Statement regarding Invensys plc

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

THIS ANNOUNCEMENT IS NOT AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE “CODE”) AND THERE CAN BE NO CERTAINTY THAT ANY SUCH OFFER WILL BE MADE NOR AS TO THE TERMS ON WHICH ANY SUCH OFFER WOULD BE MADE.

For immediate release

Rueil-Malmaison (France), July 11th, 2013 – Further to the announcement made today by Invensys plc (“Invensys” or the “Company”), Schneider Electric confirms that it is in the early stages of discussions with the Board of Directors of Invensys regarding a possible offer for the entire issued and to be issued share capital of the Company.

Schneider Electric believes that the strategic and financial rationale for this transaction, if consummated, is compelling. Schneider Electric is considering making an offer for Invensys in order to increase its focus on the attractive industry automation sector. The enlarged group would significantly expand its access to key electro-intensive segments where Schneider Electric offers leading low and medium voltage as well as energy management solutions. It would also gain a leading position in the fast-growing software business for industrial operational efficiency.

In addition, Schneider Electric believes that the transaction, if consummated, would create an opportunity to realise significant cost savings through enhanced efficiencies as well as revenue synergies across Schneider Electric’s and Invensys’s established global customer bases.

Schneider Electric takes a disciplined approach to acquisitions with clearly defined strategic and financial criteria and an offer, if any, would have to meet the historical hurdles of a rapid EPS accretion and of a Return On Capital Employed beating the Group’s WACC in year 3, while maintaining a strong balance sheet.

A further announcement will be made in due course.

Investor Relations :
Schneider Electric
Anthony Song
Phone: +33 (0)1 41 29 83 29
Fax: +33 (0)1 41 29 71 42
www.schneider-electric.com
ISIN: FR0000121972

Press Contact :
Schneider Electric
Véronique Roquet-Montégon
Phone: +33 (0)1 41 29 70 76
Fax: +33 (0)1 41 29 88 14

Press Contact :
DGM
Michel Calzaroni
Olivier Labesse
Phone: +33 (0)1 40 70 11 89
Fax: +33 (0)1 40 70 90 46
For the avoidance of doubt, the Invensys announcement was made without the agreement of Schneider Electric.

In accordance with Rule 2.6(a) of the Code, Schneider Electric is now required, by not later than 5:00 pm on August 8th, to either announce a firm intention to make an offer for Invensys under Rule 2.7 of the Code or announce that it does not intend to make an offer for Invensys, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline will only be extended with the consent of the UK Takeover Panel in accordance with Rule 2.6(c) of the Code.

Nothing in this announcement is intended to be a profit forecast and the statements in this announcement should not be interpreted to mean that the earnings per Schneider Electric share for the current or future financial periods will necessarily be greater than those for the relevant preceding financial period.

In accordance with Rule 2.10 of the Code, Schneider Electric confirms that as at the date of this announcement, it has in issue 552,399,123 shares of EUR4 nominal value each. The International Securities Identification Number (ISIN) of the shares is FR0000121972.

A copy of this announcement will be available on the Schneider Electric website at www.schneider-electric.com
Financial Information (p. 3)

Enquiries:
Schneider Electric
Anthony Song +33 (0) 1 41 29 83 29
Véronique Roquet-Montégon +33 (0) 1 41 29 70 76
Deutsche Bank +44 (0) 20 7545 8000
Richard Sheppard
James Ibbotson
Charles Wilkinson (Corporate Broking)

BofA Merrill Lynch +44 (0) 20 7628 1000
Philip Noblet
Geoff Iles
Peter Brown (Corporate Broking)

Deutsche Bank AG is authorised under German Banking Law (competent authority: BaFin - Federal Financial Supervisory Authority) and authorised and subject to limited regulation by the Financial Conduct Authority. Deutsche Bank is acting as financial adviser to Schneider Electric and no one else in connection with the contents of this announcement and will not be responsible to anyone other than Schneider Electric for providing the protections afforded to its clients or for providing advice in connection with the contents of this announcement or any matter referred to herein.

Merrill Lynch International ("BofA Merrill Lynch"), a subsidiary of Bank of America Corporation, is acting exclusively for Schneider Electric in connection with the possible offer for Invensys and will not be responsible to anyone other than Schneider Electric for providing the protections afforded to its clients nor for providing advice in connection with the possible offer for Invensys or any matter referred to herein.

This announcement does not constitute an offer to purchase any securities, or an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any offer to purchase or sell securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The release, distribution or publication of this announcement in jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about and observe any applicable requirements.
**Important disclosure**

If any transaction occurs and is structured as an offer for the securities of Invensys, a company incorporated under the laws of England, it would be made in the United States in compliance with Section 14(e) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Regulation 14E thereunder. Such an offer would be made in the United States by Schneider Electric and no one else. Such an offer would be subject to disclosure and procedure requirements of England which are different from those of the United States. In addition to any such offer, Schneider Electric, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in Invensys outside such offer during the period in which such offer would remain open for acceptance. If such purchases or arrangements to purchase were to be made they would be made outside the United States and would comply with applicable law, including the Exchange Act.

**Disclosure requirements of the Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3:30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3:30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3:30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.
Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel’s website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel’s Market Surveillance Unit on +44 (0)20 7638 0129.

**About Schneider Electric**

As a global specialist in energy management with operations in more than 100 countries, Schneider Electric offers integrated solutions across multiple market segments, including leadership positions in Utilities & Infrastructure, Industries & Machines Manufacturers, Non-residential Building, Data Centres & Networks and in Residential. Focused on making energy safe, reliable, efficient, productive and green, the Group's 140,000 plus employees achieved sales of 24 billion euros in 2012, through an active commitment to help individuals and organizations make the most of their energy.

[www.schneider-electric.com](http://www.schneider-electric.com)