



communiqué de presse **press** release

N° 03-10

Saft Groupe SA reports fourth quarter and full year 2009 sales

Paris, 28th January 2010 - Saft, leader in the design, development and manufacture of high-end batteries for industry and defence, announces its sales for the fourth quarter and the year ended 31 December 2009.

Sales highlights

- Q4 2009 sales were €148.7m, an 8.9% reduction YoY as reported, and a 6.0% reduction YoY at constant exchange rates.
- Improved performance from Q3 2009 when the sales reduced by 13.2% at constant exchange rates.
- Full year 2009 sales were €559.3m, an 8.2% reduction YoY as reported, and a 9.6% reduction at constant exchange rates.
- Full year sales were in line with new guidance confirmed in early November 2009.

John Searle, Chairman of the Management Board, commented:

"I am pleased with Saft's sales performance during Q4 2009 which is showing the first signs of a recovery and which was overall a marked improvement from the previous quarters. Although sales were lower YoY in several markets, the reductions were materially lower than in previous quarters and the activities that were the most impacted in H1, such as our small nickel battery activities, registered the strongest improvements.

With this sales performance during Q4, I expect that Saft's profitability for 2009 will be in line with the guidance confirmed at the time of Saft's capital increase in November 2009.

With the funding for our projects in the US assured, a key objective now is to launch these major investments for Saft and Johnson Controls-Saft. Conditional Contracts have been signed with the US Department of Energy and the final details will be concluded in the coming weeks. Preparation work continues in the confidence that the US Government funding has been secured."

TURNOVER (€ millions)

Fourth quarter

Q4 2009 sales of €148.6m were down 8.9% as reported and down 6.0% at constant exchange rates, compared with Q4 2008.

Product line	Q4 2009	Q4 2008	Growth / decline	
			at actual exchange rates	at constant exchange rates
IBG (with RBS)	85.2	94.9	(10.2)%	(8.6)%
<i>IBG excl. RBS</i>	68.5	75.9	(9.7)%	(8.1)%
<i>Former RBS</i>	16.7	19.0	(12.2)%	(10.5)%
SBG	63.5	68.2	(7.0)%	(2.5)%
Total	148.7	163.1	(8.9)%	(6.0)%

Sales numbers are at actual exchange rates.

The average exchange rate in Q4 2009 was €1 to \$1.48 (compared with €1 to \$1.32 in Q4 2008).

There was no change in perimeter between Q4 2008 and Q4 2009.

Year ended 31 December 2009

Sales for the year ended 31 December 2009 of €559.3m were down 8.2% as reported and down 9.6% at constant exchange rates, compared with 2008.

Product line	FY 2009	FY 2008	Growth / decline	
			at actual exchange rates	at constant exchange rates
IBG (with RBS)	317.7	368.6	(13.8)%	(15.3)%
<i>IBG excl. RBS</i>	257.7	292.1	(11.8)%	(13.5)%
<i>Former RBS</i>	60.0	76.5	(21.5)%	(22.5)%
SBG	241.6	240.8	0.3%	(0.8)%
Total	559.3	609.4	(8.2)%	(9.6)%

Sales numbers are at actual exchange rates.

The average exchange rate for 2009 was €1 to \$1.39 (compared with €1 to \$1.47 during 2008).

There was no change in perimeter between 2008 and 2009.

Industrial Battery Group (IBG)

Based on the perimeter in place since the beginning of H2 2009, the sales in Q4 totalled €85.2m, a reduction of 8.6% at constant exchange rates YoY and of 10.2% at actual rates. During the quarter, there was an improved performance from both the traditional IBG business and the recently merged RBS activities.

Within the traditional IBG activities, there was strong growth reported in the rail segment with a favourable phasing of deliveries and a return to modest growth in the telecom market.

Within the aviation segment, the reduction in sales was less marked than in previous quarters.

The industrial standby segment reported a small fall in sales compared with 2008. This late cycle activity supplies back-up power batteries linked with infrastructure investments.

The performance of the small nickel battery activities (ex RBS) reported a sharp recovery from the very poor H1 with sales 10.5% below Q4 2008. The recovery was seen in both the emergency lighting and professional electronics markets.

For the full year, sales decreased by 15.3% YoY at constant exchange rates and by 13.8% at actual rates. This reduction was greater than anticipated in February 2009 and was a result of challenging conditions in the aviation, telecom and small nickel battery markets.

Specialty Battery Group (SBG)

Sales in Q4 were €63.5m, a reduction of 2.5% at constant exchange rates YoY and a reduction of 7.0% at actual rates.

During Q4, there was a stronger performance from the civil electronics market after two poor quarters with only a small reduction in sales YoY. This suggests that Q2-Q3 2009 were the trough of the cycle for this activity, and that the destocking phase ended during Q3.

The military market recorded stable sales during Q4 due to some timing issues with long term contracts and a more challenging base of comparison. But overall, 2009 military sales were up 17.8% YoY at constant exchange rates.

The space market continued to record modest growth during 2009 with a very strong final quarter.

For the full year, SBG sales were broadly flat at +0.3% at actual rates and -0.8% at constant exchange rates. There was a contrasted performance. The weak conditions in the civil electronics market in 2009 have been almost fully offset by strong growth in military markets.

Jacksonville and Michigan projects

For each project, the Conditional Contract has been signed with the US DoE which authorises recipients to claim up to 10% of the total grant prior signing the final agreement.

A limited number of administrative issues need to be concluded before these contracts become definitive and these will be completed during Q1 2010.

Work is proceeding in readiness for "ground breaking" in Jacksonville in the coming weeks.

Both facilities will build the first cells during 2011 with the investments being completed at the end of 2012.

. Financial calendar 2010

2009 earnings release	19 February 2010
2010 Q1 turnover	29 April 2010
2010 Q2 turnover and half year earnings	28 July 2010
2010 Q3 turnover	3 November 2010

IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENTS

Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, plans, objectives or results of operation. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and Saft's plans and objectives to differ materially from those expressed or implied in the forward looking statements. Saft draws attention to the risk factors described in pages 64 to 70 and 107 to 112 of Saft's registration document (Annual Report) registered on 2nd April 2009 with the *Autorité des marchés financiers* under No. R.09-014.

About Saft

Saft (Euronext: Saft) is a world specialist in the design and manufacture of high-tech batteries for industry. Saft batteries are used in high performance applications, such as industrial infrastructure and processes, transportation, space and defence. Saft is the world's leading manufacturer of nickel-cadmium batteries for industrial applications and of primary lithium batteries for a wide range of end markets. The group is also the European leader for specialised advanced technologies for the defence and space industries. With approximately 4,000 employees worldwide, Saft is present in 18 countries. Its 15 manufacturing sites and extensive sales network enable the group to serve its customers worldwide. Saft is listed in the SBF 120 index on the Paris Stock Market. For more information, visit Saft at www.saftbatteries.com

Press and Investor Contacts:

SAFT

Jill Ledger, Corporate Communications and Investor Relations Director
Tel.: +33 1 49 93 17 77, jill.ledger@saftbatteries.com

FINANCIAL DYNAMICS

Stéphanie Bia, Tel.: +33 1 47 03 68 16, stephanie.bia@fd.com
Yannick Duvergé, Tel.: +33 1 47 03 68 10, yannick.duverge@fd.com
Clément Bénétreau, Tel.: +33 1 47 03 68 12, clement.benetreau@fd.com