
rating (BBB-, or its respective equivalents for the time being, or better) to a non-investment grade
rating (BB+, or their respective equivalents for the time being, or worse) or (z) if the rating previously
assigned to the Notes by any Rating Agency was below an investment grade rating (as described
above), lowered by at least one full rating notch, provided that (i) a Rating Downgrade otherwise
arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a
particular Change of Control or Potential Change of Control, as the case may be, if the Rating Agency
making the change in rating does not publicly announce or publicly confirm that the reduction was the
result of the Change of Control or the Potential Change of Control, as the case may be, and (ii) any
Rating Downgrade has to be confirmed in a letter, or other form of written communication, sent to the
Issuer and publicly disclosed.

“Potential Change of Control” means any public announcement or statement by the Issuer, any actual
or potential bidder relating to any potential Change of Control of the Issuer.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a
“Put Event Notice”) to the Noteholders in accordance with Condition 14 specifying the nature of the
Put Event and the circumstances giving rise to it and the procedure for exercising the Change of
Control Put Option.

To exercise the Change of Control Put Option to require redemption or, as the case may be, purchase
of a Note following a Put Event, the holder of that Note must in the case of Dematerialised Notes,
transfer or cause to be transferred or, in the case of Materialised Notes, deposit or cause to be deposited such Note (together, if applicable, with all unmatured Coupons and unexchanged Talons) with any Paying Agent at its specified office within the period (the “Put Period”) of 45 days after the Put Event Notice is given together with a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (as applicable) (a “Put Option Notice”) and in which the holder may specify a bank account to which payment is to be made.

The Issuer shall redeem or, at the option of the Issuer, procure the purchase of, the Notes in respect of which the Change of Control Put Option has been validly exercised as provided above, and subject to the transfer of such Notes to the account of the relevant Paying Agent for the account of the Issuer as described above on the date which is the fifth Business Day following the end of the Put Period (the “Optional Redemption Date”). Payment in respect of any Note so transferred will be made in Euro to the holder to the specified Euro-denominated bank account in the Change of Control Put Option Notice on the Optional Redemption Date via the relevant Paying Agent.

(g) **Purchases**: The Issuer and any of its Subsidiaries may at any time purchase Notes (provided that, in the case of Materialised Notes, all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Unless the possibility of holding and reselling is expressly excluded, all Notes so purchased by the Issuer may be held and resold for the purpose of enhancing the liquidity of the Notes in accordance with Articles L.213-1 A and D.213-1 A of the Code.

(h) **Cancellation**: All Notes purchased by or on behalf of the Issuer for cancellation or any of its Subsidiaries will forthwith be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering each such Materialised Note together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Materialised Notes, all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7 **Payments and Talons**

(a) **Dematerialised Notes**: Payments of principal and interest in respect of Dematerialised Notes shall be made (i) in the case of Dematerialised Notes in bearer dematerialised form or administered registered dematerialised form, by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the relevant Noteholder and (ii) in the case of Dematerialised Notes in fully registered form, to an account denominated in the relevant currency with a Bank designated by the relevant Noteholder. All payments validly made to such Account Holders will constitute an effective discharge of the Issuer in respect of such payments.

(b) **Materialised Notes**: Payments of principal and interest in respect of Materialised Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Materialised Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(v)) or Coupons (in the case of interest, save as specified in Condition 7(f)(v)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. “Bank” means a bank in the principal financial centre for such currency or, in the case of Euro, in a city in which banks have access to the TARGET System.
(c) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Materialised Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent, the Redenomination Agent, the Consolidation Agent and the Registration Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Redenomination Agent, the Registration Agent and the Consolidation Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent expert(s) and, in each case, do not assume any obligation or relationship of agency or trust for or with any Noteholder or holder of a coupon (a "Couponholder"). The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Redenomination Agent, the Registration Agent, the Consolidation Agent and the Calculation Agent(s), and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) a Redenomination Agent and a Consolidation Agent where the Conditions so require, (iv) Paying Agents having specified offices in at least two major European cities of which, so long as the Notes are admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of such Regulated Market so require, one shall be Luxembourg, and a Paying Agent having a specified office in a major European city outside France, (v) in the case of Dematerialised Notes in fully registered form, a Registration Agent, (vi) in the case of Materialised Notes, a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November, 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to such Directive (which may be any of the Paying Agents referred to in (iv) above) and (vii) such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 14 below.

(f) **Unmatured Coupons and Unexchanged Talons:**

(i) Unless Materialised Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal
so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).

(ii) If Materialised Notes so provide, upon the due date for redemption of any such Materialised Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Materialised Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where any Materialised Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any such Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption of any Materialised Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note representing it, as the case may be. Interest accrued on a Materialised Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note representing it, as the case may be.

(g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) **Non-Business Days:** If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “business day” means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as “Financial Centres” in the relevant Final Terms and (C) (i) (in the case of a payment in a currency other than Euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) (in the case of a payment in Euro) which is a TARGET Business Day.

(i) **Payment of US Dollar Equivalent:** Notwithstanding any other provision in these Conditions, if an Inconvertibility, Non-Transferability or Illiquidity occurs or if RMB is otherwise not available to the Issuer as a result of circumstances beyond its control and such unavailability has been confirmed by a RMB Dealer, following which the Issuer is unable to satisfy payments of principal or interest (in whole
or in part) in respect of RMB Notes, the Issuer on giving not less than five nor more than 30-days irrevocable notice to the Noteholders prior to the due date for payment, may settle any such payment (in whole or in part) in US dollars on the due date at the US Dollar Equivalent of any such RMB denominated amount.

In such event, payments of the US Dollar Equivalent of the relevant principal or interest in respect of the Notes shall be made by transfer to the U.S. dollar account of the relevant Account Holders for the benefit of the Noteholders. For the avoidance of doubt, no such payment of the US Dollar Equivalent shall by itself constitute a default in payment within the meaning of Condition 10.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7(i) by the RMB Rate Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Agents and all Noteholders. These provisions may be amended or supplemented in the relevant Final Terms.

For the purposes of this Condition 7(i):

“**Governmental Authority**” means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong.

“**Illiquidity**” means that the general RMB exchange market in Hong Kong becomes illiquid, other than as a result of an event of Inconvertibility or Non-Transferability, as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two RMB Dealers.

“**Inconvertibility**” means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of RMB Notes in the general RMB exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

“**Non-Transferability**” means the occurrence of any event that makes it impossible for the Issuer to deliver RMB between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

“**RMB Dealer**” means an independent foreign exchange dealer of international repute active in the RMB exchange market in Hong Kong reasonably selected by the Issuer.

“**RMB Note**” means a Note denominated in RMB.

“**RMB Rate Calculation Agent**” means the agent appointed from time to time by the Issuer for the determination of the RMB Spot Rate or identified as such in the relevant Final Terms.

“**RMB Rate Calculation Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and in New York City.

“**RMB Rate Calculation Date**” means the day which is two RMB Rate Calculation Business Days before the due date for payment of the relevant RMB amount under the Conditions.
“RMB Spot Rate” for a RMB Rate Calculation Date means the spot CNY/US dollar exchange rate for
the purchase of US dollars with CNY in the over-the-counter CNY exchange market in Hong Kong for
settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at
or around 11 a.m. (Hong Kong time) on such RMB Rate Calculation Date, on a deliverable basis by
reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable
basis by reference to Reuters Screen Page TRADNDF. If neither such rate is available, the RMB Rate
Calculation Agent will determine the RMB Spot Rate at or around 11 a.m. (Hong Kong time) on the
RMB Rate Calculation Date as the most recently available CNY/U.S. dollar official fixing rate for
settlement on the relevant due date for payment reported by The State Administration of Foreign
Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page
on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates
Service (or any successor service) or such other page as may replace that page for the purpose of
displaying a comparable currency exchange rate.

“US Dollar Equivalent” means the relevant RMB amount converted into US dollars using the RMB
Spot Rate for the relevant RMB Rate Calculation Date, as calculated by the RMB Rate Calculation
Agent.

8 Taxation

(a) **Withholding Tax exemption:** All payments of principal, interest and other revenues by or on behalf of
the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction
for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied,
collected, withheld or assessed by or within France or any authority therein or thereof having power to
tax, unless such withholding or deduction is required by law.

(b) **Additional Amounts:** If the law of a Relevant Jurisdiction should require that payments of principal,
or interest in respect of any Note or Coupon be subject to deduction or withholding in respect of any
present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law,
pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the the
Couponholders, as the case may be, of such amounts as would have been received by them had no
such withholding or deduction been required, except that no such additional amounts shall be payable
with respect to any Note or Coupon, as the case may be:

(i) **Other connection:** to, or to a third party on behalf of, a Noteholder or, if applicable, a
Couponholder, as the case may be, who is liable to such taxes, duties, assessments or
governmental charges in respect of such Note or Coupon by reason of his having some
connection with the Relevant Jurisdiction other than the mere holding of the Note or Coupon;
or

(ii) **Presentation more than 30 days after the Relevant Date:** in the case of Materialised Notes,
more than 30 days after the Relevant Date except to the extent that the Noteholder or, if
applicable a Couponholder, as the case may be, would have been entitled to such additional
amounts on presenting it for payment on the thirtieth such day; or

(iii) **Payment under the EU Directive:** where such withholding or deduction is required to be made
pursuant to EU Directive 2003/48/EC dated 3 June 2003 or any EU Directive implementing the
conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of
savings income or any law implementing or complying with, or introduced in order to conform
to, such Directive; or

(iv) **Payment by another paying agent:** in respect of Definitive Materialised Notes, presented for
payment by or on behalf of a Noteholder or, if applicable, a Couponholder, as the case may be,
who would be able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the EU.

As used in these Conditions, “Relevant Date” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 7 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition.

(c) Supply of Information: Each Noteholder shall be responsible for supplying, in a timely manner, any information as may be required in order to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC dated 3 June 2003 or any EU Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive.

9 Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

The Representative (as defined under Condition 11(b)), upon request of any Noteholder, may, upon written notice to the Issuer and the Fiscal Agent given before all defaults shall have been cured, cause the principal amount of all the Notes (but not some only) held by such Noteholder to become immediately due and payable, together with accrued interest thereon, as of the date on which such notice for payment is received by the Fiscal Agent without further formality, if any of the following events (each an “Event of Default”) shall occur:

(i) in the event of default by the Issuer in the payment of principal and interest on any Note, when and as the same shall become due and payable, if such default shall not have been cured within 7 business days from such due date;

(ii) in the event of default by the Issuer in the due performance of any other provision of the Notes, if such default shall not have been cured within 21 business days after receipt by the Fiscal Agent of written notice of such default given by a Noteholder;

(iii) any other present or future indebtedness of the Issuer or any of its Principal Subsidiaries for borrowed monies in excess of Euro 100,000,000 (or its equivalent in any other currency), whether individually or in the aggregate, becomes, following, where applicable, the expiry of any originally applicable grace period, due and payable prior to its stated maturity as a result of a default thereunder, or any such indebtedness shall not be paid when due or, as the case may be, within any originally applicable grace period therefor or any steps shall be taken to enforce
any security in respect of any such indebtedness or any guarantee or indemnity given by the Issuer or any of its Principal Subsidiaries for, or in respect of, any such indebtedness of others shall not be honoured when due and called upon;

(iv) the Issuer or any of its Principal Subsidiaries, applies for the appointment of a mandataire ad hoc under French bankruptcy law or enters into an amicable settlement (procédure de conciliation) with its creditors or a judgement is issued for the judicial liquidation (liquidation judiciaire) or for a transfer of the whole of the business (cession totale de l’entreprise) of the Issuer or any of its Principal Subsidiaries or, to the extent permitted by law, the Issuer or any of its Principal Subsidiaries is subject to any other insolvency or bankruptcy proceedings or the Issuer or any of its Principal Subsidiaries makes any conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors. For the purpose solely of this paragraph, the term “Principal Subsidiaries” shall have the same meaning as under Condition 4 hereinafore;

(v) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(vi) in the event that the Issuer or any of its Principal Subsidiaries ceases to carry on all or a material part of its or their business or other operations, except for the purposes of and following a merger or reorganisation (fusion, scission or apport partiel d’actifs) (i) on terms approved by the General Meeting of the Noteholders if French law were to require such merger or reorganisation to be approved by the General Meeting of the Noteholders or (ii) or in the case of a Principal Subsidiary, whereby the undertaking and assets of the Principal Subsidiary are vested in the Issuer, another of its Principal Subsidiaries or any other Subsidiary which as a result of such merger or reorganisation becomes a Principal Subsidiary.

11 Representation of Noteholders

In respect of the representation of the Noteholders, the following shall apply:

(a) If the relevant Final Terms specify “Full Masse”, the Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a Masse and the provisions of the French Code de Commerce relating to the Masse shall apply subject to the below provisions of this Condition 11(a).

The names and addresses of the initial Representative of the Masse and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the representative of the single Masse of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the general meeting of the Noteholders (the “General Meeting”).

In accordance with Article R.228-71 of the French Code de Commerce, the right of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of 0:00, Paris time, on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting.
The place where of a General Meeting shall be held will be set out in the notice convening such General Meeting; or

(b) If the Notes are issued outside France for the purpose of Article L.228-90 of the French Code de Commerce, the relevant Final Terms specify “Contractual Masse”, Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a masse (in each case, the “Masse”), which will be subject to the below provisions of this Condition 11(b).

The Masse will be governed by the provisions of the French Code de commerce, and, with respect to Notes issued outside France, with the exception of Articles L.228-48, L.228-59, R.228-63, R.228-67 and R.228-69 of the French Code de Commerce subject to the following provisions:

(i) **Legal Personality:** The Masse will be a separate legal entity and will act in part through a representative (the “Representative”) and in part through a general meeting of the Noteholders (the “General Meeting”).

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes.

(ii) **Representative:** The office of the Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representatives:

- the Issuer, the members of its Board of Directors (Conseil d’Administration), its general managers (directeurs généraux), its statutory auditors, or its employees as well as their ascendants, descendants and spouses; or

- companies guaranteeing all or part of the obligations of the Issuer, their respective managers (gérants), general managers (directeurs généraux), members of their Board of Directors (Conseil d’administration), Management Board (Directoire) or Supervisory Board (Conseil de surveillance), their statutory auditors, or employees as well as their ascendants, descendants and spouses; or

- companies holding 10 per cent. or more of the share capital of the Issuer or companies having 10 per cent. or more of their share capital held by the Issuer; or

- persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The names and addresses of the initial Representative of the Masse and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the initial Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.
(iii) **Powers of the Representative:** The Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

The Representative may not interfere in the management of the affairs of the Issuer.

(iv) **General Meeting:** A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting, together with the proposed agenda for such General Meeting. If such General Meeting has not been convened within two months after such demand, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published as provided under Condition 14 not less than 15 days prior to the date of such General Meeting.

Each Noteholder has the right to participate in a General Meeting in person, by proxy, correspondence, or, if the *statuts* of the Issuer so specify, videoconference or any other means of telecommunications allowing the identification of the participating Noteholders. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

(v) **Powers of the General Meetings:** The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase the liabilities (*charges*) to Noteholders, nor establish any unequal treatment between the Noteholders, nor to decide to convert Notes into shares.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least a fifth of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by Noteholders attending such General Meetings or represented thereat.

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at 0:00, Paris time.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 14.
(c) **Information to Noteholders:** Each Noteholder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Paying Agents and at any other place specified in the notice of the General Meeting.

(d) **Expenses:** The Issuer will pay all expenses relating to the operation of the *Masses*, including expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(e) **Single *Masse***: The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 13, shall, for the defence of their respective common interests, be grouped in a single *Masse*. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single *Masse* of all such Series.

For the avoidance of doubt, in this Condition 11 “outstanding” shall not include those Notes subscribed or purchased by the Issuer pursuant to Article L.213-1 A of the Code that are held by it and not cancelled.

12 **Replacement of definitive Notes, Coupons and Talons**

If, in the case of any Materialised Notes, a Definitive Materialised Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Note, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Notes, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Definitive Materialised Notes, Coupons or Talons must be surrendered before replacements will be issued.

13 **Further Issues and Consolidation**

The Issuer may from time to time without the consent of the Noteholders, or Couponholders create and issue further notes to be assimilated (assimilées) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or in all respects save for issue date, issue price, the principal amount thereof and the first payment of interest specified in the Final Terms) and that the terms of such Notes provide for such assimilation, and references in these Conditions to “Notes” shall be construed accordingly.

The Issuer may from time to time on any Interest Payment Date occurring on or after the date specified for a redenomination of the notes pursuant to Condition 1(d), on giving not less than 30 days’ prior notice to the Noteholders in accordance with Condition 14, without the consent of the Noteholders or the Couponholders, consolidate the Notes with one or more issues of other notes issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.
14 Notices

(a) Notices to the holders of Dematerialised Notes in registered form (au nominatif) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) at the option of the Issuer, they are published (a) so long as such Notes are admitted to trading on Euronext Paris, (a) in a leading daily newspaper of general circulation in France (which is expected to be Les Echos), or (b) in a leading daily newspaper of general circulation in Europe (which is expected to be the Financial Times) or (γ) they are otherwise made public in accordance with Articles 221-3 and 221-4 of the General Regulations (Règlement Général) of the AMF and, (b) so long as such Notes are admitted to trading on any Regulated Market or other stock exchange, and, to the extent applicable, laws or regulations or the rules of such Regulated Market or other stock exchange(s) so require, (α) in a leading daily newspaper with general circulation in the city/ies where the Regulated Market or stock exchange on which such Notes are listed and admitted to trading is located, and (β) on the website of any other competent authority or Regulated Market of the EEA Member State where the Notes are listed and admitted to trading, or (γ) as otherwise provided in applicable laws, regulations or rules.

(b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (au porteur) shall be valid if, at the option of the Issuer, they are published (i) so long as such Notes are listed and admitted to trading on Euronext Paris, (a) in a leading daily newspaper of general circulation in France (which is expected to be Les Echos), or (b) in a daily leading newspaper of general circulation in Europe (which is expected to be the Financial Times) or (c) they are otherwise made public in accordance with Articles 221-3 and 221-4 of the General Regulations (Règlement Général) of the AMF and, (ii) so long as such Notes are listed and admitted to trading on any stock exchange including any Regulated Market, (a) in a leading daily newspaper of general circulation in the city/ies where the Regulated Market(s), or other stock exchange on which such Notes are admitted to trading is located, if the rules applicable to such Regulated Market or other stock exchange so require, (b) on the website of any other competent authority or Regulated Market of the EEA Member State where the Notes are listed and admitted to trading, or (c) or as otherwise provided in applicable laws, regulations or rules.

(c) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.

(d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication of a notice required by Conditions 14(a), (b) and (c) above; except that notices will be published (i) (a) so long as such Notes are listed and admitted to trading on Euronext Paris, in a leading daily newspaper of general circulation in France (which is expected to be Les Echos), or (b) otherwise made public in accordance with Articles 221-3 and 221-4 of the General Regulations (Règlement Général) of the AMF or (c) so long as the Notes are listed and admitted to trading on any Regulated Market(s) and the rules of such Regulated Market(s) so require, notices shall be published in a leading daily newspaper of general circulation in the city/ies where the Regulated Market(s) on which such Notes are listed and admitted to trading is located, and (ii) notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 11 shall also be published (a) so long as such Notes are listed and admitted to trading on
Euronext Paris and the rules of such Regulated Market so permit, on the website of the AMF, or (b) in a leading newspaper of general circulation in Europe.

15 Governing Law and Jurisdiction

(a) **Governing Law:** The Notes (and, where applicable, the Coupons and the Talons) and all non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, French law.

(b) **Jurisdiction:** Any claim against the Issuer in connection with any Notes, Coupons or Talons may be brought before any competent court located in Paris.
TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF
MATERIALISED NOTES

Temporary Global Certificate

A Temporary Global Certificate, without interest Coupons, will initially be issued in connection with Materialised Notes. Upon the initial deposit of such Temporary Global Certificate with a common depositary for Euroclear and Clearstream, Luxembourg (the “Common Depositary”), Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depositary may also (if indicated in the relevant Final Terms) credit the accounts of subscribers with other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems with a nominal amount of Notes. Conversely, a nominal amount of Notes that is initially deposited with any clearing system other than Euroclear or Clearstream, Luxembourg may similarly be credited to the accounts of subscribers with Euroclear or Clearstream, Luxembourg.

Exchange

Each Temporary Global Certificate issued in respect of Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

(i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “Subscription and Sale”), in whole, but not in part, for Definitive Materialised Notes; and

(ii) otherwise, in whole but not in part, upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement for Definitive Materialised Notes.

A Noteholder must exchange its share of the Temporary Global Certificate for Materialised Notes before interest or any amount payable in respect of the Notes will be paid.

Delivery of Definitive Materialised Notes

On or after its Exchange Date, the holder of the Temporary Global Certificate must surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for the Temporary Global Certificate so surrendered, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes.

In this Base Prospectus, “Definitive Materialised Notes” means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be security printed in accordance with any applicable legal and stock exchange requirements in, or substantially in, the form set out in Schedule 2 Part A to the Agency Agreement.

Exchange Date

“Exchange Date” means, in relation to a Temporary Global Certificate, the day next succeeding the day that is 40 days after its issue date, provided that, in the event any further Materialised Notes are issued prior to such day pursuant to Condition 13, the Exchange Date for such Temporary Global Certificate shall be postponed to the day falling after the expiry of 40 days after the issue of such further Materialised Notes.
USE OF PROCEEDS

The net proceeds of the issue of Notes will be used for the general business of Schneider Electric. If in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.
DESCRIPTION OF SCHNEIDER ELECTRIC S.A.

See the 2012 Reference Document pages 14 to 33, as defined and further described under “Documents Incorporated by Reference” in this Base Prospectus.

1 History and development of the Company

Schneider Electric SA is a French corporation (société anonyme) with a Board of Directors (since 25 April 2013) governed by the French Code de Commerce, with a share capital of EUR 2,221,668,056.00, whose registered head office is located at 35, rue Joseph Monier – 92500 Rueil-Malmaison, France (phone number: +33 (0)1 41 29 70 00).

The Company is registered in Nanterre under No. 542 048 574, business identifier code (APE) 7010Z.

Schneider Electric SA was founded in 1871 and its term is up to 1 July 2031. It was first called Spie Batignolles, then changed its name to Schneider SA when it merged with Schneider SA in 1995, and then to Schneider Electric SA in May 1999.

Article 2 of the Company’s articles of association, describes its corporate purpose:

“The Company has the following objectives, directly or indirectly, in any form, in France and elsewhere:

(i) the design, development and sale of products, equipment and solutions related to the metering, management and use of energy in all its forms and delivering reliability, efficiency and productivity, in particular through the pursuance, whether by creating, acquiring or otherwise, of all activities related to:

- electrical equipment manufacturing, electrical distribution and secure power supply;
- building control, automation and safety;
- industrial control and automation, including software;
- management of all types of data centers, networks, equipment and other infrastructure;

(ii) the acquisition, purchase, sale and use of any intellectual or industrial property rights relative to these industries;

(iii) involvement in any way in any enterprise, company or consortium, whatever the type, undertaking activities related to the Company’s business or such as to encourage its industry and commerce, and, more generally, all industrial, commercial and financial, real estate and other operations related directly or indirectly in any way to the above objective.

The Company may perform any operations that fall within the scope of its objectives either alone for its own benefit or on behalf of third parties, either by having an interest in, or by the purchase, subscription, contribution or exchange of company shares, partnership shares and the purchase of any company, irrespective of their type, in pursuance of a similar or related objective, or such as to encourage its extension or development.”

The articles of association, minutes of General Meetings, Auditors’ reports and other legal documents concerning the Company are available for consultation at the Company’s head office located at 35, rue Joseph Monier - 92500 Rueil-Malmaison, France.”
The articles of association, regulated information, Registration Documents, sustainable development reports, calls to meeting and other documents are also available on the corporate website (http://www.schneider-electric.com).

2 Executive Officers

Chairman of the Board of Directors and Chief Executive Officer

Mr Jean-Pascal Tricoire

<table>
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<tr>
<th>Age: 49</th>
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<tbody>
<tr>
<td>Business address: Schneider Electric</td>
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<tr>
<td>35, rue Joseph Monier – 92500 Rueil Malmaison – France</td>
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</tbody>
</table>

| 125,064¹ Schneider Electric SA shares |
| First appointed: 2006 / Term ends: 2015 |

Directorships and other functions

- Currently:
  Chairman and Chief Executive Officer of Schneider Electric Industries SAS, Director of Schneider Electric USA, Inc. (USA), (United States), Chairman of the Board of Directors of SEAP.

- Previous directorships and functions held in the past five years:
  None.

Experience and qualifications

After graduating from ESEO Angers and obtaining an MBA from EM Lyon, Jean-Pascal Tricoire spent his early career with Alcatel, Schlumberger and Saint-Gobain. He joined the Schneider Electric Group (Merlin Gerin) in 1986. From 1988 to 1999 he occupied occupational functions within Schneider Electric abroad, in Italy (five years), China (five years) and South Africa (one year). He held corporate positions from 1999 to 2001: Director in charge of Strategic Global Accounts and the “Schneider 2000+” strategic plan. From January 2002 to the end of 2003, he was Executive Vice-President of Schneider Electric’s International Division. In October 2003, he was appointed Chief Operating Officer, before becoming Chairman of the Schneider Electric SA Management Board on 3 May 2006.

¹ Held directly or through the FCPE
Deputy Chief Executive Officer

Mr Emmanuel Babeau

Age: 45
Business address:
Schneider Electric
35, rue Joseph Monier – 92500 Rueil Malmaison – France

11,717² Schneider Electric SA shares
First appointed: 2009 / Term ends: 2015

Directorships and other functions

• Currently:
  Chairman of the Board of Directors of Schneider Electric Services International, Director of Schneider Electric Industries S.A.S., Schneider Electric France and Schneider Electric USA.

• Previous directorships and functions held in the past five years:
  Group Deputy Managing Director in charge of Finance at Pernod Ricard.

Experience and qualifications

Emmanuel Babeau graduated from ESCP and began his career at Arthur Andersen in 1990. In 1993, he joined the Pernod Ricard group as an internal auditor. He was appointed head of Internal Audit, the Corporate Treasury centre and consolidation in 1996. Mr Babeau subsequently held several executive positions at Pernod Ricard, notably outside France, before becoming Vice-President, Development in 2001, CFO in June 2003 and Group Deputy Managing Director in charge of Finance in 2006. He joined Schneider Electric in the first half of 2009.

² Held directly or through the FCPE
3 Board of Directors

At the Annual Shareholders’ Meeting of 25 April 2013 shareholders approved a recommendation to adopt a one-tier management structure, with a Board of Directors.

Members of the Board of Directors

The Board of Directors must have at least 3 and up to 18 members.

Throughout their term, the members of the Board of Directors must hold at least 250 Schneider Electric SA shares.

The members of the Board of Directors are elected for a four-year term and may be reelected.

The Annual Shareholders’ Meeting of 25 April 2013 decided that all members of the Company’s former Supervisory Board who would be appointed at the Annual General Shareholders Meeting of 25 April 2013 would remain on the Board of Directors until the end of their term as members of the Company’s former Supervisory Board, i.e., until the Annual General Shareholders Meeting to be held in 2015, with the exception of the first Director representing employee shareholders, who will be appointed for a period of four years. No more than one third of the members of the Board of Directors may be over 70 years old.

The Board of Directors has 14 members and two non-voting members.

There are 11 independent members according to the definition of the AFEP/MEDEF corporate governance guidelines for listed companies: Léo Apotheker, Betsy Atkins, Gérard de La Martinière, Xavier Fontanet, Noël Forgeard, Antoine Gosset Grainville, Willy R. Kissling, Cathy Kopp, Dominique Sénéquier, G. Richard Thoman and Serge Weinberg. Each year, the Board of Directors includes an item on its agenda to review the status of its members, based on a report from the Remuneration, Appointments and Human Resources Committee. Members’ directorships and functions in other companies that have business relations with Schneider Electric do not, by their nature, affect the said members’ independence in light of the types of transactions involved. Such transactions are carried out at arms’ length and are not material for either party. Moreover, as regards Gérard de La Martinière, who has been a member of both Schneider Electric SA’s Supervisory Board and Board of Directors for more than 12 years, his seniority is not considered as a hindrance to his independence due specifically to his personality and involvement in the work and discussions on the operation of the Audit Committee.

Five directors have a non-French origin or citizenship (American: Betsy Atkins and G. Richard Thoman; Korean-American: Jeong H. Kim; German: Leo Apotheker; Swiss: Willy R. Kissling).

One member, Magali Herbault, represents the employee shareholders in accordance with Article L.225-23 of the French Code de Commerce. She was appointed by the Shareholders’ Meeting, on the proposition of the Supervisory Boards of the FCPEs.

The average age of the directors is 60.
Board of Directors (as of 25 April 2013)

Chairman of the Board of Directors and Chief Executive Officer

Mr Jean-Pascal Tricoire
Mr Henri Lachmann
Vice-chairman and lead director

Mr Henri Lachmann is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

Age: 74
Business address:
Schneider Electric
35, rue Joseph Monier – 92500 Rueil Malmaison – France

93,2023 Schneider Electric SA shares
First appointed: 1996 / Term ends: 2014

Directorships and other functions

- Currently:
  Member of the Supervisory Board of Vivendi; member of the Supervisory Board of Groupe Norbert Dentressangle; Director of Carmat; Non-voting member of Fimalac; Chairman of the Board of Directors of Centre Chirurgical Marie Lannelongue; Chairman of Fondation pour le Droit Continental; member of the Steering Committee of Institut de l’Entreprise; Director of Association Nationale des Sociétés par Actions; Chairman of Institut Télémaque; Vice-Chairman and Treasurer of Institut Montaigne; Director of Planet Finance and Fondation Entreprendre, Chairman of the Advisory Council of Campus d’Excellence au Commissariat Général à l’Investissement (Grand Emprunt), Director of the Steering Committee of Proxinvest.

- Previous directorships and functions held in the past five years:
  Vice-Chairman of the Supervisory Board of Vivendi; Member of the Supervisory Board of AXA and AXA Assurances IARD Mutuelle; Non-voting member of Tajan; member of CODICE; Director of Solidarités Actives.

Experience and qualifications

A graduate of Hautes Études Commerciales (HEC), Henri Lachmann began his career in 1963 with Arthur Andersen. In 1970, he joined Compagnie Industrielle et Financière de Pompey. In 1971 he became Executive Vice-President of Financière Strafor (later Strafor Facom), where from 1981 to 1997 he served as CEO. He was elected to the Schneider Electric SA Board of Directors in 1996 and was appointed Chairman on 25 February 1999. On 3 May 2006, he became Chairman of the Supervisory Board of Schneider Electric SA.

3 Held directly or through the FCPE

Note: in bold type, those companies are listed on a regulated market
Mr Léo Apotheker

Mr Léo Apotheker is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

Age: 59

Business address:
9Flat A, 15 Eaton Square
London SW1W 9DD

1,538 Schneider Electric SA shares


Directorships and other functions

• Currently:

Member of the Supervisory Board of Stéria; Chairman of the Board of Directors of KMD A.S. (Denmark) Chairman of the Board of Directors; Director of New E.A (USA); member of the Board and Strategy Committee of PlanetFinance.

• Previous directorships and functions held in the past five years:

CEO and President of Hewlett-Packard; member of the Board of Directors of Hewlett-Packard; CEO of SAP AG; Non-voting member of Schneider Electric SA; Director of Ginger SA, GTNexus (USA), SAP America Inc. (USA), SAP Global Marketing Inc. (USA), SAP Asia Pte. Ltd (Singapore), SAP Japan Co., Ltd (Japan), SAP France SA, SAP Italia Sistemi, Applicazioni, Prodotti in Data Processing SpA (Italy), SAP Hellas Systems Application and Data Processing SA (Greece), SAP (Beijing) Software System Co., Ltd. (China), SAP Manage Ltd (Israel), SAP Finland Oy (Finland) and SAP Danemark A/S (Denmark).

Experience and qualifications

Léo Apotheker began his career in 1978 in management control after graduating with a degree in international relations and economics from the Hebrew University in Jerusalem. He then held management and executive responsibilities in several IT firms including SAP France and SAP Belgium, where he was CEO between 1988 and 1991. Mr Apotheker was founding President and Chief Operating Officer of ECsoft. In 1995, he returned to SAP as Chairman of SAP France. After various appointments within SAP as Regional Director, he was appointed in 2002 as a member of the Executive Committee and President of Customer Solutions & Operations, then in 2007 as President CSO and Deputy CEO of SAP AG and in 2008 CEO of SAP AG. In 2010, he became CEO and President of Hewlett-Packard and served until Autumn 2011.

Note: in bold type, those companies are listed on a regulated market
**Mrs Betsy Atkins**

Mrs. Betsy Atkins is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

Age: 59

Business address:
BAJACORP 10 Edgewater Drive, Ste 10A – Coral Gables, FL 33133

1,000 Schneider Electric SA shares

First appointed: 2011 / Term ends: 2015

**Directorships and other functions**

- Currently:

  Member of the Board of Directors of **Chicos FAS Inc.** (USA), **Polycom Inc.** (USA), and member of the Advisory Committee of **SAP** (Germany); Member of Bzaarvoice (USA).

- Previous directorships and functions held in the past five years:

  Director of Towers Watson (USA), Reynolds American (USA), **Sun Power Corp** (USA), Vonage (USA); President and CEO of Clear Standards, Inc. (USA); Chairman of the Board of Directors of Vantrix (Canada).

**Experience and qualifications**

After graduating of the University of Massachusetts and Trinity College Oxford, Betsy Atkins began her career co-founding several successful high-tech and consumer companies including Ascend Communications. In addition, she served as CEO and Chairman of NCI from 1991 to 1993 and as CEO of Key Supercomputer from 1987 to 1989.

*Note: in bold type, those companies are listed on a regulated market*
Mr. Xavier Fontanet

Mr. Xavier Fontanet is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

Age: 64
Professional address:
3, rue Charles Lamoureux – 75016 Paris – France

1,000 Schneider Electric SA shares
First appointed: 2011 / Term ends: 2016

Directorships and other functions

- Currently (situation as of 2 January 2012):
  Director of Essilor, L’Oréal and Crédit Agricole. Associate professor at HEC, Member of the Board of Directors of the Association Nationale des Sociétés par Actions (ANSA)

- Previous directorships and functions held in the past five years:
  CEO of Essilor International; Chairman of the Board of Directors of Essilor International Director of the Fonds Stratégique d’Investissement (FSI); President of EOA Holding Co. Inc. (USA), Nikon and Essilor Joint Research Center Co Ltd (Japan); Director of Nikon-Essilor Co. Ltd (Japan), Nikon and Essilor Joint Research Center Co Ltd (Japan), Essilor of America Inc. (USA), Transitions Optical Inc. (USA), EOA Holding Co, Inc. (USA), Shanghai Essilor Optical Company Ltd (China), Transitions Optical Holdings B.V. (Netherlands), Essilor Manufacturing India Private Ltd (India), Essilor India PVT Ltd (India), Essilor Amico L.L.C. (United Arab Emirates); Permanent representative of Essilor International on the Board of Directors of the Association Nationale des Sociétés par Actions (ANSA)

Experience and qualifications

A graduate of the École Nationale des Ponts et Chaussées and Massachusetts Institute of Technology, Xavier Fontanet began his career as a Vice-President at the Boston Consulting Group. He was General Manager for Bénéteau beginning in 1981. Between 1986 and 1991, he was in charge of central management of catering for the Wagons-Lits group. In 1991, he joined Essilor as Executive Vice-President and then served as CEO from 1996 to 2009 and Chairman of the Board of Directors until the beginning of 2012.

Note: in bold type, those companies are listed on a regulated market
**Mr Noël Forgeard**

Mr Noël Forgeard is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

<table>
<thead>
<tr>
<th>Age: 66</th>
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<tbody>
<tr>
<td>Professional address:</td>
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<tr>
<td>Arjil</td>
</tr>
<tr>
<td>84, avenue d'Iena – 75116 Paris – France</td>
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</tbody>
</table>

**1,000 Schneider Electric SA shares**

First appointed: 2005 / Term ends: 2014

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**Directorships and other functions**

- **Currently:**
  
  Senior Partner at Arjil SAS; member of the Committee of France Galop; Director of the PMU Economic Interest Group; Chairman of Manopi SAS (oceanic research services company).

**Experience and qualifications**

A graduate of École Polytechnique and École des Mines, Mr Noël Forgeard began his career in the French civil service before joining Usinor’s subsidiary Compagnie Française des Aciers Spéciaux. In 1986, he served as an advisor on industrial issues in Prime Minister Jacques Chirac’s office. In 1987, he joined the Lagardère Group, where he headed the Defense and Space divisions of Matra. Five years later, he became CEO of Matra Haute Technologie and joint Vice-President of the Lagardère Group. In 1998, he was appointed Director and general manager of GIE Airbus-Industrie, and in 2000, CEO of Airbus SAS (an Airbus consolidated company). From 1 July 2005 to 1 July 2006 he was co-Executive Chairman of EADS. In 2011 he joined Arjil SAS as a Senior Partner.

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*Note: companies in bold type are those whose securities are listed on a regulated market.*
Mr Antoine Gosset Grainville

Mr. Antoine Gosset Grainville is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

| Age: 46 |
| Business address: Caisse des Dépôts et Consignations |
| 56 rue de Lille, 75007 Paris – France |
| 1,000 Schneider Electric SA shares |
| First appointed: 2012 / Term ends: 2016 |

Directorships and other functions

- **Currently:**
  - Deputy managing director of the *Caisse des Dépôts et Consignations*.
  - Member of the board of directors of the *Fonds Stratégique d’Investissement*;
  - Director of *La Poste, Véolia-Transdev*, *CNP Assurances*, *Compagnie des Alpes*, *Icade* and *Dexia* (Belgium).
- **Previous directorships and functions held in the past five years:**
  - Director of *Dexia*, Deputy director of the Cabinet of Prime Minister, François Fillon from 2007 to March 2010.

Experience and qualifications

Graduate at the Paris Institute for Political Studies and holder of a “bank and finance” DESS at the *Paris IX Dauphine* University, graduate of ENA (government-official training academy), Mr Gosset Grainville, aged 46, began his career at the French Ministry of Finance (1994-1997). Then, he became deputy secretary general to the European Monetary Committee and then to the European Union Economic and Financial Committee (1997-1999). He was appointed advisor for economic and monetary affairs in the department of the European Commissioner for Trade (1999-2002). A solicitor at the bars of Paris and Brussels, he was a partner in the Brussels office of Gide Loyrette Nouel (2002-2007), before becoming deputy director of the cabinet of French Prime Minister François Fillon (2007-2010). Since May 2010, he has been deputy managing director of the Caisse des Dépôts et Consignations.

*Note: in bold type, those companies are listed on a regulated market*

* Company controlled by the *Caisse des Dépôts et Consignations*
Mrs Magali Herbaut

Age: 41
Business address:
Schneider Electric Industries SAS, Bac de Roda, 52 – Edificio A, 08019 Barcelona, Spain
6,040 Schneider Electric SA shares
First appointed: 2012/Term ends: 2016

Directorships and other functions

- Currently:
  Member of the Supervisory Board of the FCPE Schneider Actionnariat and the FCPE Schneider Energie, Member of the SICAV Schneider Energie Solaire.

- Previous directorships and functions held in the past five years:
  Member of the Supervisory Board of GFA Castillon

Experience and qualifications

Magali Herbaut graduated from the Ecole Supérieure de Commerce in Grenoble and earned an MBA from Laval University (Canada). She began her career as an auditor for the firm Deloitte, then joined Schneider Electric in 1996 as a management controller for Schneider Electric Automation GmbH. Ms Herbaut spent two years as a management controller for Schneider Electric Automation Inc in the US, before becoming Chief Financial Officer for Normabarre (2000-2003) then for the Medium Voltage/Low Voltage Regional Facilities Unit (2003-2007), later taking charge of the Alombard plant (2007-2008). Since 2009, she has managed the Electrical Wiring activity in the Business Unit LifeSpace for the EMEAS region and recently expanded her responsibility to the Asia-Pacific and North America regions. Magali Herbaut is a member of the Supervisory Board of the FCPE Schneider Actionnariat.

*Held directly or through the FCPE*
**Mr Willy R. Kissling**

Mr Willy R. Kissling is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

<table>
<thead>
<tr>
<th>Age: 68</th>
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<tbody>
<tr>
<td>Professional address:</td>
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<tr>
<td>Poststrasse n° 4 BP – 8808 Pfaeffikon – Switzerland</td>
</tr>
<tr>
<td><strong>4,000 Schneider Electric SA shares</strong></td>
</tr>
<tr>
<td>First appointed: 2001 / Term ends: 2014</td>
</tr>
</tbody>
</table>

**Directorships and other functions**

- Previous directorships and functions held in the past five years:
  
  Member of Board of Directors of **Cleantech Invest AG**.
  
  Director of **Kühne + Nagel International AG** (logistics); Director of **Holcim Ltd**; Chairman of the Board of Directors of Grand Resort Bad Ragaz AG; member of the European Advisory Board of Booz & Co.

**Experience and qualifications**

Willy Kissling, a Swiss citizen, holds diplomas from the University of Bern and Harvard University. He began his career at Amiantus Corporation and then joined Rigips, a plasterboard manufacturer, in 1978. He was appointed to the Rigips Executive Committee in 1981 and subsequently became Chairman. From 1987 to 1996, Mr Kissling served as Chairman and Executive Vice-President of Landis & Gyr Corporation, a provider of services, systems and equipment for building management, electrical contracting and pay phones. From 1998 to 2005, he was Chairman of the Board of Directors of Oertikon Bührle Holding AG (since renamed OC Oerlikon Corp.).

*Note: in bold type, those companies are listed on a regulated market*
Mrs Cathy Kopp

Mrs Cathy Kopp is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

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<thead>
<tr>
<th>Age: 63</th>
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<tr>
<td>Business address:</td>
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<tr>
<td>22, square de l’Alboni – 75016 Paris – France</td>
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</tbody>
</table>

**1,024 Schneider Electric SA shares**

First appointed: 2005 / Term ends: 2014

**Directorships and other functions**

- **Currently:**
  
  Director of SFIL; member of the Board of the Fondation SNCF.

- **Previous directorships and functions held in the past five years:**
  
  Director of *Dexia*, member of the Board of École Normale Supérieure de la rue d’Ulm in Paris; General Manager of Human Resources and member of the Executive Committee of *Accor*; member of the Collège de la Haute Autorité de Lutte contre les Discriminations (Halde), member of the Haut Conseil à l’Intégration.

**Experience and qualifications**

After earning a degree in mathematics, Cathy Kopp joined IBM France in 1973. In 1992, she became Human Resources Director at IBM France before being appointed Vice-President of Human Resources in the Storage Systems Division of IBM Corp. In 2000, Cathy Kopp became Chairman and Executive Vice-President of IBM France. In 2002 she joined the Accor Group as HR Director and served until 2009. Cathy Kopp was Chairman of the Social Committee of the Service Providers Group at MEDEF until 2009. She headed up the cross sector negotiations on diversity at MEDEF in 2006, and the negotiations on modernising the labour market in 2007.

*Note: in bold type, those companies are listed on a regulated market*
Mr Gérard de La Martinière

Mr Gérard de La Martinière is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

Age: 69

Professional Address:
18, allée du Cloître – 78170 La Celle-Saint-Cloud - France

6,856 Schneider Electric SA shares

First appointed: 1998 / Term ends: 2017

Directorships and other functions

• Currently:
  Director of Air Liquide; Director of Standard & Poor’s Credit Market Services France SAS; Director of Allo Finance; Chairman of the Managing Committee of Charte du Don en Confiance (a charity within the meaning of the 1901 French law); member of the Haut Conseil de la Vie Associative.

• Previous directorships and functions held in the past five years:
  Chairman of the French Insurance Companies Federation (Fédération Française des Sociétés d’Assurances) and Vice-Chairman of Comité européen des Assurances (CEA); Vice-Chairman of Comité européen des Assurances (CEA); Director of Banque d’Orsay; member of the Supervisory Board of European Financial Reporting Advisory Group “EFRAG” (a Belgian law association).

Experience and qualifications

A graduate of École Polytechnique and École Nationale d’Administration, Gérard de La Martinière held several positions in the French Finance Ministry before serving as Secretary General of Commission des Opérations de Bourse and General Manager of Société des Bourses Françaises. In 1989, he joined AXA, where he was appointed Executive Vice-President for Holding Companies and Corporate Functions in 1993, member of the Management Board in 1997 and Executive Vice-President of Finance, Budget Control and Strategy in 2000. He left the AXA Group in 2003 to become Chairman of the Fédération Française des Sociétés d’Assurances (FFSA), a post he held until October 2008.

Note: in bold type, those companies are listed on a regulated market
Mrs Dominique Sénéquier

Mrs Dominique Sénéquier is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

Age: 59

Business Address:
AXA Private Equity 20 place Vendôme – 75001 Paris – France

1,300 Schneider Electric SA shares

First appointed: 2010 / Term ends: 2015

Directorships and other functions

- Currently:
  Non-voting member of the Board of Directors of **Groupe Bourbon SA**, France; member of the Board of Directors of **Compagnie Industriale Riunite S.p.A.**, Italy,
  President and CEO of AXA Investment Managers Private Equity SA France; President and CEO of AXA Investment Managers Private Equity Europe SA, France; Chairman of the Supervisory Committee of AXA Private Equity US LLC, USA; Chairman of the Supervisory Board of AXA Private Equity Germany GmbH, Germany; Director of AXA Private Equity Asia Pte Ltd, Singapore; Chairman of the Board of Directors of AXA Private Equity Italy s.r.l, Italy; Chairman of the Board of Directors, member of the ASF V Committee and of the AESF V Committee of AXA Private Equity UK Ltd, UK; Chairman of the Board of Directors of AXA Private Equity Switzerland AG, Switzerland; Chairman of the Board of Directors of AXA Private Equity Switzerland Holding AG, Switzerland; Chairman of the Supervisory Board of AXA Private Equity Eastern Europe GmbH, Austria; Chairman, member of the Board of Directors and of the Coordination Committee of AXA Infrastructure Investissement SAS, France; Director of Théâtre des Champs-Élysées SA, France; Manager of SCI 30 rue JACOB, France; Director of SENEQ SA, Belgium; Chairman of Escouf Properties Corp., USA; member of the United Nations Investments Committee of the UN Pension Fund (international inter-governmental organization), USA; member of the Board of Directors of Fondation Valentin Haüy (a charity within the meaning of the 1901 French law), France.

- Previous directorships and functions held in the past five years:
  Non-voting member of **Schneider Electric SA**; President of AXA Chile Private Equity I; Director of AXA Private Equity Funds of Funds II Manager Ltd; Director of AXA Private Equity Primary Ltd; Director of AXA Private Equity Secondaries Ltd; Director of AXA IM Secondaries Associates Management Ltd; Director of AXA Private Equity SL Management Ltd; Director of AXA PE Asia Manager Ltd; Director of AXA IM LBO Management Ltd; Director of AXA IM LBO Management Ltd III; Director of AXA IM LBO Management Ltd IV; Director of AXA Alternative Participations SICAV I; Director of AXA Alternative Participations SICAV II; Director of **Groupe Bourbon SA**; Non-voting member of the Board of Directors of Nakama SA; Chairman of Pikanter 9 SAS; Chairman of Pikanter 10 SASU; member of the Board of Directors and of the Audit Committee of **Hewlett-Packard Company**; Chairman, member of the Board of Directors and of the Investment Committee of Matignon Développement 1 SAS; Chairman, member of the Board of Directors and of the Investment Committee of Matignon Développement 2 SAS; Chairman, member of the Board of Directors and of the Investment Committee of Matignon Développement 3 SAS; Chairman, member of the Board of Directors and of the Investment Committee of Matignon Développement 4 SAS; Manager of Vendôme GSG SARL.

*Note: in bold type, those companies are listed on a regulated market*
Experience and qualifications

Mrs Dominique Sénéquier is a graduate of École Polytechnique with a postgraduate diploma in banking and finance. She joined the insurance industry supervisory team in 1975. In 1980 she joined GAN as head of group acquisitions and then in 1987 she founded GAN Participations and which led up until 1995. In 1996 she joined AXA group and set up AXA Private Equity for which she is Chairman of the Management Board.
**Mr G. Richard Thoman**

Mr G. Richard Thoman is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

| Age: 68 |
| Business address: |
| Corporate Perspectives, LLC |
| 485 Park Avenue, 9th Floor – New York NY 10022 – United States |

**1,000 Schneider Electric SA shares**

First appointed: 2007 / Term ends: 2014

**Directorships and other functions**

- **Currently:**
  
  Managing Partner of Corporate Perspectives (an American strategy consulting firm); member of the Board of Advisors of INSEAD, the French American Foundation, the Americas Society, the Council of the Americas, Committee for Economic Development, McGill University School of Management, the Fletcher School and the heritage committee of the Institut des Hautes Études Internationales, “IHEID” (Geneva); Adjunct Professor at Columbia University and the Fletcher School; member of the Trilateral Commission, the Council on Foreign Relations; Business Executives for National Security, New York Economics Club.

- **Previous directorships and functions held in the past five years:**
  
  Member of the Board of Directors of Union Bancaire Privée (Geneva).

**Experience and qualifications**

Mr G. Richard Thoman has a unique background. He was one of the top five CEOs for four of the top Fortune 75 companies, in three different industries: financial services, food and beverage, and technology.

Mr Thoman began his career at Citibank after receiving his BA from McGill University in Montreal and MA, MALD and PhD from Fletcher School of Law and Diplomacy which resulted from a partnership between Tufts University and Harvard. He also graduated from Hautes Études Internationales in Geneva. After working with Exxon Finance and McKinsey, he became Chairman and co-Executive Vice-President of American Express Travel Related Services. In 1992, he was appointed Chairman and Executive Vice-President of Nabisco International. In 1993, he joined IBM as Senior Vice-President, Personal Systems Group, later becoming Financial Director. In 1997, he joined Xerox. He served as Chairman and Executive Vice-President of Xerox from April 1999 to May 2000. Mr Thoman is currently Managing Partner of Corporate Perspectives and is on the faculty of several US universities.
Mr. Serge Weinberg

Mr. Serge Weinberg is an independent member of the Board of Directors within the meaning of the AFEP/MEDEF corporate governance code for listed companies.

Age: 61

Business address:
Weinberg Capital Partners
20, rue Quentin Bauchart – 75008 Paris – France

1,144 Schneider Electric SA shares
First appointed: 2005 / Term ends: 2014

Directorships and other functions

- Currently:

  Chairman of the Board of Directors of Sanofi; Chairman of Weinberg Capital Partners, Financière Piasa and Piasa Holding, Director Piasa and VL Holding, Manager of Alret and Maremma; member of the Supervisory Committee of Financière BFSA; Vice-Chairman and Director of Financière Poinsétia and Financière Sasa; Permanent representative of Weinberg Capital Partners; Director on the Board of Alliance Industrie and Sasa Industrie; Chairman of Corum (Switzerland).

- Previous directorships and functions held in the past five years:

  Vice-Chairman of the Supervisory Board of Schneider Electric SA (from May 2006 to May 2010); Chairman of the Board of Directors of Accor (January 2006 to February 2009); Director of Alliance Industrie (from October 2006 to November 2008), of Road Holding (from March 2007 to May 2008) and Rasec (from February 2006 to January 2010); member of the Management Board of Pharma Omnium International (from June 2006 to January 2010); Director of FNAC (from July 1995 to May 2010), of Rothschild Concordia SAS (from March 2008 to October 2010), of Rothschild & Cie (from June 2005 to October 2010), of the Gucci Group (from March 1999 to April 2010); Member of the Supervisory Board of Alfina; Permanent Representative of Weinberg Capital Partners, Director on the Board of Alliance Industrie (from December 2008 to October 2011), Director of Financière Poinsétia (from October 2006 to October 2011).

Experience and qualifications

After graduating from France’s École Nationale d’Administration, Serge Weinberg held several positions in the French civil service and ministerial offices. He then served as Deputy Vice-President of FR3, Executive Vice-President and then Chairman of the Management Board of Havas Tourisme, Director of Pallas Finance. And then in 1990 joined what is now the Pinault-Printemps-Redoute Group (PPR) as Executive Vice-Chairman of Compagnie française de l’Afrique occidentale (CFAO). Within this group, he served as Chairman of Rexel (formerly CDME), an electrical equipment distributor. In 1995, he was appointed Chairman of the PPR Management Board, a position he held until early 2005. In March 2005 he founded Weinberg Capital Partners, a company that manages an investment fund specialised in leveraged buyouts and real estate. From 2006 to 2009, he was Chairman of the Board of Directors of Accor. He has been Chairman of the Board of Directors of Sanofi since May 2010.

Note: in bold type, those companies are listed on a regulated market
Non-Voting Members

Mr Claude Bébéar

Age: 77
Business address:
GIE AXA
25, avenue Matignon – 75008 Paris – France

528 Schneider Electric SA shares
First appointed: 2004 / Term ends: 2014

Directorships and other functions

- Currently:
  Non-voting member of the Supervisory Board of Vivendi; Director of AXA Assurances Vie Mutuelle, AXA Assurances IARD Mutuelle.

- Previous directorships and functions held in the past five years:
  Chairman of the Supervisory Board of AXA; Director of BNP Paribas; member of the Supervisory Board of Vivendi; Chairman of IMS-Entreprendre pour la Cité.

Experience and qualifications

A graduate of École Polytechnique, Claude Bébéar joined Groupe Ancienne Mutuelle in 1958, the mutual insurance company that would become Mutuelles Unies, then AXA in 1985. He was appointed Chairman and Executive Vice-President of the Company in 1975.

From late 1996, when AXA merged with UAP, until 2000, Claude Bébéar served as Chairman of AXA’s Management Board and Chairman of its Executive Committee. In 2000 he was appointed Chairman of the AXA Supervisory Board. Mr Bébéar resigned as Chairman of the Supervisory Board in April 2008 to become Honorary Chairman of AXA.

Note: in bold type, those companies are listed on a regulated market
Mr Jeong H. Kim

Age: 52

Business address:
9724 Sorrel Avenue Potomac, MD 20854 – United States

1,000 Schneider Electric SA shares

First appointed: 2011 / Term ends: 2015

Directorships and other functions

- Currently:
  Professor at the University of Maryland College Park (USA); Member of the Board of Directors of the University of Georgetown (USA); member of the Board of Visitors of the Stanford Freeman Spogli Institute (USA); CEO of Jurie Holdings LLC (USA); member of the Board of Directors of the Nuclear Threat Initiative (USA).

- Previous directorships and functions held in the past five years:
  Chairman of bell labs and chief strategy officer of Alcatel-Lucent; member of the Supervisory Board of Schneider Electric, member of the Board of Trustees at the University of Maryland, College Park Foundation of Johns Hopkins University (USA) and Bankinter Foundation of Innovation (Spain); Director of In-Q-Tel (USA); member of the Nasdaq Listing and Review Council (USA); member of the External Advisory Board of the CIA (USA); member of the Advisory Board of Royal Oak Capital (USA) and Director of CINTT; member of the Board of Managers of the Applied Physics Lab (USA); (Director of GIV Global Private Equity (USA).

Experience and qualifications

Jeong H. Kim holds a doctorate in reliability engineering from the University of Maryland and holds degrees from Johns Hopkins University in Technical Management, electrical engineering, and computer sciences.

A businessman, professor, and member of the National Academy of Engineering, Jeong H. Kim joined Lucent Technologies in 1998 when Lucent purchased Yurie Systems, the company he founded in 1992. He supervised the Lucent’s Optical Network Group. He then went to work at the University of Maryland, where he taught in both the Electrical Engineering and Computer Sciences Department and the Mechanical Engineering Department. Before that, Jeong H. Kim held technical and managerial positions in computers, satellite systems, and data communications, and he spent seven years as an officer aboard a US Navy nuclear submarine.

In 2005, Jeong H. Kim was appointed Chairman of Bell Laboratories (Alcatel-Lucent). He resigned in February 2013 in the context of his possible appointment as Minister of Innovation and Science of South Korea, but eventually withdrew his candidacy.

Note: in bold type, those companies are listed on a regulated market
Administrative, Management and Supervisory bodies conflicts of interest

To the best of the Company’s knowledge, there are no arrangements or understandings with major shareholders, customers, suppliers or others pursuant to which a member of the Board of Directors has been selected as a member of an administrative, management or supervisory body or a member of senior management.

To the best of the Company’s knowledge, there are no conflicts of interest between any duties of the members of the Board of Directors of the Company and their private interests or other duties.

To the best of the Company’s knowledge, the members of the Board of Directors have no restrictions on selling their Company shares aside from those stipulated in stock option and stock grant plans for Members of the Board of Directors and a 250 share-holding requirement for members of the Supervisory Board.
Board Practices

At its board meeting held on 25 April 2013 after the annual shareholders’ meeting that adopted the new governance for the company, the board of directors appointed Mr. Jean-Pascal Tricoire as chairman and Chief Executive Officer and Mr. Henri Lachmann as vice-chairman and lead director and also adopted its internal regulations.

Non-voting directors and composition of the committees of the board of directors

The board of directors has named Mr. Claude Bebear and Mr. Jeong Kim as non-voting directors for a period of one year. Mr. Jeong Kim had, in fact, resigned from the supervisory board last February to become Minister of Innovation and Science in South Korea. However, he had to abandon this project. Therefore, the board of directors has proposed Mr. Jeong Kim to join the board as a non-voting director whilst awaiting his nomination as a full director at the next annual shareholders’ meeting.

The board of directors has also determined the following composition for its committees:

Governance committee
Mr. Henri Lachmann, chairman
Mr. Léo Apotheker
Mr. Claude Bebear
Mr. Willy Kissling
Mr. Serge Weinberg

Audit and risk committee
Mr. Gérard de La Martiniere, chairman
Mr. Noël Forgeard
Mr. Antoine Gosset-Grainville

Remunerations, human resources and CSR committee
Mr. Serge Weinberg, chairman
Mrs Cathy Kopp
Mr. Willy Kissling
Mrs Magali Herbaut
Mr. G Richard Thoman

Strategy committee
Mr. Xavier Fontanet, chairman
Mr. Léo Apotheker
Mr. Jeong Kim
Mrs Besty Atkins
Mrs Dominique Senequier

General management

The board of directors has appointed Mr. Emmanuel Babeau as deputy Chief Executive Officer in charge of Finance and Legal matters, upon the proposal of Mr. Jean-Pascal Tricoire.
RECENT DEVELOPMENTS

The Company’s first 2013 quarter results (unaudited)

- Asia-Pacific improved sequentially with China turning positive
- Market conditions remained difficult in Western Europe
- Mixed picture in North America with positive underlying trend, but performance penalized by one-offs and high comparable base
- Group organic sales down 2.7% mainly due to fewer working days
- New economies organic growth 8 points above mature countries
- Services up 3% organically, outperforming rest of Group by 7 points

Schneider Electric reported first quarter, revenues of €5,211 million, down 3.7% year-on-year on current structure and exchange rate basis. Organic revenues were down 2.7%, of which fewer working days accounted for about 1.6% of decline.

The breakdown of revenues by business segment was as follows:

<table>
<thead>
<tr>
<th>€ million</th>
<th>Revenues</th>
<th>Organic growth</th>
<th>Changes in scope of consolidation</th>
<th>Currency effect</th>
<th>Reported growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner</td>
<td>1,930</td>
<td>-3.3%</td>
<td>+0.3%</td>
<td>-1.2%</td>
<td>-4.2%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>1,110</td>
<td>+1.0%</td>
<td>+2.1%</td>
<td>-1.0%</td>
<td>+2.1%</td>
</tr>
<tr>
<td>Industry</td>
<td>1,011</td>
<td>-3.6%</td>
<td>-0.9%</td>
<td>-1.6%</td>
<td>-6.1%</td>
</tr>
<tr>
<td>IT</td>
<td>793</td>
<td>-2.4%</td>
<td>-0.5%</td>
<td>-2.2%</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Buildings</td>
<td>367</td>
<td>-8.1%</td>
<td>+1.2%</td>
<td>-0.7%</td>
<td>-7.6%</td>
</tr>
<tr>
<td><strong>Group</strong></td>
<td><strong>5,211</strong></td>
<td><strong>-2.7%</strong></td>
<td><strong>+0.3%</strong></td>
<td><strong>-1.3%</strong></td>
<td><strong>-3.7%</strong></td>
</tr>
</tbody>
</table>

The Group achieved €5.2 billion revenues in Q1 2013. Improvement in China supported return to growth in Asia Pacific and other new economies continued to grow. The Issuer experienced a positive underlying trend in North America in some of its end markets though its performance was negatively impacted by one-offs and high comparables. Western Europe remained difficult.

While the visibility remains limited, the trends are in line with the Issuer’s expectation at beginning of the year and the Group therefore confirms its full year 2013 guidance.

Moving forward, the Issuer will remain focused on executing the “Connect” program initiatives around growth, efficiency and cash generation to ensure delivery of results.
Organic growth analysis by business segment

Partner (37% of Q1 revenues) was down 3.3% like-for-like, reflecting the decline in both products and solutions. The product business saw a mixed picture with improvement in China offset by the still sluggish economy in Europe and slow construction market in Australia. The US observed a material recovery in the residential market but was weighed down by one-offs and high comparables. The solution business was impacted by high comparables last year and the decline of solar business mainly in Europe. However underlying order trends for Partner business were resilient and indicated stability.

Infrastructure (21% of Q1 revenues) was up 1.0% like-for-like. Product business was flat with mixed underlying dynamics as it grew in the Middle East, driven by investment in utilities, while Western Europe continued to weigh down on the performance. The solutions business was up driven by the good execution of projects in electrical infrastructure in Russia and the US as well as in natural resource based industries in South East Asia and Australia. Growth of installed base services across the board was a support.

Industry (20% of Q1 revenue) declined 3.6% like-for-like as the growing solution business could not offset the weakness of products. Solutions performance was driven by the continued strong demand for our OEM solutions with the success of SoMachine. Services were also strong in most of the regions. This compensated a soft quarter for end-user solutions, mainly impacted by reduced investments in mining in Australia and water in the UK. Products remained negative reflecting the manufacturing contraction in Western Europe and softness in North America. The first quarter was impacted by one-offs; however, the underlying order trend for the Industry business confirms stabilisation.

IT (15% of Q1 revenues) declined 2.4% like-for-like, weighed down by Solutions. Product business continued to grow, supported by the success of Luminous and sustained demand for critical power products in South East Asia and Russia, partly offset by weaker demand in the US, which had a high basis of comparison in first quarter 2012. Solution business was mainly impacted by project delays in North America and postponed investments in data center in China. This could not be offset by the good execution of data center solutions in the UK, Ireland and Russia. Services were strong in South East Asia and resilient in North America.

Buildings (7% of Q1 revenues) was down 8.1% organically. Solutions business was in decline as good performance of security systems and installed base services was weighed down by spending delays in the US and lower public investments in the Nordics and the UK, particularly affecting building management systems and advanced energy management services. Products business decreased due to the weak demand in mature countries.

Solutions business was down organically at -3% in the first quarter and represented 38% of revenues.

Organic growth by geography

| Q1 2012 |
|------------------|------------------|------------------|
|                 | Revenues | Organic growth | Reported growth |
| **€ million**   |          |                |                 |
| Western Europe  | 1,590    | -7%            | -6%             |
| Asia-Pacific    | 1,395    | +2%            | 0%              |
| North America   | 1,331    | -5%            | -6%             |
| Rest of the World | 895    | +1%            | -3%             |
Western Europe (30% of Q1 revenues) dropped 7% year-on-year in the first quarter. The UK continued to post positive growth but Southern Europe declined double-digit reflecting continued economic weakness in Spain, Italy and France. Nordic countries turned negative in this quarter mainly due to slowdown in the economy. Germany was negative due to cautious utility spending and industries penalized by weak export markets.

Asia-Pacific (27% of Q1 revenues) was up 2% like-for-like. The trend was positive for most of the region. China turned slightly positive in this quarter helped by construction market. South East Asia continued to grow, reflecting investment in real estate, mining and oil & gas. India posted good growth driven by strong demand in power reliability. Australia was down as the good execution of projects in infrastructure and oil & gas was weighed down due to sluggish construction market.

North America (26% of Q1 revenues) was down 5% like-for-like. This decrease does not reflect the underlying trend which was slightly positive. The first quarter revenues were negatively impacted by fewer working days and high comparables. The recovery in residential construction was confirmed and the region continued to benefit from investments in oil & gas and mining. The revenues were weighed down by lower IT spending and reduced government investments in buildings.

Rest of the World (17% of Q1 revenues) reported 1% growth. CIS, comprising Russia, Kazakhstan, Ukraine, continued to post double-digit growth on the back of investment in infrastructure and mid-market offer ramp up. Africa renewed with growth and South America was positive. Middle East and Central Europe declined.

Revenues in new economies were up 2% organically and represented 39% of total first quarter 2013 revenues, up 1 point compared to same period previous year.

Consolidation and foreign exchange impacts

Net acquisitions contributed €18 million or +0.3%. This includes mainly M&C Energy (Buildings) and several minor acquisitions and disposals in other businesses.

The impact of foreign exchange fluctuations was negative at €74 million, primarily the result of the depreciation of the Brazilian real, Indian rupee, Japanese yen and US dollar, against the euro over the period.

Press Release dated 28 March 2013: Schneider Electric acquires 100% ownership of Electroshield – TM Samara, transforming Russia into a key market for the Group

Schneider Electric announced on 28 March 2013 that it has acquired full ownership of Electroshield – TM Samara, further to the 50% acquired in October 2010, after obtaining the requisite regulatory approvals in Russia. Electroshield – TM Samara is one of the leading Russian players in medium voltage with a strong presence in key end markets like oil & gas, utilities, mining and other electro-intensive industries.

Electroshield – TM Samara has operations in Russia and Central Asia employing around 10,000 people in 4 industrial sites (in Russia and Uzbekistan). It generated average annual sales of more than RUB 20 billion (~€ 500
million) since the Group acquired 50% stake in 2010, with an adjusted EBITA margin in line with the Group’s Infrastructure business. Electroshield – TM Samara has:

- One of the key positions in Russian medium voltage market with strong local R&D presence that Schneider Electric will continue to grow
- Local manufacturing footprint that the Group intends to expand to serve the rapidly growing medium voltage market in Russia as well as export markets
- Proven execution capabilities for delivering innovative solutions and turnkey projects for medium/low voltage substations
- Excellent market access to oil & gas, utilities and mining, minerals and metals industries

Following this acquisition, Schneider Electric can report a step change in its presence in Russia with a headcount of approx 12,000 and 2012 sales of around € 1.2 billion on a pro-forma basis, making it the Group’s second largest country in the new economies and fourth largest globally.

Jean-Pascal Tricoire, President and CEO, commented: “I am proud to welcome Electroshield – TM Samara employees to the Group. Electroshield – TM Samara has been a close technological partner for a long time. This engagement reaffirms our commitment to Russia and is a key milestone in our active participation in the economic and technological development of the country. Electroshield – TM Samara considerably enhances our capacity to be a key player in the oil & gas and mining industry in the region, as well as to develop energy efficiency and smart grid in Russia. This strategic investment also reinforces our worldwide presence in the technologies for energy, mining and urban infrastructure, and confirms Schneider Electric Russia as an essential organization of our company”

The cumulative price for 100% of equity is RUB 20.4 billion (~ € 510 million) with net debt of zero as of today. As agreed, the second half of the equity was acquired at the same value as the first half in 2010. Previously it was accounted under the equity accounting method and following the obtention of full ownership it will be fully consolidated. This acquisition is expected to meet Schneider Electric’s Return on Capital Employed criteria.
TAXATION

The statements herein regarding taxation in France and Luxembourg are based on the laws in force in the Republic of France and in the Grand Duchy of Luxembourg as of the date of this Base Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective Noteholder should consult its tax advisor as to the French and Luxembourg tax consequences of the ownership and disposition of the Notes.

EU TAXATION

On 3 June 2003, the European Council of Economic and Finance Ministers adopted the Directive 2003/48/EC on the taxation of savings income (the “Directive”). Pursuant to the Directive and subject to a number of conditions being met, Member States are required, since 1 July 2005, to provide to the tax authorities of another Member State, inter alia, details of payments of interest within the meaning of the Directive (interest, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident, or certain types of entities established, in that other Member State (the “Disclosure of Information Method”).

For these purposes, the term “paying agent” is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Directive, for the immediate benefit of individuals.

However, throughout a transitional period, certain Member States (the Grand Duchy of Luxembourg and Austria), instead of using the Disclosure of Information Method used by other Member States, unless the relevant beneficial owner of such payment elects for the Disclosure of Information Method, withhold an amount on interest payments. The rate of such withholding tax is 35% until the end of the transitional period.

Such transitional period will end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the “OECD Model Agreement”) with respect to interest payments within the meaning of the Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rate applicable for the corresponding periods mentioned above and (ii) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Directive.

A number of non-EU countries and dependent or associated territories have agreed to adopt similar measures (transitional withholding or exchange of information) with effect since 1 July 2005.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

LUXEMBOURG WITHHOLDING TAX

Under Luxembourg tax laws currently in effect and with the possible exception of interest paid to individuals and to certain residual entities (as described below), there is no Luxembourg withholding tax on payments of interest, including accrued but unpaid interest. There is also no Luxembourg withholding tax, with the possible exception of payments made to individuals and to certain residual entities (as described below), upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.
Individuals

Luxembourg residents

A 10 per cent. withholding tax is levied on interest payments made by Luxembourg paying agents (defined in the same way as in the Directive) to Luxembourg individual residents or to certain residual entities (as described below) that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EC as replaced by the Council Directive 2009/65/EC or for the exchange of information regime).

Only interest accrued after 1 July 2005 falls within the scope of this withholding tax. Interest income from current and sight accounts (comptes courants et à vue) provided that the remuneration on these accounts is not higher than 0.75% are exempt from the withholding tax. Furthermore, interest which is accrued once a year on savings accounts (short and long term) and which does not exceed €250 per person and per paying agent is exempt from the withholding tax.

This withholding tax represents the final tax liability for the Luxembourg individual resident taxpayers.

Luxembourg non-residents

Under the Luxembourg laws dated 21 June 2005 (the “Laws”) implementing the Directive and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union (“EU”), a Luxembourg based paying agent (within the meaning of the Laws) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual or certain residual entities resident or established in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments elects for an exchange of information or, in case of an individual beneficiary, for the tax certificate procedure. Residual entities within the meaning of Article 4.2 of the Directive are entities established in a Member State or in certain EU dependent or associated territories which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation and that are not, or have not opted to be considered as UCITS recognised in accordance with Council Directive 85/611/EEC as replaced by the Council Directive 2009/65/EC or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands.

The withholding tax rate is 35 per cent. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Corporations

There is no Luxembourg withholding tax for Luxembourg resident and non-resident corporations holders of the Notes on payments of interest (including accrued but unpaid interest).

FRENCH TAXATION

The comments below are intended as a basic summary of certain tax consequences that may be relevant to holders of Notes who do not concurrently hold shares of the Issuer. Persons who are in any doubt as to their tax position should consult a professional tax adviser.

The Savings Directive was implemented into French law under Article 242 ter of the French Code général des impôts, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.
Notes issued as from 1 March 2010

Payments of interest and other revenues made by the Issuer with respect to notes issued on or after 1 March 2010 (other than Notes (described below) which are assimilated (assimilées) and form a single series with Notes issued prior to 1 March 2010 having the benefit of Article 131 quater of the French Code général des impôts) will not be subject to the withholding tax set out under Article 125 A III of the French Code général des impôts unless such payments are made outside France in a non-cooperative State or territory (Etat ou territoire non coopératif) within the meaning of Article 238-0 A of the French Code général des impôts (a “Non-Cooperative State”). If such payments under the Notes are made in a Non-Cooperative State, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French Code général des impôts.

Furthermore, interest and other revenues on such Notes are not deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French Code général des impôts, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 bis of the French Code général des impôts, at a rate of 30 per cent. or 75 per cent, subject to the more favourable provisions of an applicable tax treaty.

Notwithstanding the foregoing, neither the 75 per cent. withholding tax nor to the extent the relevant interest or other similar revenues relate to genuine transactions and are not in an abnormal or exaggerated amount the non-deductibility will apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such a particular issue of Notes were not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the “Exception”). Pursuant to French tax administrative guidelines (BOI-INT-DG-20-50 n°550 and n°990) dated 12 September 2012, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

- offered by means of a public offer within the meaning of Article L.411-1 of the French Code monétaire et financier or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an “equivalent offer” means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

- admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

- admitted, at the time of their issue, to the clearing operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French Code monétaire et financier, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

Pursuant to Article 9 of the 2013 French Finance Law (loi n°2012-1509 du 29 décembre 2012 de finances pour 2013), subject to certain limited exceptions, interest received from 1 January 2013 by French tax resident individuals is subject to a 24% withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at an aggregate rate of 15.5% on interest paid to French tax resident individuals.
Notes issued before 1 March 2010 and Notes which are assimilated (assimilées) with Notes issued before 1 March 2010

Payments of interest and other revenues with respect to (i) Notes issued (or deemed issued) outside France as provided under Article 131 quater of the French Code général des impôts, before 1 March 2010 and (ii) Notes which are assimilated (assimilées) and form a single series with such Notes, will continue to be exempt from the withholding tax set out under Article 125 A III of the French Code général des impôts.

Notes issued before 1 March 2010, whether denominated in Euro or in any other currency, and constituting obligations under French law, or titres de créances négociables within the meaning of the French tax administrative guidelines (BOI-RPPM-RCM-30-10-30-30) dated 12 September 2012, respectively, or other debt securities issued under French or foreign law and considered by the French tax authorities as falling into similar categories, are deemed to be issued outside the Republic of France for the purpose of Article 131 quater of the French Code général des impôts, in accordance with the aforementioned administrative guidelines.

In addition, interest and other revenues paid by the Issuer on Notes issued before 1 March 2010 (or Notes issued after 1 March 2010 and which are to be assimilated (assimilées) and form a single series with such Notes) will not be subject to the withholding tax set out in Article 119 bis of the French Code général des impôts solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

See “Terms and Conditions of the Notes – Taxation”.

HONG-KONG

The following is a summary of certain Hong Kong tax considerations relating to the purchase, ownership and disposition of the Notes by a beneficial owner of the Notes. This summary is based on the tax laws and regulations of Hong Kong as currently in effect and which is subject to change or to different interpretation. This summary is for general information only and does not address all of the Hong Kong tax considerations that may be relevant to specific holders in light of their particular circumstances.

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of the assessable profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the “Inland Revenue Ordinance”), interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, professional or business carried on in Hong Kong and be subject to profits tax in the following circumstances:

(a) interest on the Notes is derived from Hong Kong and is received by or accrued to a corporation, other than a financial institution (as defined in the Inland Revenue Ordinance), carrying on a trade, profession or business in Hong Kong;

(b) interest on the Notes is derived from Hong Kong and is received by or accrued to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
(c) interest on the Notes is received by or accrued to a financial institution (as defined in the Inland Revenue
Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong,
notwithstanding that the moneys in respect of which the interest is received or accrued are made available
outside Hong Kong.

Any capital gains from the sale of the Notes will not be subject to taxes in Hong Kong, except that Hong Kong
profits tax may be chargeable in the case of owners of Notes who carry on a trade, profession or business in Hong
Kong and such gains form part of the revenue or profits of such trade, profession or business.

Sums received by or accrued to a financial institution by way of gain or profits arising through or from the carrying
on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of Notes will be
subject to Hong Kong profits tax.

Stamp Duty

Stamp duty will not be payable on the issue of bearer Notes provided either:

(a) such Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any
circumstances in the currency of Hong Kong; or

(b) such Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong (“Stamp
Duty Ordinance”).

If stamp duty is payable it is payable by the Issuer on the issue of bearer Notes at a rate of 3 per cent. of the market
value of the Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of bearer Notes.

No stamp duty is payable on the issue of registered Notes. Stamp duty may be payable on the transfer of registered
Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable
on any transfer of Registered Notes provided that either:

(a) the registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable
in any circumstances in the currency of Hong Kong; or

(b) the registered Notes constitute loan capital (as defined in the Stamp Duty Ordinance).

If stamp duty is payable in respect of the transfer of registered Notes it will be payable at the rate of 0.2 per cent.
(of which 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally by reference
to the value of the consideration. If, in the case of either the sale or purchase of such registered Notes, stamp duty is
not paid, both the seller and the purchaser may be liable jointly and severally to pay any unpaid stamp duty and
also any penalties for late payment. If stamp duty is not paid on or before the due date (two days after the sale or
purchase if effected in Hong Kong or 30 days if effected elsewhere) a penalty of up to 10 times the duty payable
may be imposed. In addition, stamp duty is payable at the fixed rate of HK$5 on each instrument of transfer
executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in
Hong Kong.

Estate Duty

No estate duty is payable in respect of Notes in Hong Kong.

Capital gains tax

There is no capital gains tax in Hong Kong and no capital gains tax is chargeable or payable on the transfer or
disposal of the Notes.
Under the PRC Enterprise Income Tax Law which was promulgated by the National People’s Congress of the PRC on 16 March 2007 and became effective on 1 January 2008, an enterprise established in the PRC or in a foreign country with a “de facto management body” located within the PRC is considered a “PRC tax resident enterprise” and will normally be subject to the enterprise income tax at the rate of 25% for its worldwide income.

Under the PRC Enterprise Income Tax Law and PRC Individual Income Tax Law (which was promulgated by the Standing Committee of National People’s Congress of the PRC on 30 June 2011 and became effective on the same date), if the Issuer is considered to be a PRC tax resident enterprise, interest payable to non-resident Noteholders and gains from transfer of Notes realized by such non-resident Noteholders may be regarded as income from sources within the PRC and therefore be subject to a 10% enterprise income tax if the Noteholder is a non-resident enterprise, or 20% individual income tax if the Noteholder is a non-resident individual, both to be withheld by the Issuer from the interest payments thereto. To the extent that the PRC has entered into arrangements relating to the avoidance of double-taxation with any jurisdiction, such as France, Hong Kong and Singapore, that allow a lower rate of withholding tax, such lower rate may apply to Noteholders who qualify for such treaty benefits.

If the Issuer is not considered a PRC tax resident enterprise, the holders of Notes who are not PRC residents for PRC tax purposes will not be subject to withholding tax, income tax or any other taxes or duties imposed by any governmental authority in the PRC in respect of Notes or any repayment of principal and payment of interest made thereon.
SUBSCRIPTION AND SALE

OVERVIEW OF DEALER AGREEMENT

Subject to the terms and on the conditions contained in an Amended and Restated Dealer Agreement dated 25 June 2013 (the “Dealer Agreement”) between the Issuer, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by such Dealer. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

SELLING RESTRICTIONS

United States

The Notes have not been and will not be registered under the Securities Act or with any securities commission or any regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings ascribed to them by Regulation S under the Securities Act (“Regulation S”).

Materialised Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and the regulations thereunder.

Each Dealer has agreed and that, except as permitted by the Dealer Agreement, it will not offer, sell or, in the case of Notes in bearer form, deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche, as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period (as defined in Regulation S, the “Distribution Compliance Period”) a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any identifiable Tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may
violate the registration requirements of the Securities Act and the laws of certain states and jurisdictions of the United States if such offer or sale is made otherwise than in accordance with an exemption from such registration requirements.

Public Offer Selling Restriction Under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(i) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “Non-exempt Offer”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such final terms and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(iii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.
United Kingdom
Each Dealer has represented and agreed that:

(i) **Investment advertisements**: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer;

(ii) **General compliance**: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom; and

(iii) **Accepting Deposits in the United Kingdom**: in relation to any Notes having a maturity of less than one year from the date of their issue, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of FSMA by the Issuer.

France
Each of the Dealers has represented and agreed that:

(i) **Offer to the public in France**

it has only made and will only make an offer of Notes to the public in France on or after the date of approval of the Base Prospectus relating to those Notes by the Autorité des marchés financiers (“AMF”) in accordance with Articles L.412-1 and L.621-8 of the French Code monétaire et financier and the Règlement général of the AMF, and ending at the latest on the date which is 12 months after the date of the approval of the Base Prospectus; or

(ii) **Private Placement in France**

it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (personnes fournissant le service d’investissement de gestion de portefeuille pour le compte de tiers), and/or (b) qualified investors (investisseurs qualifiés) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French Code monétaire et financier.

Japan
The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the “Financial Instruments and Exchange Act”). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to,
or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Hong Kong
Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus”, as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors”, as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

People’s Republic of China
Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell, directly or indirectly, any of the Notes in the PRC, except as permitted by applicable laws and regulations of the PRC.

Singapore
Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law; or

(iv) as specified in Section 276(7) of the SFA.

General
These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit an offer to the public of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, the Final Terms or any other offering material, in all cases at its own expense and neither the Issuer nor any other Dealer shall have responsibility therefor.

Each of the Dealers and the Issuer has represented and agreed and will be required to represent and agree that Materialised Notes may only be issued outside of France.
FINAL TERMS

PRO FORMA FINAL TERMS FOR USE IN CONNECTION WITH ISSUES OF SECURITIES WITH A DENOMINATION OF LESS THAN €100,000 TO BE ADMITTED TO TRADING ON AN EU REGULATED MARKET AND/OR OFFERED TO THE PUBLIC IN THE EUROPEAN ECONOMIC AREA

Final Terms dated [●]

SCHNEIDER ELECTRIC SA

Issue of Euro [Aggregate Nominal Amount of Tranche] [Title of Notes] under the Euro 7,500,000,000 Euro Medium Term Note Programme

[Any person making or intending to make an offer of Notes may only do so [(i) in those Public Offer Jurisdictions mentioned in paragraph [10 (viii)] of Part B below, provided such person is [an Authorised Offeror] in that paragraph and that such offer is made during the Offer Period specified for such purpose therein; or (ii) otherwise] in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 25 June 2013 which received visa n°13-299 from the Autorité des marchés financiers (the “AMF”) on 25 June 2013 [and the supplement[s] to the Base Prospectus dated [●] which received visa n°[●] from the AMF on [●] (the “Supplement[s]”) [which [together] constitute[s] a Base Prospectus for the purposes of Directive 2003/71/EC, as amended by Directive 2010/73/EU (the “Prospectus Directive”).

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. A summary of the issue of the Notes is annexed to these Final Terms. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. [The Base Prospectus [and the Supplement(s)] [is] [are] available for viewing at the office of the Fiscal Agent or each of the paying agents and on the [website of the Issuer (www.schneider-electric.com), and on the website of the AMF (www.amf-france.org) and copies may be obtained from Schneider Electric S.A., 35, rue Joseph Monier - 92500 Rueil-Malmaison, France.]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.
Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”), which are the [●] EMTN Conditions which are incorporated by reference in the Base Prospectus dated 25 June 2013. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Directive 2003/71/EC, as amended by Directive 2010/73/EU (the “Prospectus Directive”) and must be read in conjunction with the Base Prospectus dated 25 June 2013 which received visa n°13-299 from the Autorité des marchés financiers (the “AMF”) on 25 June 2013 [and the supplement(s) to the Base Prospectus dated [●] which received visa n°13- [●] from the AMF on [●] (the “Supplement[s]”), which [together] constitute[s] a Base Prospectus for the purposes of the Prospectus Directive, including the [●] EMTN Conditions which are incorporated by reference in the Base Prospectus. A summary of the issue of the Notes is annexed to these Final Terms. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the [●] EMTN Conditions and the Base Prospectus dated 25 June 2013 and the Supplement(s). [The Base Prospectuses [and the supplement(s) to the Base Prospectus] are available for viewing at the office of the Fiscal Agent or each of the paying agents and on the [website of the Issuer (www.schneider-electric.com) and on the website of the AMF (www.amf-france.org), and copies may be obtained from Schneider Electric S.A., 35, rue Joseph Monier - 92500 Rueil-Malmaison, France.]

[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]

1 [(i)] Issuer: Schneider Electric S.A.
2 [(i)] Series Number: [●]
   (ii) Tranche Number: [●]
   (iii) Date on which the Notes become fungible. [Not Applicable / The Notes will be assimilated (assimilées) and form a single series with the existing [insert description of the Series] issued by the Issuer on [insert date] (the “Existing Notes”) [as from the Issue Date of this Tranche] [as from the date of assimilation which is expected to be on or about 40 days after the Issue Date (the “Assimilation Date”) of this Tranche]
3 Specified Currency or Currencies: [●]
4 Aggregate Nominal Amount: [●]
   [(i)] Series: [●]
   [(ii)] Tranche: [●]
5 Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
6 Specified Denominations: [●]
7 [(i)] Issue Date: [●]
   [(ii)] Interest Commencement Date: [Specify / Issue Date / Not Applicable]
8 Maturity Date: [●] [specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]

9 Interest Basis:

[[●] per cent Fixed Rate]
[[specify reference rate] +/– [●] per cent. Floating Rate]
[Zero Coupon]
(further particulars specified below)

10 Redemption Basis:
Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [●] per cent. of their nominal amount.

11 Change of Interest Basis:
[Applicable (for Fixed/Floating Rate Notes) / Not Applicable]
[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]

12 Put/Call Options:
[Investor Put]
[Issuer Call]
[Change of Control Put]
(further particulars specified below)

13 [(i)] Status of the Notes:
[Senior/[Dated/Perpetual]]
[(ii)] [Date of the corporate authorisations for issuance of Notes obtained: [●] and [●], respectively]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14 Fixed Rate Note Provisions
[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Rate[(s)] of Interest: [●] per cent. per annum [payable annually/semi-annually/quarterly/monthly] in arrear on each Interest Payment Date

(ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [the Business Day Convention specified below] [specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”]/not adjusted]

(iii) Fixed Coupon Amount[(s)]$: [●] per [●] in Nominal Amount

(iv) Broken Amount(s): [Not Applicable] [●] payable on the Interest Payment Date falling [in/on] [●]

(v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) /365 (Fixed)/Actual/360 / 30E/360 / 30E/360 (ISDA)]

3 RMB Notes only
4 Not applicable for RMB Notes
(vi) Determination Dates: [●] in each year (insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual ([ICMA]))

(vii) [Business Day Convention\textsuperscript{5}]: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]]

(viii) Party responsible for calculating Interest Amounts (if not the Calculation Agent): [●]/[Not Applicable]

15 Floating Rate Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Interest Period(s): [●]

(ii) Specified Interest Payment Dates: [[●] in each year, subject to adjustment in accordance with the Business Day Convention set out in (iii) below]

(iii) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/other (give details)]

(iv) Business Centre(s): [●]

(v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]

(vi) Interest Period Dates: [Not Applicable/spcify dates]

(vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [●]

(viii) Screen Rate Determination: [Applicable/Not Applicable]

– Reference Rate: [●]

– Interest Determination Date: [●]

(ix) ISDA Determination:

– Floating Rate Option: [●]

– Designated Maturity: [●]

– Reset Date: [●]

(x) Margin(s): [+/−][●] per cent. per annum

(xi) Minimum Rate of Interest: [●] per cent. per annum

(xii) Maximum Rate of Interest: [●] per cent. per annum

\textsuperscript{5} RMB Notes only

\textsuperscript{6} RMB Notes only
(xiii) Day Count Fraction: [30/360 / Actual/Actual (ICMA / ISDA) / Actual/365 (Fixed)/ Actual/360 / 30E/360 / 30E/360 (ISDA)]

(xiv) Rate Multiplier: [●]

16 Zero Coupon Note Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Amortisation Yield: [●] per cent. per annum

(ii) Day Count Fraction: [30/360 / Actual/Actual (ICMA / ISDA) / Actual/365 (Fixed)/ Actual/360 / 30E/360 / 30E/360 (ISDA)]

(iii) Any other formula/basis of determining amount payable: [●]

PROVISIONS RELATING TO REDEMPTION

17 Call Option

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Optional Redemption Date(s): [●]

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [● per Note of [●] Specified Denomination]

(iii) If redeemable in part:

(a) Minimum nominal amount to be redeemed: [●]

(b) Maximum nominal amount to be redeemed: [●]

(iv) Option Exercise Date(s): [●]

(v) Description of any other Issuer’s option: [●]

(vi) Notice period: [●]

18 Put Option

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Optional Redemption Date(s): [●]

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [● per Note of [●] Specified Denomination]

(iii) Option Exercise Date(s): [●]

(iv) Description of any other Noteholders’ option: [●]

(v) Notice period: [●]

19 Change of Control Put Option

[Applicable/Not Applicable]
20 **Final Redemption Amount of each Note**

[●] per Note of [●] Specified Denomination

21 **Early Redemption Amount**

(i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

[Not Applicable/[●]]

(ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates:

[Yes/No]

(iii) Unmatured Coupons to become void upon early redemption (Bearer Notes only):

[Yes/No/Not Applicable]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

22 **Form of Notes:**

[Dematerialised Notes/ Materialised Notes]

(Materialised Notes are only in bearer form)

(delete as appropriate)

(i) Form of Dematerialised Notes:

[Not Applicable/ Bearer dematerialised form (au porteur) only/ Registered dematerialised form (au nominatif)]

(ii) Registration Agent:

[Not Applicable/ if Applicable give name and details]

(Note that a Registration Agent must be appointed in relation to Registered Dematerialised Notes only)

(iii) Temporary Global Certificate:

[Not Applicable/ Temporary Global Certificate exchangeable for Definitive Materialised Bearer Notes on [●] (the “Exchange Date”), being 40 days after the Issue Date subject to postponement as provided in the Temporary Global Certificate]

(iv) Applicable TEFRA exemption:

[C Rules / D Rules / Not Applicable]

23 **Financial Centre(s) or other special provisions relating to Payment Dates:**

[Not Applicable/give details.]

Note that this item relates to the date and place of payment, and not interest period end dates, to which items [15 (ii), 16 (ii) and 18(ix)] relates

24 **Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):**

[Yes/No. If yes, give details]

25 **Redenomination, renominalisation and reconventioning provisions:**

[Not Applicable/The provisions [in Condition [●]] apply]

26 **Consolidation provisions:**

[Not Applicable/The provisions [in Condition [●]] apply]
Masse

[Full Masse/ Contractual Masse] shall apply (Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 11 (b) (Contractual Masse) may be elected by the Issuer and (ii) in respect of any Tranche of Notes issued inside France, Condition 11 a (i) shall apply).

Name and address of the Representative: [●]

Name and address of the alternate Representative: [●]

[The Representative will receive no remuneration/The Representative will receive a remuneration of [●]]

[LISTING AND ADMISSION TO TRADING APPLICATION]

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Euro 7,500,000,000 Euro Medium Term Note Programme of Schneider Electric SA.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: ............................................

Duly authorised
PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

(i) Listing and admission to trading:

[Application has been made for the Notes to be listed and admitted to trading on [Euronext Paris] [the Official List of the Luxembourg Stock Exchange] with effect from [●].] [Not Applicable.]

(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)

(ii) All the regulated markets on which, to the knowledge of the Issuer, securities of the same class of the securities to be offered or admitted to trading are already admitted to trading.

2 RATINGS

Ratings:

The Notes to be issued have been rated:

[[●]: [●]]

[[Each of [●] [and [●]] is established in the European Union and is registered under Regulation (EC) No 1060/2009 on credit ratings agencies (the “CRA Regulation”), as amended by Regulation (EU) No 513/2011 ][Each of [●] [and/or] [●] [and/or] [●] is included in the list of credit rating agencies published by the European Security and Markets Authority on its website (www.esma.europa.eu/page/List-registered-and-certified-CRAs).]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3 [NOTIFICATION]

The [Autorité des marchés financiers in France] [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES
[(i) Reasons for the offer: [●]
(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.]

[(ii) Estimated net proceeds: [●]
(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

(iii) Estimated total expenses: [●] [Include breakdown of expenses.]
(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

6  [FIXED RATE NOTES ONLY - YIELD]
Indication of yield: [●]
Calculated as [include details of method of calculation in summary form] on the Issue Date.
As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

7  [FLOATING RATE NOTES ONLY - HISTORIC INTEREST RATES]
Details of historic [LIBOR/EURIBOR] rates can be obtained from [●].]

8  [TERMS AND CONDITIONS OF THE OFFER]
Offer Price: [Issue Price][specify]
Description of the application process: [Not Applicable/give details]
The time period, including any possible amendments, during which the offer will be open and description of the application process: [Not Applicable/give details]
Details of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants: [Not Applicable/give details]
Details of the minimum and/or maximum amount of application: [Not Applicable/give details]
Details of method and time limits for paying up and delivering securities: [Not Applicable/give details]
Manner and date in which results of the offer are to be made public: [Not Applicable/give details]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of unexercised subscription rights: [Not Applicable/give details]

Categories of potential investors to which the securities are offered and whether tranche(s) have been reserved for certain countries: [Not Applicable/give details]

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made: [Not Applicable/give details]

Details of any post-issuance information to be provided and where such information can be obtained: [Not Applicable/give details]

Consent of the Issuer to use the Prospectus during the Offer Period: [Not Applicable / Applicable with respect to any Authorised Offeror specified below]

Authorised Offeror(s) in the various countries where the offer takes place: [Not Applicable / Name(s) and address(es) of the financial intermediary(ies) appointed by the Issuer to act as Authorised Offeror(s)/ Any financial intermediary which satisfies the conditions set out below in item “Conditions attached to the consent of the Issuer to use the Prospectus”]

Conditions attached to the consent of the Issuer to use the Prospectus: [Not Applicable / Where the Issuer has given a general consent to any financial intermediary to use the Prospectus, specify any additional conditions to or any condition replacing those set out on page 4 of the Base Prospectus or indicate “See conditions set out in the Base Prospectus”. Where Authorised Offeror(s) have been designated herein, specify any condition]

9 PLACING AND UNDERWRITING

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer: [●]

Name and address of any paying agents and depository agents in each country (in addition to the Principal Paying Agent): [●]

Names and addresses of entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under “best efforts” arrangements: [●]

When the underwriting agreement has been or will be reached: [●]
Name and address of entities which have a firm commitment to act as intermediaries in secondary trading: [●]

10 DISTRIBUTION

(i) Method of distribution [Syndicated/Non-syndicated]

(ii) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/give names, addresses and underwriting commitments]

(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)

(iii) Date of [Subscription] Agreement: [●]

(iv) Stabilising Manager(s) (if any): [Not Applicable/give name]

(v) If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]

(vi) Total commission and concession: [●] per cent. of the Aggregate Nominal Amount

(vii) The aggregate principal amount of Notes issued has been translated into [Euro] at the rate of [●], producing a sum of (for Notes not denominated in [Euro]): [Not Applicable/[Euro][●]]

(viii) Non-exempt offer: [Not Applicable] [An offer of the Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdictions where the Prospectus and any supplements have been passported (“Public Offer Jurisdiction(s)”) during the period from [specify date] until [specify date] (“Offer Period”).

11 OPERATIONAL INFORMATION

(i) ISIN: [●]

(ii) Common Code: [●]

(iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

(iv) Delivery: Delivery [against/free of] payment

(v) Names and addresses of additional Paying Agent(s) (if any): [●]
[ANNEX –ISSUE SPECIFIC SUMMARY]

[Insert the issue specific summary]
Final Terms dated [●]

SCHNEIDER ELECTRIC SA
Issue of [Aggregate Nominal Amount of Tranche][Title of notes]
under the Euro 7,500,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 25 June 2013 which received visa n°13-299 from the Autorité des marchés financiers (the “AMF”) on 25 June 2013 [and the supplement[s] to the Base Prospectus dated [●] which received visa n° [●] from the AMF on [●] (the “Supplement[s]”) which together constitute[s] a Base Prospectus for the purposes of the Directive 2003/71/EC, as amended by the Directive 2010/73/EU (the “Prospectus Directive”).

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. [The Base Prospectus [and the Supplement(s) [is] [are] available for viewing at the office of the Fiscal Agent or each of the paying agents and on the [website of the Issuer (www.schneider-electric.com), and on the website of the AMF (www.amf-france.org) and copies may be obtained from Schneider Electric S.A., 35, rue Joseph Monier - 92500 Rueil-Malmaison, France.]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”), which are the [●] EMTN Conditions which are incorporated by reference in to the Base Prospectus dated 25 June 2013. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Directive 2003/71/EC as amended by Directive 2010/73/EU (the “Prospectus Directive”) and must be read in conjunction with the Base Prospectus dated 25 June 2013 which received visa n°13-299 from the Autorité des marchés financiers (the “AMF”) on 25 June 2013 [and the supplement(s) to the Base Prospectus dated [●] which received visa n°13-[●] from the AMF on [●] (the “Supplement[s]”), which together constitute[s] a Base Prospectus for the purposes of the Prospectus Directive, including the [●] EMTN Conditions which are incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the [●] EMTN Conditions and the Base Prospectus dated 25 June 2013 and the Supplement(s). The Base Prospectuses [and the supplement(s) to the Base Prospectus] are available for viewing at the office of the Fiscal Agent or each of the paying agents and on the [website of the Issuer
(www.schneider-electric.com) and on the website of the AMF (www.amf-france.org), and copies may be obtained from Schneider Electric S.A., 35, rue Joseph Monier - 92500 Rueil-Malmaison, France.

[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]

1 [(i)] Issuer: Schneider Electric S.A.
2 [(i)] Series Number: [●]
   [(ii) Tranche Number: [●]
   (iii) Date on which the Notes become fungible: [Not Applicable / The Notes will be assimilated (assimilées) and form a single series with the existing [insert description of the Series] issued by the Issuer on [insert date] (the “Existing Notes”) [as from the Issue Date of this Tranche] [as from the date of assimilation which is expected to be on or about 40 days after the Issue Date (the “Assimilation Date”) of this Tranche]
3 Specified Currency or Currencies: [●]
4 Aggregate Nominal Amount of Notes admitted to trading:
   [(i)] Series: [●]
   [(ii) Tranche: [●]]
5 Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
6 Specified Denominations: [●]
7 [(i)] Issue Date: [●]
   [(ii) Interest Commencement Date: [Specify / Issue Date / Not Applicable]
8 Maturity Date: [●] [Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]
9 Interest Basis: [●] per cent Fixed Rate
   [[Specify reference rate] +/– [●] per cent Floating Rate]
   [Zero Coupon]
   (Further particulars specified below)
10 Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [●] per cent. of their nominal amount.
11 Change of Interest Basis: Applicable (for Fixed/Floating Rate Notes) / Not Applicable
   [Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]
12 Put/Call Options: [Investor Put] [Issuer Call] [Change of Control Put] [(Further particulars specified below)]

13 [(i)] Status of the Notes: [Senior][Dated/Perpetual]

[(iii)] [Date of the corporate authorisations for issuance of Notes obtained: [●] [and [●], respectively]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14 Fixed Rate Note Provisions [Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear] on each Interest Payment Date

(ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [the Business Day Convention specified below⁷] [specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”]/not adjusted]

(iii) Fixed Coupon Amount[(s)]⁸: [●] per [●] in Nominal Amount

(iv) Broken Amount(s): [Not Applicable] [●] payable on the Interest Payment Date falling [in/on] [●]

(v) Day Count Fraction: [30/360 / Actual/Actual (ICMA /ISDA) / Actual/365 (Fixed)/Actual/360 / 30E/360 / 30E/360 (ISDA)]

(vi) Determination Dates: [●] in each year (insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))


(viii) Party responsible for calculating Interest Amounts (if not the Calculation Agent)¹⁰: [●] / [Not Applicable]

15 Floating Rate Note Provisions [Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Interest Period(s): [●]

⁷ RMB Notes only
⁸ Not applicable for RMB Notes
⁹ RMB Notes only
¹⁰ RMB Notes only
(ii) Specified Interest Payment Dates:

[●] in each year, subject to adjustment in accordance with the Business Day Convention set out in (iii) below

(iii) Business Day Convention:

Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)

(iv) Business Centre(s):

[●]

(v) Manner in which the Rate(s) of Interest is/are to be determined:

Screen Rate Determination/ISDA Determination

(vi) Interest Period Date(s):

[Not Applicable/specify dates]

(vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):

[●]

(viii) Screen Rate Determination:

Applicable/Not Applicable

– Reference Rate:

[●]

– Interest Determination Date:

[●]

(ix) ISDA Determination:

Floating Rate Option:

[●]

– Designated Maturity:

[●]

– Reset Date:

[●]

(x) Margin(s):

[+/-][●] per cent. per annum

(xii) Minimum Rate of Interest:

[●] per cent. per annum

(xiii) Maximum Rate of Interest:

[●] per cent. per annum

(xiv) Day Count Fraction:

[30/360 / Actual/Actual (ICMA / ISDA) / Actual/365 (Fixed)/Actual/360 / 30E/360 / 30E/360 (ISDA)]

(xiv) Rate Multiplier:

[●]

16 Zero Coupon Note Provisions

Applicable/Not Applicable

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Amortisation Yield:

[●] per cent. per annum

(ii) Day Count Fraction:

[30/360 / Actual/Actual (ICMA / ISDA) / Actual/365 (Fixed)/Actual/360 / 30E/360 / 30E/360 (ISDA)]

(iii) Any other formula/basis of determining amount payable:

[●]

PROVISIONS RELATING TO REDEMPTION

17 Call Option

Applicable/Not Applicable

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Optional Redemption Date(s):

[●]
(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):

(iii) If redeemable in part:

Minimum nominal amount to be redeemed:

Maximum nominal amount to be redeemed:

(iv) Option Exercise Date(s):

(v) Description of any other Issuer’s option:

(vi) Notice period:

18 Put Option

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Optional Redemption Date(s):

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):

(iii) Option Exercise Date(s):

(iv) Description of any other Noteholder’s option:

(v) Notice period:

19 Change of Control Put Option

[Applicable/ Not Applicable]

20 Final Redemption Amount of each Note

[[●] per Note of [●] Specified Denomination]

21 Early Redemption Amount

(i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

(ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates:

(iii) Unmatured Coupons to become void upon early redemption (Bearer Notes only):
GENERAL PROVISIONS APPLICABLE TO THE NOTES

22 Form of Notes: [Dematerialised Notes/ Materialised Notes]

(Materialised Notes are only in bearer form)
(delete as appropriate)

(i) Form of Dematerialises Notes: [Not Applicable/ Bearer dematerialised form (au porteur) only/ Registered dematerialised form (au nominatif)]

(ii) Registration Agent: [Not Applicable/ if Applicable give name and details]

(Note that a Registration Agent must be appointed in relation to Registered Dematerialised Notes only)

(iii) Temporary Global Certificate: [Not Applicable/ Temporary Global Certificate exchangeable for Definitive Materialised Bearer Notes on [●] (the “Exchange Date”) being 40 days after the Issue Date subject to postponement as provided in the Temporary Global Certificate]

(iv) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable]

23 Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/give details.]

Note that this item relates to the date and place of payment, and not interest period end dates, to which items [15(ii), 16(iv) and 18(ix)] relates

24 Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes/No. If yes, give details]

25 Redenomination, renominalisation and reconventioning provisions:

[Not Applicable/The provisions [in Condition [●]] apply]

26 Consolidation provisions: [Not Applicable/The provisions [in Condition [●]] apply]

27 Masse:

[Full Masse/ Contractual Masse] shall apply (Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 11 (b) (Contractual Masse) may be elected by the Issuer and (ii) in respect of any Tranche of Notes issued inside France, Condition 11 a_(i) shall apply).

Name and address of the Representative: [●]
Name and address of the alternate Representative: [●]

[The Representative will receive no remuneration/The Representative will receive a remuneration of [●]]

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Euro 7,500,000,000 Euro Medium Term Note Programme of Schneider Electric SA.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.
Signed on behalf of the Issuer:

By: ............................................

Duly authorised
PART B – OTHER INFORMATION

1 RISK FACTORS

[Insert any issue specific risk factors that are material to the Notes being offered and/or admitted to trading in order to assess the market risk associated with these Notes and that may affect the Issuer’s ability to fulfil its obligations under the Notes which are not covered under “Risk Factors” in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute a “significant new factor” and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

2 LISTING AND ADMISSION TO TRADING

(i) Listing and admission to trading:

[Application has been made for the Notes to be listed and admitted to trading on [Euronext Paris] [the Official List of the Luxembourg Stock Exchange] with effect from [●].] [Not Applicable.]

(ii) Estimate of total expenses related to admission to trading:

[●]

3 RATINGS

Ratings: The Notes to be issued have been rated:

[[●]: [●]]

[[Each of] [●] [and [●]] is established in the European Union and is registered under Regulation (EC) No 1060/2009 on credit ratings agencies (the “CRA Regulation”), as amended by Regulation (EU) No 513/2011 [[Each of [●] [and/;] [●] [and/;] [●] is included in the list of credit rating agencies published by the European Security and Markets Authority on its website (www.esma.europa.eu/page/List-registered-and-certified-CRAs).]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

4 [NOTIFICATION]

The [Autorité des marchés financiers in France] [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

5 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in [“Subscription and Sale”], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]
6 [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES]

(i) Reasons for the offer: [●]

(See [“Use of Proceeds”] wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.]

(ii) Estimated net proceeds: [●]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

7 [FIXED RATE NOTES ONLY – YIELD]

Indication of yield: [●]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

8 DISTRIBUTION

(i) Method of distribution [Syndicated/Non-syndicated]

(ii) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/give names, addresses and underwriting commitments]

(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)

(iii) Date of [Subscription] Agreement: [●]

(iv) Stabilising Manager(s) (if any): [Not Applicable/give name]

(v) If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]

(vi) Total commission and concession: [●] per cent. of the Aggregate Nominal Amount

(vii) The aggregate principal amount of Notes issued has been translated into [Euro] at the rate of [●], producing a sum of (for Notes not denominated in [Euro]): [Not Applicable/[Euro][●]]

(viii) Non-exempt offer: [Not Applicable] An offer of the Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdictions where the Prospectus and any supplements have been passported (“Public Offer Jurisdiction(s)”) during the period from [specify date] until [specify date] (“Offer Period”).
9 OPERATIONAL INFORMATION

ISIN: [●]

Common Code: [●]

Any clearing system(s) other than Euroclear [Not Applicable/give name(s) and number(s)]

Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any):
GENERAL INFORMATION

1 This Base Prospectus has received visa n°13-299 from the AMF on 25 June 2013. Application has been made to Euronext Paris for the Notes issued under the Programme to be listed and admitted to trading on Euronext Paris and/or on any other regulated market in a Member State of the EEA. Application has been made for the delivery by the AMF of a certificate of approval specifying that the Base Prospectus has been drawn up in accordance with the Prospectus Directive to the Commission de Surveillance du Secteur Financier ("CSSF"), as competent authority in Luxembourg for the purposes of the Prospectus Directive. In compliance with Article 18 of the Prospectus Directive, such notification may also be made from time to time at the Issuer's request to any other competent authority of any other Member State of the EEA.

2 No authorisation procedures are required of the Issuer under French law for the establishment or update of the Programme.

Drawdown of Notes under the Programme, to the extent such Notes constitute obligations, have been authorised by the Board of Directors (Conseil d’Administration) of the Issuer on 25 April 2013.

Any drawdown of Notes, to the extent that such Notes do not constitute obligations, fall within the general powers of the Chairman of the Board of Directors (Président du Conseil d’Administration) or one of the directeurs généraux of the Issuer.

3 Except for the Issuer’s first quarter 2013 results described on pages 108 to 111 of the Base Prospectus there has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2012 and no material adverse change in the prospects or affairs of the Issuer since 31 December 2012.

4 The Issuer is not aware of any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) involving the Issuer during the past 12 months which may have, or have had in the recent past, significant effects on the Issuer’s and/or the Group’s financial position or profitability.

5 Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems which are entities in charge of keeping the records. The Common Code, the ISIN and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 avenue John Fitzgerald Kennedy, L- 1855 Luxembourg, Grand-Duchy of Luxembourg.

6 Dematerialised Notes will be inscribed in the books of Euroclear France (acting as central depositary). Dematerialised Notes which are in registered form (au nominatif) will also be inscribed either with the Issuer or with the registration agent.

The address of Euroclear France is 115, rue Réaumur, 75081 Paris Cedex 02, France.

7 For so long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Fiscal Agent and the Paying Agents:

(i) the constitutive documents (statuts) of the Issuer;

(ii) the published annual report (document de référence) of the Issuer for the financial years ended 31 December 2012 and 31 December 2011;
(iii) each Final Terms for Notes that are admitted to trading on Euronext Paris or on any stock exchange or any other Regulated Market;
(iv) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus and any document incorporated by reference;
(v) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Base Prospectus.

8 For so long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available on the website of the AMF (www.amf-france.org):

(i) the Final Terms for Notes that are listed on Euronext Paris or on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange;
(ii) the Base Prospectus; and
(iii) the documents incorporated by reference in this Base Prospectus.

9 The by-laws, reports, letters, and other documents, historical financial information, valuations and statements prepared by the Auditors or any expert at Schneider Electric’s request, any part of which is included or referred to in this document, as well as Schneider Electric and the Group’s historical financial information for the financial years 2012 and 2011 are available for consultation at the Company’s head office located at 35, rue Joseph Monier - 92500 Rueil-Malmaison, France.

In addition to the annual report and a summary report, the Company also publishes on its corporate website, www.schneider-electric.com, Schneider Electric “In brief” presentations, a Shareholders’ Letter (three times a year), and general, economic and financial information (presentations, press releases).

10 Copies of the latest constitutive documents (status) and annual report of the Issuer, including its consolidated financial statements and non-consolidated financial statements and the semi-annual unaudited consolidated financial statements of the Issuer may be obtained, and copies of the Agency Agreement will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding. The Issuer does not publish interim non-consolidated financial statements.

11 The Notes to be issued by the Issuer qualify under Category 2 for the purposes of Regulation S under the Securities Act (“Regulation S”). Notes will be issued in compliance with US Treas. Reg. §1.163-5(c)(2)(i)(D) (the “D Rules”) unless (i) the relevant Final Terms states that such Materialised Notes are issued in compliance with US Treas. Reg. §1.163-5(c)(2)(i)(C) (the “C Rules”), or (ii) such Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

12 Mazars at Tour Exaltis, 61, rue Henri Regnault, 92075 La Défense Cedex, France, and Ernst & Young & Autres at Tour First – 1, place des Saisons, 92037 Paris La Défense Cedex, France (both entities regulated by the Haut Conseil du Commissariat aux Comptes and duly authorised as Commissaires aux Comptes) have audited and rendered unqualified audit reports on the consolidated financial statements of the Issuer for the years ended 31 December 2012 and 2011. The French auditors carry out their duties in accordance with the principles of Compagnie Nationale des Commissaires aux Comptes and are members of the CNCC professional body.
PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE PROSPECTUS

In the name of the Issuer

The Issuer declares, having taken all reasonable care to ensure that such is the case and to the best of its knowledge, that the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Schneider Electric SA
35, rue Joseph Monier
92500 Rueil-Malmaison
France

Duly represented by:
Véronique Blanc
Duly authorised
on 25 June 2013

Autorité des marchés financiers

In accordance with Articles L. 412-1 and L. 621-8 of the French Code monétaire et financier and with the General Regulations (Règlement Général) of the Autorité des marchés financiers (“AMF”), in particular Articles 212-31 to 212-33, the AMF has granted to this Base Prospectus visa No.13-299 on 25 June 2013. This document may only be used for the purposes of a financial transaction if completed by Final Terms. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L. 621-8-1-I of the French Code monétaire et financier, the visa was granted following an examination by the AMF of “whether the document is complete and comprehensible, and whether the information it contains is coherent”. It does not imply that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF’s General Regulations, setting out the terms of the securities being issued.
REGISTERED OFFICE OF THE ISSUER
Schneider Electric SA
35, rue Joseph Monier
92500 Rueil-Malmaison
France
Tel: +33 (0) 1 41 29 70 00

ARRANGER
BNP PARIBAS
10 Harewood Avenue
London NW1 6AA
United Kingdom

DEALERS
Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

BNP PARIBAS
10 Harewood Avenue
London NW1 6AA
United Kingdom

Crédit Agricole Corporate and Investment Bank
9, quai du Président Paul Doumer
92920 Paris La Défense Cedex
France

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Natixis
30, avenue Pierre Mendès France
75013 Paris
France

Société Générale
29, boulevard Haussmann
75009 Paris
France

The Royal Bank of Scotland plc
135 Bishopsgate
London EC2M 3UR
United Kingdom

FISCAL AGENT, PRINCIPAL PAYING AGENT AND CALCULATION AGENT
BNP Paribas Securities Services
(affiliated with Euroclear France under number 29106)
Les Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin
France
LUXEMBOURG LISTING AGENT
BNP Paribas Securities Services, Luxembourg Branch
33, rue Gasperich, Howald-Hesperange
L-2085 Luxembourg
Grand Duchy of Luxembourg

STATUTORY AUDITORS

Mazars
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92075 La Défense Cedex
France

Ernst & Young & Autres
Tour First – 1, place des Saisons
92037 Paris La Défense Cedex
France

LEGAL ADVISERS

To the Issuer
in respect of French law

Shearman & Sterling LLP
114, avenue des Champs Elysées
75008 Paris
France

To the Dealers
in respect of French law

Linklaters LLP
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