Results for full-year 2008 in line with forecasts
Major strengths to meet the challenges of 2009

Paris, 18 February 2009

Key figures 2008 (*)

All figures in this press release represent adjusted data (see appendix).

(As of 31 December)

in € million	**2007** (1)	**2008**
Revenue	10,222	10,329
Profit from operations	787	652
% of revenue	*7.7%*	*6.3%*
		798 including gains (2)
Net profit (loss) from "discontinued operations"	(97)	(233) (3)
Net profit attributable to equity holders of the parent	406	256
Basic EPS (€)	0.99	0.63

(1) Reported revenue for the year ended December 31, 2007, which included the communication branch, amounted to €12,003 million and profit from operations totaled €706 million. The 2007 results presented above have been restated for the purpose of meaningful comparison with results for 2008.

(2) €146 million gain arising on the transfer of Monetel business to Ingénico.

(3) loss and exit cost of the divestment of the communication branch

(*) Data presented in accordance with IFRS 5, with the communication branch reclassified in discontinued operations

Jean-Paul Herteman, SAFRAN's Chief Executive Officer, stated:

"The Group met its financial and strategic targets for 2008. Profit from recurring operations amounted to €652 million including a €646 million negative currency effect. Orders remained very strong and we took a number of significant steps during the year to implement our strategy of refocusing and expanding our business as a major equipment supplier (Tier-1) for the aeronautics, defense and security sectors. These steps included:

- Definitively withdrawing from the communications, ie broadband and mobile phone businesses, which was achieved in line with the planned financial and social conditions.
- Adapting the Group's organizational structure in order to consolidate its skills in embedded electronical systems and power electronics, and to combine services and OE activities in civil engine business.
- Carrying out targeted acquisitions in the security industry via the purchase of SDU, a leading European supplier of secure identification documents, and Printrak (Motorola's US-based biometrics business).

The size of the Group's installed fleet, the competitive positioning of its products and technologies and the excellence of its transatlantic partnership with GE, which has been recently renewed until 2040, are all major strengths for SAFRAN in the current economic situation. In addition, Group's improvement plan has been reinforced to reduce structural costs and enhance manufacturing productivity. 2009 will be a year of challenges which SAFRAN will be able to face and will emerge from even stronger."

Group results

CFM56 order backlog amounted to 6,600 engines, more than 5 years' worth of production, and revenue generated by services in aeronautics, up in 2008, accounted for 46% of overall revenue for Aerospace Propulsion and 31% for Aircraft Equipment.

Revenue increased 9.4% year-on-year at comparable scope and exchange rates, driven by the Aircraft Equipment and Security businesses.
Profit from recurring operations came to €652 million compared with €787 million in 2007. It included a €646 million negative US dollar currency impact (€1 = $1.45 in 2008 versus €1 = $1.21 in 2007).
Net profit totaled €256 million vs €406 million in 2007. It has been negatively impacted by a €233 million expense arising on the divestment of the mobile phones business.
Net debt amounted to €635 million compared with €169 million at December 31, 2007. This increase was mainly due to the share buyback program and the acquisition of SDU Identification, which has been renamed Sagem Identification.
A dividend of €0.25 per share (including an €0.08 interim dividend paid in December 2008) will be submitted to shareholders for approval at the Annual General Meeting to be held on May 28, 2009.

Results by branch

- **Aerospace Propulsion**

Revenue amounted to €5,803 million vs 5,917 million in 2007. Year-on-year revenue growth came to 5.5% at comparable scope and exchange rates. Sales volumes for spare parts rose 12% despite the more difficult economic context in the second half of the year. Profit from operations amounted to €584 million, representing 10.1% of revenue, taking into account a negative currency effect of €422 million, vs €636 million in 2007, representing 10.7% of revenue.

- **Aircraft Equipment**

Revenue amounted to €2,856 million vs €2,703 million in 2007, up 17.5% at comparable scope and exchange rates. The year 2008 saw strong growth in this branch. Profit from operations was impacted by additional delays in certain new Airbus and Boeing programs in the second half of the year. It totaled €60 million, representing 2.1% of revenue, after an negative currency effect of €213 million, vs €112 million in 2007, representing 4.1% of revenue.

- **Defense Security**

Revenue amounted to €1,646 million vs €1,596 million in 2007, up 9.2% at comparable scope and exchange rates. This rise was spurred, on the one hand by land combat business (the Félin infantry soldier system) and optronic sight equipment, which posted growth of 23% and 17% respectively, and on the other hand by identification solutions activities which posted a 33% surge in revenue. Profit from operations totaled €72 million (excluding €146 million gain arising on the transfer of Monetel business to Ingénico) representing 4.4% of revenue, vs €75 million in 2007, representing 4.7% of revenue.

Outlook

The Group is undertaking new large-scale measures to consolidate efficiency gains in the current air transport environment – notably concerning structural costs and manufacturing productivity – as part of the new "SAFRAN +" progress plan.
Currency hedges have been set up for the next three fiscal years.
In light of the current unprecedented economic environment and barring any major degradation of the backdrop, SAFRAN envisages:

- 2009 revenue to be on the same scale as for 2008
- Profit from operations to represent between 5% and 6% of revenue.

SAFRAN

Communiqué de presse . Press release

Appendix

Reconciliation between reported and adjusted data

Year ended December 31, 2008 (in € million)	Statutory consolidated statements	Hedge accounting: Remeasurement of revenue (1)	Hedge accounting: Deferred hedge gain (loss) (2)	Intangible assets depreciation and amortization (3)	Adjusted consolidated statements
Revenue	**10,281**	**48**		**-**	**10,329**
Other operating income and expenses	**(9,678)**	**1**	**(15)**	**161**	**(9,531)**
Profit (loss) from operations	**603**	**49**	**(15)**	**161**	**798**
Net financial costs/income	**(716)**	**(49)**	**562**	**-**	**(203)**
Income from associates	**10**	-	-	-	**10**
Income tax expense	**142**	-	(188)	(55)	**(101)**
Profit (loss) for the period	**39**	-	**359**	**106**	**504**
Profit (loss) from discontinued operations	**(233)**	-	-	-	**(233)**
Minority interests	**(11)**	-	**(1)**	**(3)**	**(15)**
Parents	**(205)**	-	**358**	**103**	**256**

(1) Restatement of foreign-currency revenue net of purchases (by currency) at the hedged rate, through the reclassification of gains and losses on hedges allocated to cash flows for the period.

(2) Gains and losses on hedges allocated to future cash flows (€545 million before tax) deferred in equity and impact of the inclusion of hedges in the valuation of provisions for losses to completion for €17 million.

(3) Cancellation of amortization / impairment of intangible assets relating to the remeasurement of aircraft programs pursuant to application of IFRS 3, as of April 1, 2005.

The audit of the consolidated financial statements has been completed. Specific procedures and the review of subsequent events after February 17th, 2009 will be performed after the Supervisory board's meeting on April 15th, 2009. The reader is reminded that only the consolidated financial statements are audited by the group's statutory auditors and that adjusted financial data is verified with respect to an overall reading of the information that will be provided in the 2008 reference document.

* * * *

SAFRAN *is an international high-technology group with leadership positions in its core businesses of aerospace propulsion, aircraft equipment, and defense security. The SAFRAN Group employs 54,000 people in over 30 countries. It comprises many companies bearing prestigious brand names and holds, alone or in partnership, global or European leadership positions in its markets. SAFRAN is listed on NYSE Euronext Paris and forms part of the SBF 120 and Euronext 100 indices.*
For further information please visit the SAFRAN website at www.safran-groupe.com

Analyst and Investor contact:

Quy Nguyen-Ngoc
Director of Investor Relations and Financial Communication
Tel: +33(0)1 40 60 80 45
Fax: +33 (0)1 40 60 84 36
quy.nguyen-ngoc@safran.fr

Press contact:

Catherine Malek
Press relation Manager
Tel: +33 (0)1 40 60 80 28
Fax: +33 (0)1 40 60 80 26
catherine.malek@safran.fr

SAFRAN Group, 2, bd du Général Martial Valin 75724 Paris Cedex 15 – France