

SERVICES

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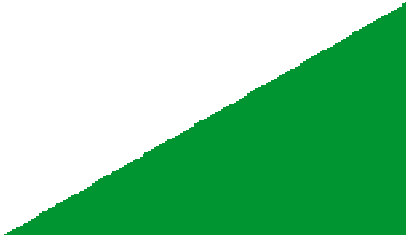
February 19, 2015



Disclaimer

All forward-looking statements are Schneider Electric management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. For a detailed description of these factors and uncertainties, please refer to the section "Risk Factors" in our Annual Registration Document (which is available on www.schneider-electric.com). Schneider Electric undertakes no obligation to publicly update or revise any of these forward-looking statements.

This presentation includes information pertaining to our markets and our competitive positions therein. Such information is based on market data and our actual revenues in those markets for the relevant periods. We obtained this market information from various third party sources (industry publications, surveys and forecasts) and our own internal estimates. We have not independently verified these third party sources and cannot guarantee their accuracy or completeness and our internal surveys and estimates have not been verified by independent experts or other independent sources.





BUSINESS SIZE

€2.3bn

2014 Revenues

- > Field Services
 - Modernization, maintenance, spare parts, etc.
- > Digital Services
 - Analytics driving efficiency

A SERVICE OFFER ACROSS OUR BUSINESSES¹

38%
Infrastructure

27%
IT

23%
Buildings
& Partner

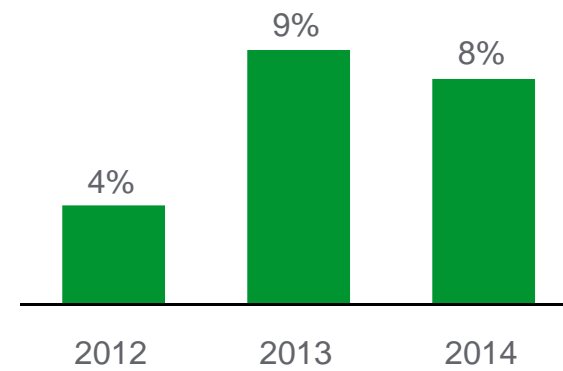
12%
Industry

¹ Service 2014 revenue breakdown by business



A GROWTH ENGINE

Organic growth



A GLOBAL ORGANIZATION, A LOCAL FOOTPRINT

10,000+ highly skilled dedicated experts
in **32** countries

A photograph of three warehouse workers in a large industrial setting. They are wearing yellow hard hats and high-visibility yellow safety vests over dark blue long-sleeved shirts. The worker on the left is a woman, the middle is an older man with a white beard, and the right is a younger man. They are all looking at a tablet held by the woman on the left. The background shows tall blue metal shelving units filled with cardboard boxes, typical of a warehouse or distribution center.

We leverage our strengths to
capture increasing service demand

We have four fundamental strengths

STICKY BUSINESS MODEL

- > A significant share of Field Service contracts are automatically renewed
- > ~1 million customer points connected to Schneider Electric Cloud

BROAD INSTALLED BASE

- > Large installed base due to long business history
- > Doubled the percentage of installed base tracked over the last 2 years

CUSTOMER INTIMACY & SEGMENT EXPERTISE

- > Long history with customers
- > We focus on targeted segments and understand customer pain points

COMPREHENSIVE OFFER

- > Complementary offers:
 - Field Service offer
 - Digital Service offer
- > Offer across asset lifecycle

Major trends are changing customer needs and positively driving Service growth

CONNECTIVITY, IT/OT CONVERGENCE, BIG DATA

- > Customers want consolidated data
- > Customers need to convert data into insightful information to create more business value

REDUCED CAPEX & SUSTAINABILITY CHALLENGES

- > Maximize existing asset performance and extend life cycle
- > Moving from asset maintenance to full process optimization across life cycle
- > Enterprises expect to monitor, control and save energy

SHORTAGE OF REQUIRED COMPETENCIES

- > Ageing population in mature economies and fast-moving technology trends drive demand for new skills and expertise, which customers are unable to fulfill with their existing workforce

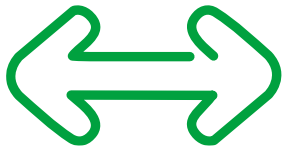
GLOBALIZATION & SPECIALIZATION

- > Multi-national firms look for specialized service partners with a global footprint
- > AND a single-point of accountability & standardized service
- > Customers want offers to bring a full suite of services



Our execution focus in the next company program is to increase breadth, depth and develop capabilities





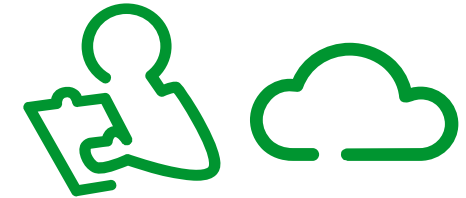
INCREASE BREADTH

- > Accelerate Installed Base knowledge
- > Connect more assets



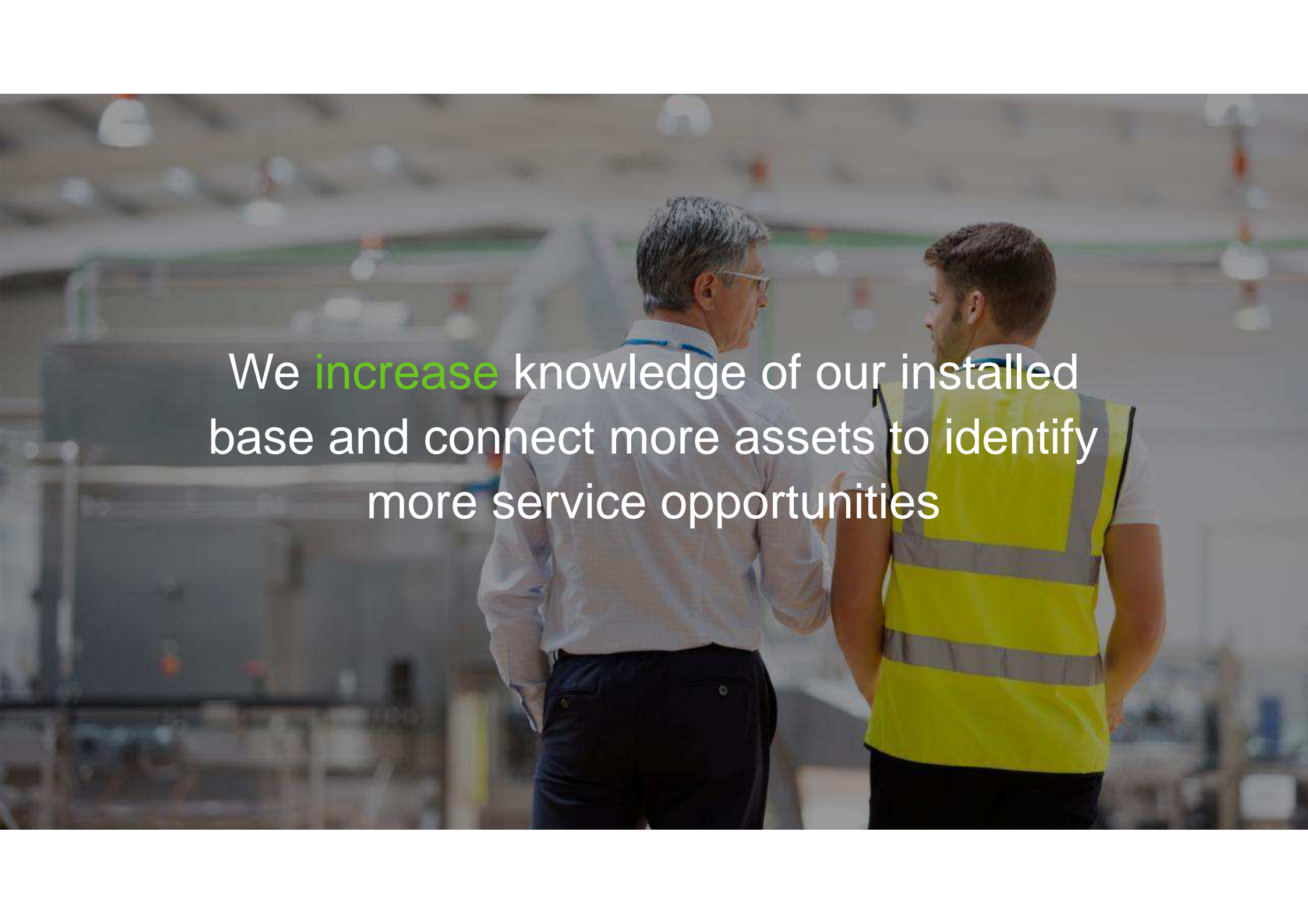
INCREASE DEPTH

- > Develop new asset management offer
- > Develop new digital service offers



DEVELOP CAPABILITIES

- > Invest in service delivery professionals
- > Develop digital platform (Schneider Electric Cloud)
- > Enhance segment expertise

A photograph of two men standing in an industrial or factory setting. The man on the left is older, with grey hair and glasses, wearing a white button-down shirt and dark trousers. The man on the right is younger, wearing a white t-shirt and a bright yellow high-visibility safety vest with reflective stripes. They are facing each other and appear to be in conversation. The background is a blurred industrial environment with overhead lights and machinery.

We **increase** knowledge of our installed base and connect more assets to identify more service opportunities



ACCELERATE INSTALLED BASE KNOWLEDGE

Improved knowledge = more service opportunities



CONNECT MORE ASSETS

Customer Data Natively connected SE devices SE devices registered by users (QR code)



Connecting the business ecosystems of our customers

REFINED FUELS SUPPLY CHAIN



- > Help customers optimize margins and sales through solutions to better manage supply and transactions with their clients

WEATHER SERVICES

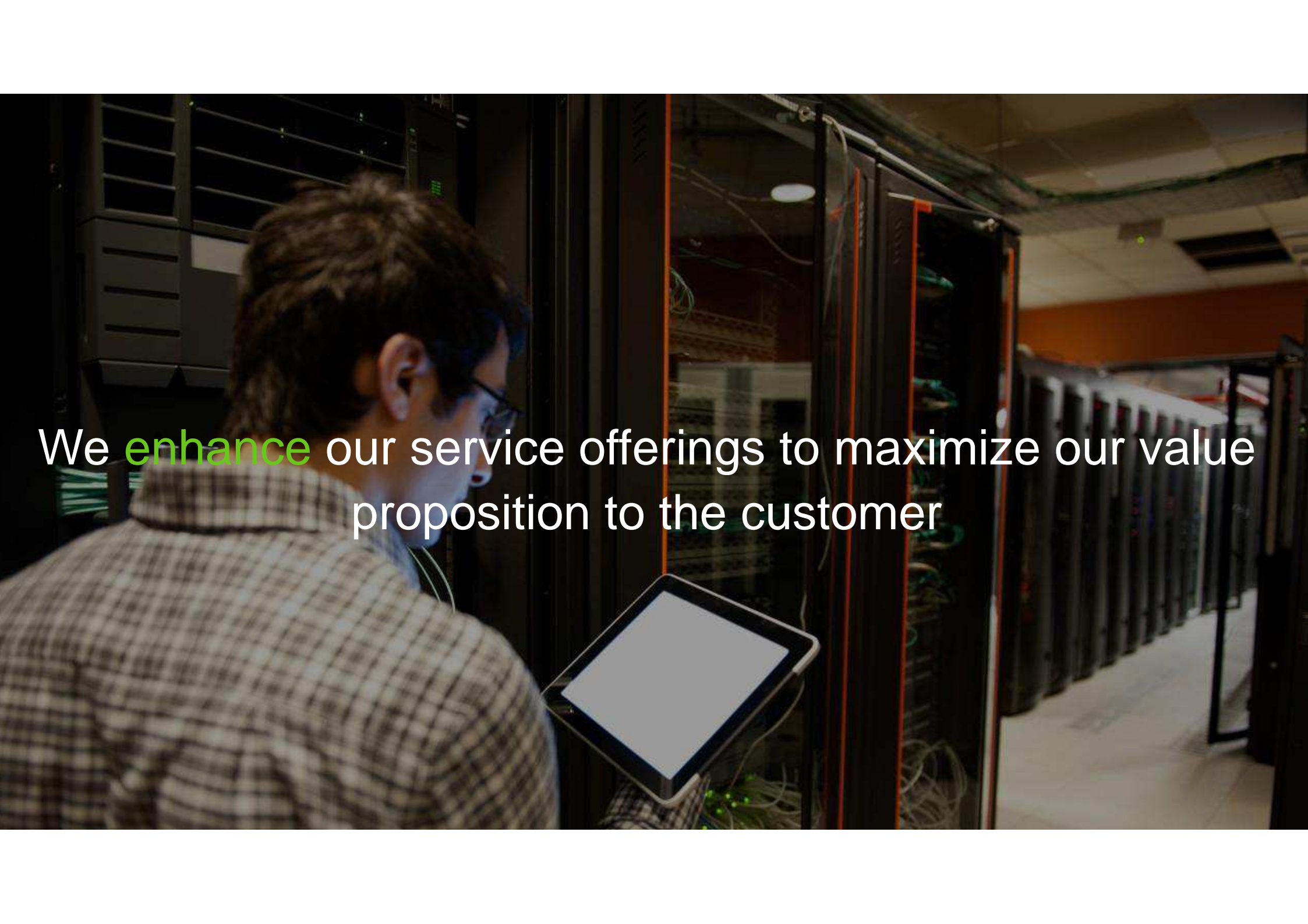


- > Weather decision support system to improve efficiency and safety of wind farm operations globally

COMMODITY & ENERGY RISK MANAGEMENT



- > Provide market intelligence for Food & Beverage supply chain player to manage energy and commodity risk

A person with dark hair and glasses, wearing a plaid shirt, is seen from the side in a server room. They are holding a tablet computer. The room is filled with rows of server racks, some with glass doors, and various cables are visible. The lighting is dim, with some green indicator lights on the servers.

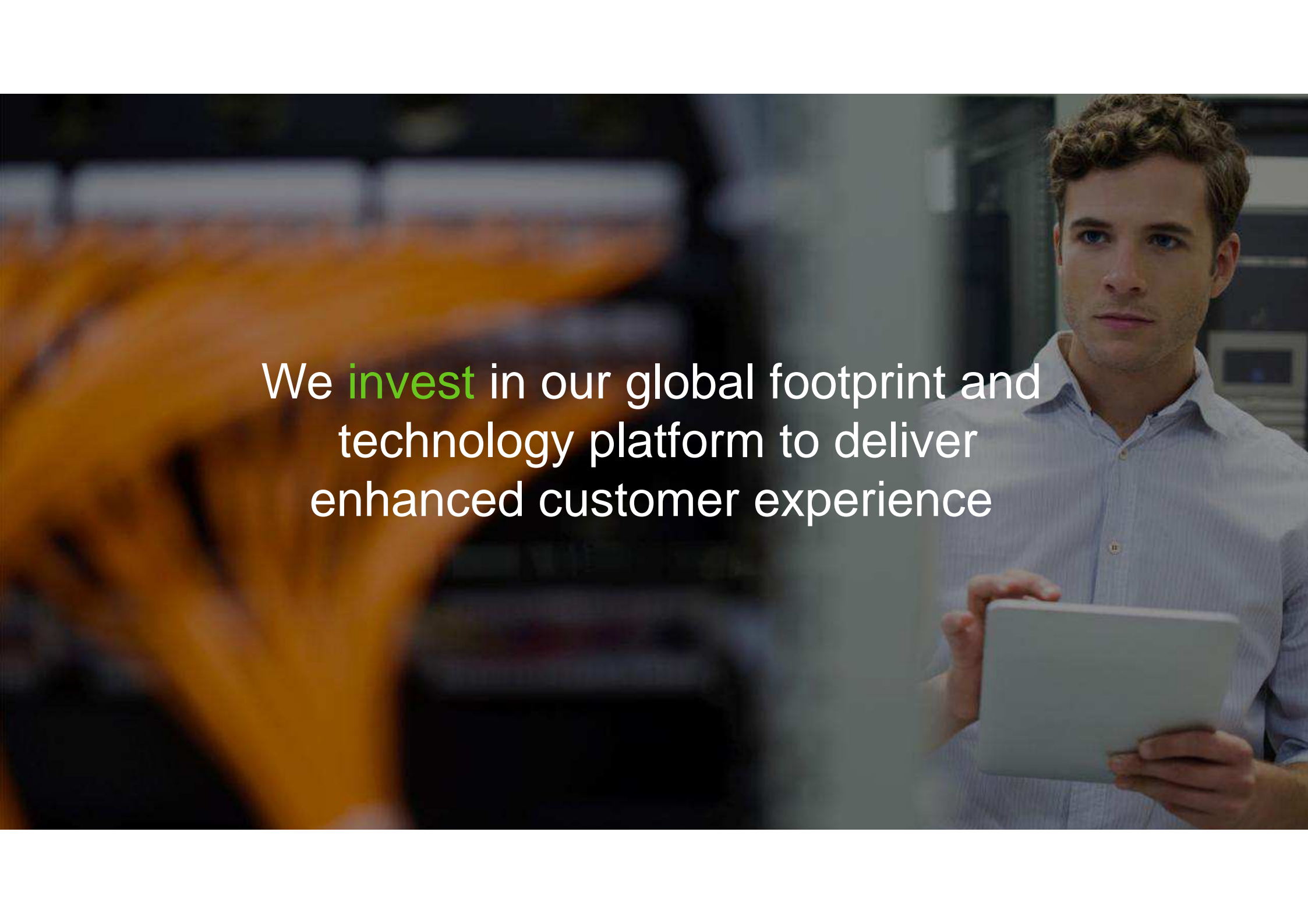
We **enhance** our service offerings to maximize our value proposition to the customer

Enhanced offer portfolio tailored to targeted segments...

Slide intentionally omitted

... allowing us to bring value from shop to top floor

Slide intentionally omitted



We **invest** in our global footprint and technology platform to deliver enhanced customer experience

TAILORED EXPERIENCE:

SEGMENT-SPECIFIC CUSTOMER EXPERIENCE



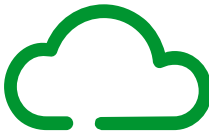
PEOPLE



Service delivery professionals

- > Invest in resources & competencies to support our growth ambition

TECHNOLOGY



Enterprise IoT Platform

- > Launched in 2014 & fully operational
- > Cloud-based analytics extract deep insights from the large installed base
- > Transforming data into high value services
- > Leveraging Invensys software

The right side of the page features two overlapping triangular shapes. The top one is a light green triangle pointing downwards, and the bottom one is a darker green triangle pointing upwards. They meet at a point in the center of the right edge.

FIELD SERVICE SUCCESS STORY

Remote Monitoring Services implemented in 13 Microsoft Technology Centers out of 27 in the world

FIELD SERVICES:

- > Real time Remote Monitoring Services
- > 24/7 support solution in Services maintenance Contracts

CUSTOMER BENEFITS:

- > Constant monitoring of the health status of the physical infrastructure to help diagnose, notify and resolve problems before they become critical
- > Economical and easy-to-use web based service that enable quick response to environmental or system changes
- > 24/7 notifications on preset threshold and maintenance scheduling contribute to the peace of mind of Microsoft Technical managers

Microsoft Technology Centers (MTCs) are collaborative environments that provide access to innovative technologies and world class expertise, enabling customers to envision, design, and deploy solutions to meet their exact needs. Microsoft offers 27 of these locations worldwide for customers to utilize Microsoft Technology Centers



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DIGITAL SERVICES SUCCESS STORY

Energy & Sustainability Services

Major Oil & Gas Company Goal: Reduce energy bill with 3-5 years ROI, promote sustainable image

ENERGY AND SUSTAINABILITY SERVICES OFFERS:

- > Supply Services: cost-effective energy via energy sourcing and rate / tariff optimization.
- > Demand Services: optimized use of energy through energy audits/benchmarks, energy monitoring/analysis, energy performance services

CUSTOMER BENEFITS:

- > Reduced energy consumption by 15% through on-site audits, monitoring through cloud platform and energy performance services.
- > Delivered 400k€ savings over 3 years by conducting detailed contract reviews of site-by-site comparisons resulting in significant rate optimization.
- > Provided optimization recommendations for 155 locations through our Global Supply Program including the development and implementation of kits for deployment in additional countries

-
- > 2300 gas stations
 - > Facing rising energy costs
 - > Need energy-conscious practices & culture (including reporting)
 - > Various solutions experienced, yet needed a coherent approach

Schneider Electric – 2015 Investor Day - Services



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DIGITAL SERVICES SUCCESS STORY

Information Services

The City of New Orleans trusts Schneider Electric's premier weather service to protect its citizens from dangerous flooding after Hurricane Katrina

WEATHER SERVICES OFFER:

- > A complete weather decision support solution providing location-specific alerts, online consulting, and mobile accessibility
- > The industry's top-rated precipitation forecasts, as determined by an independent third party for the eighth consecutive year

CUSTOMER BENEFITS:

- > Accurately schedule proactive measures with the industry's proven most-accurate precipitation forecasts
- > Mitigate the risk of flooding with customizable weather alerts for specific conditions, such as rainfall intensity
- > Have greater decision-making confidence with exclusive, around-the-clock online consultations with our professional meteorologists
- > Critical weather information and alerts available anywhere — via computer, tablet, or smartphone



The Sewerage and Water Board of New Orleans is the water utility that serves every household in the city's limits. It is not only responsible for water treatment and sewer and wastewater disposal, but also drainage operations throughout New Orleans.

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CONCLUSION



Services will remain a growth engine for the Group

A BUSINESS WITH STRONG FUNDAMENTALS

- > Sticky business
- > Broad installed base
- > Customer intimacy & segment expertise
- > Comprehensive offer

FAVORABLE TRENDS DRIVE SERVICE GROWTH

- > Customer challenges: CAPEX reduction & competency shortages
- > Technology trends (Cloud, big data, IoT, connectivity) supporting emergence of new business models

CLEAR EXECUTION FOCUS TO DELIVER GROWTH

- > Increase traceability & serviceability of install base
- > Enhance our offer
- > Reinforce our capabilities: invest in people & technology

The background consists of several overlapping geometric shapes in two shades of green. A light green triangle points downwards from the top right, overlapping a darker green triangle that points upwards from the bottom right. The text is centered in the white space between these two triangles.

HELP PEOPLE MAKE THE MOST OF THEIR ENERGY