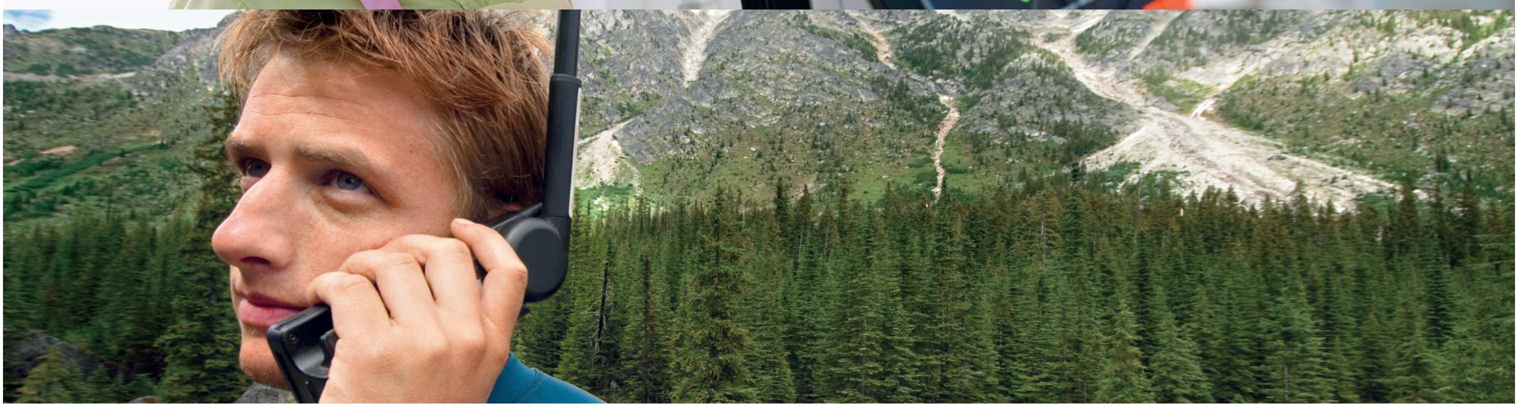
INTERIM FINANCIAL REPORT

FIRST HALF 2013



SAFT

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Important legal information and cautionary statements:

The condensed interim consolidated financial statements for the six months ended June 30, 2013 presented in this document have been approved by the Management Board, reviewed by the Audit Committee and approved by the Supervisory Board of Saft.

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. By their nature, these forward-looking statements involve known or unknown risks and uncertainties that could cause Saft's actual results and objectives to differ materially from those expressed or implied in these statements.

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Interim Financial Report
Period ended June 30, 2013

1.1 2013 FIRST-HALF SALES AND CONSOLIDATED RESULTS

(in € million)	**6 months ended June 30, 2013** [1]	6 months ended June 30, 2012 restated [1]	2013/2012 % Growth [2]	6 months ended June 30, 2011 restated [1]
Revenues	284.9	290.4	(1.0)%	311.6
Gross profit	79.1	86.0	(8.0)%	93.9
Gross profit margin (%)	*27.8%*	*29.6%*		*30.1%*
EBITDA [3]	40.0	50.1	(20,2)%	54.5
EBITDA margin (%)	*14.0%*	*17.3%*		*17.5%*
EBIT [4]	20.6	33.6	(38.7)%	39.5
EBIT margin (%)	*7.2%*	*11.6%*		*12.7%*
Operating profit	26.2	33.5	(21.8)%	39.2
Net profit/(loss) from continuing operations	16.3	20.5	(20.5)%	24.1
Net profit/(loss) from discontinued operations	(5.2)	(0.5)	n.s.	(8.3)
Net profit for the period	11.1	20.0	(44.5)%	15.8
EPS total *(€ per share)*	0.44	0.79	(44.3)%	0.62
EPS from continuing operations *(€ per share)*	0.65	0.81	(19.8)%	0.95

(1) The data reported for 2013, 2012 and 2011 were restated in order to distinguish between profit from continuing operations and profit from discontinued operations. Discontinued operations concern the following:

- in 2012 and 2013, the "SNB" small nickel battery business sold on June 30, 2013; due to lack of information, the data for the first half of 2011 have not been restated;
- in 2011, the Johnson Controls-Saft joint venture business in which the Group held a 49% interest up to September 30, 2011. Up to the date of its disposal, this joint venture was accounted for under the equity method in the Group's Financial Statements.

On the other hand, sales for the first half of 2012 have been restated to be presented on a like-for-like basis with the 2013 financial year. In comparison with the revenue published for the first half of 2012, the data presented above were thus adjusted for services invoiced to Johnson Controls Inc. for the Nersac lithium-ion production plant acquired on January 1, 2013, i.e. an amount of €2.6 million.

(2) Percentage changes are at actual exchange rates except for revenue, which is at constant exchange rates.
(3) EBITDA is defined as operating profit before depreciation, amortization, restructuring costs and other operating income and expenses.
(4) EBIT is defined as operating profit before restructuring costs and other operating income and expenses.

n.s.: Not significant

The Group posted €284.9 million in sales for the first half of 2013, down by 1.9% at current exchange rates compared to the first half of 2012, and down by 1.0% at constant exchange rates.

This change stems from a 0.6% decrease in sales during the second quarter, at constant exchange rates, after a 1.5% reduction during the first quarter.

The fact that business was more or less stable during the first half of 2013 disguises the strong growth in the sales of the Industrial Battery Group, but also a marked contraction of the Specialty Battery Group's revenue. Developments per division are discussed below.

Gross profit during the first half of the year stands at €79.1 million, for a gross profit margin of 27.8% versus a gross profit margin of 29.6% in H1 2012. The decrease of €6.9 million in gross profit is due:

- firstly, for about €4,7 million to the overall decline in volumes to which is added an unfavorable impact of product mix, resulting from a decline by more than 9% of sales of the Specialty Battery group division, the most profitable division of the Group, and on the other hand, from the strong growth within the Industrial Battery Group in sales of products for telecommunications networks at a lower margin;
- secondly and for €3.8 million, to the negative contribution on gross margin of Nersac Li-ion production unit acquired on January 1, 2013;
- finally, to a reduction in production costs estimated at €1.6 million, including a reduction in production costs of Jacksonville production unit.

EBITDA for the first half of 2013 amounted to €40.0 million, representing a 14.0% margin, versus €50.1 million, i.e. 17.3% of revenue in H1 2012.

This change can be ascribed, on the one hand, to the contraction of the gross margin analyzed above and, on the other hand, to the increase in other operating expenses.

The commercial development of new market segments, but also the roll-out of a new maintenance service business, connected to the development of lithium-ion products, caused selling and marketing expenses to grow in the first half of 2013.

This was accompanied by an increase in the costs for developing new products, the number of projects for which costs have been capitalized in the Group's balance sheet (€3.4 million in H1 2013 versus €4.7 million in 2012) having been more limited than in prior year.

Lastly, the increase in administrative costs compared with H1 2012 is mainly the consequence of an unfavourable base effect, the expenses recorded in H1 2012 having been affected by significant US social and medical provisions reversals and of an increase in expenses following the acquisition of the Nersac lithium-ion production plant on January 1, 2013.

After amortizations, depreciations and impairments for €19.4 million (versus €16.5 million in H1 2012), EBIT in the first semester stood at €20.6 million, representing a margin of 7.2% of revenue, compared with an EBIT margin of €33.6 million, i.e. 11.6% of revenue in H1 2012.

Taking into account a lower income tax from continuing operations at €4.4 million, the net profit from continuing operations stood at €16.3 million for H1 2013, compared with €20.5 million in H1 2012, a decrease of 20.5%.

Earnings per share from continuing operations amounted to €0.65 at the end of the first half of 2013, versus H1 2012 earnings per share equal to €0.81 on a like-for-like basis.

The disposal of the "SNB" small nickel battery business on June 28, 2013 led the Group to record an additional loss from discontinued operations equal to €5.2 million. This net of tax loss includes a €1.4 million operating loss of the business during the first five months of 2013, the balance corresponding to a net loss upon disposal.

Net profit for the first half of 2013 was equal to €11.1 million (including the Group's share at €11.1 million), versus a net profit of €20.0 million during H1 2012 (of which the Group's share stood at €19.9 million).

Net earnings per share amounted to €0.44 for the first half of 2013, compared with EPS of €0.79 in H1 2012.

1.2 RESULTS BY DIVISION

SECOND QUARTER SALES BY DIVISION (UNAUDITED)

(in € million)	2nd quarter 2013	2nd quarter 2012 restated (1)	Variation in % At actual exchange rates	Variation in % At constant exchange rates
IBG (1)	85.3	79.4	7.4%	8.0%
SBG	66.1	74.2	(10.8)%	(9.9)%
TOTAL	**151.4**	**153.6**	**(1.4)%**	**(0.6)%**

(1) Compared to the revenue posted in 2012, the sales figures presented above for the second quarter exclude, on the one hand, the revenue from the "SNB" small nickel battery business sold on June 28, 2013 and, on the other hand, the services invoiced to Johnson Controls Inc. for the Nersac production plant, acquired on January 1, 2013, that is €11,0 and €1.3 million respectively for the second quarter of 2012.

HALF-YEAR RESULTS BY DIVISION

	6 months ended June 30, 2013				6 months ended June 30, 2012, restated (2)		
	Revenue *(€m)*	**Change** *(%)* (1)	**EBITDA** *(€m)*	**EBITDA margin** *(%)*	Revenue *(€m)* (2)	EBITDA *(€m)*	EBITDA margin *(%)*
IBG (2)	159.9	6.4%	12.2	7.6%	151.7	16.2	10.7%
SBG	125.0	(9.1)%	29.1	23.3%	138.7	35.7	25.7%
Other	-	-	(1.3)	n.a.	-	(1.8)	n.a.
TOTAL	**284.9**	**(1.0)%**	**40.0**	**14.0%**	**290.4**	**50.1**	**17.3%**

(1) Changes in revenue are expressed at constant exchange rates. The average euro/dollar exchange rate during H1 2013 was €1 = $1.31, compared with €1 = $1.30 during H1 2012.

(2) Compared to the revenue posted in 2012, the sales figures presented above for the first half of that year exclude, on the one hand, the revenue from the "SNB" small nickel battery business sold on June 28, 2013 and, on the other hand, the services invoiced to Johnson Controls Inc. for the Nersac production plant, acquired on January 1, 2013, that is €21.8 and €2.6 million respectively for H1 2012.

n.a.: Not applicable

Changes in consolidated revenue by market segment are shown below:

	2013	2012 restated (1)	Variation at constant exchange rates
Stationary back-up power and Energy storage systems	96.1	88.5	9.9%
Transportation (aviation, rail and vehicles)	63.8	63.2	1.5%
Total IBG (1)	**159.9**	**151.7**	**6.4%**
Civil electronics	77.9	81.5	(3.6)%
Space & defense	47.1	57.2	(17.1)%
Total SBG	**125.0**	**138.7**	**(9.1)%**
TOTAL CONSOLIDATED SALES (1)	**284.9**	**290.4**	**(1.0)%**

(1) Compared to the revenue posted in 2012, the sales figures presented above for the first half of that year excludes, on the one hand, the revenue from t the "SNB" small nickel battery business sold on June 28, 2013 and, on the other hand, the services invoiced to Johnson Controls Inc. for the Nersac production plant, acquired on January 1, 2013, that is €21.8 and €2.6 million respectively for H1 2012.

A/ INDUSTRIAL BATTERY GROUP (IBG)

At €159.9 million, IBG division's sales were up significantly by 6.4% during the first half of 2013 at constant exchange rates.

After revenues up 4.6% in the first quarter of the year at constant exchange rates and on a like-for-like basis, the business's growth was significantly stronger in the second quarter, with revenues increasing by 8.0% at constant exchange rates over the second quarter of the previous financial year.

The increase in the revenue of the IBG division in H1 2013 was mainly the result of a 9.9% raise in the sales of batteries for stand-by backup applications and energy storage systems. This change disguises the stable trend in the sales of batteries for industrial applications and the extremely strong growth in sales on the telecommunications networks market, for both the Tel.X nickel battery range and the Evolion Li-ion battery complementary range. In particular, the Group received significant orders of this product - in the amount of €35 million in total - from Indian telecommunication operator Reliance®.

On the other hand, sales of batteries for energy storage applications (so-called "ESS" or Energy Storage Solutions) were weaker than expected, down from H1 2012. In spite of the high number of projects being negotiated and/or finalized, few contracts were signed during the first half of 2013.

Lastly, sales of batteries for the transport market were up slightly by 1.5% in H1 2013, as growth in sales in the aviation and railway segments was partially offset by a strong decrease in sales in the vehicle segment. The latter were particularly strong in the second quarter of 2012.

The significant increase in the aviation business was due to both replacement battery sales on the civil market and military lithium-ion battery sales.

The strong growth of the railway business came from the United States and Asia, whilst Europe fell back.

The EBITDA margin for the division stood at €12.2 million during the first half of 2013, i.e. 7.6% of revenue, versus a margin of 10.7% in H1 2012. This reduction results from:

- Firstly, and despite higher volumes, a reduced gross margin due, on the one hand, to the €2.9 million negative contribution from the integration of Nersac's Li-ion production unit, bought from Johnson Controls Inc. on January 1, 2013, and, on the other hand, to changes in the structure of sales, sales of lower margin products having progressed more strongly during the first half. Net positive impact of higher volumes and change in product mix is estimated at €1.7 million euros for the first half of 2013;
- the €1.2 million increase in sales and marketing expenses related to the development of new market segments, including the establishment of a new business providing maintenance services in connection with the development of sales of Li-ion products;
- finally, the rising cost of developing new products, under the combined effect of a more limited number of projects for which costs have been capitalized in the balance sheet of the Group (€3.4 million in H1 2013 against 4.7 million in 2012). It should be noted that Li-ion Systems Development Unit is part of Industrial Battery Group division.

B/ SPECIALTY BATTERY GROUP (SBG)

The Specialty Battery Group division's revenue over the first half of 2013, amounting to €125.0 million, fell by 9.9% at current exchange rates compared to H1 2012 and contracted by 9.1% at constant exchange rates, as a 9.9% fall was recorded in the second quarter of the year, following an 8.3% reduction in the first quarter of 2013.

Operations in the civil electronic markets significantly improved in the second quarter of the year, with revenues stable over the previous financial year, following a drop of almost 8% in the first quarter. The downturn in business in H1 was due to a fall in sales to three customers on the metering and oil & gaz markets in the United States. Conversely, after a difficult 2012, sales on the Chinese meter market started to grow again. It is worth mentioning that anticipated sales growth in this segment in Europe and Asia in the second half is expected to offset the fall recorded in the first half.

The space and defence markets saw sales reduction over 17% in H1. This fall can be ascribed, on the one hand, to the unfavourable planning of deliveries in the space business in the first half of the year and, on the other hand, to the sales of military batteries for radios. The Li-ion military project business has continued to grow during the first half while we see a decline in demand for silver batteries for torpedoes.

With an EBITDA standing at €29.1 million, i.e. 23.3% of revenue in the first half of 2013, versus a record margin of 25.7% in H1 2012, the Specialty Battery Group division's profitability remains in line with its historical levels despite the sharp drop in activity in the first half. The decline in EBITDA margin is due solely to lower volumes.

C/ OTHER ACTIVITIES

Expenses that are not allocated to the operational divisions, which mainly comprise the costs of the central functions such as IT, research, finance and general management, led to an EBITDA margin of €(1.3) million for this "Other" division in H1 2013, as compared to a margin of €(1.8) million for the same period in 2012.

1.3 OTHER ITEMS OF CONSOLIDATED INCOME

OTHER OPERATING INCOME/(EXPENSES)

Other operating income and expenses amounted to €5.8 million during the first half of 2013, versus a net profit equal to zero for the first half of 2012.

Income recorded in 2013 stemmed partly from an insurance indemnity received in the amount of €4.0 million and, on the other hand, to the recognition of €1.8 million in negative goodwill generated by the acquisition of the Nersac lithium-ion production plant from Johnson Controls Inc. on January 1, 2013.

OPERATING PROFIT/(LOSS)

In the absence of material restructuring costs, and after other operating income and expenses, the Group's operating profit totalled €26.2 million for H1 2013, compared with €33.5 million in operating profit a year ago.

NET FINANCIAL INCOME/(LOSS)

A net financial loss of €5.7 million was posted for H1 2013, as opposed to a €4.9 million loss for the first half of 2012. Cost of net debt was €3.4 million, down €1.2 million in relation to the net cost for the first half of 2012. This decrease results primarily from a lower financial debt following refinancing but also from the decrease in amortization expense of refinancing costs.

The composite interest rate on financial debt, including the cost of interest rate hedges, stands at 3.26% for H1 2013, compared to 3.32% in H1 2012 and 3.42% for FY 2012.

The H1 2013 net financial costs also include a €0.9 million foreign exchange loss, versus a net foreign exchange gain of €0.9 million recorded in H1 2012.

PROFIT FROM CONTINUING OPERATIONS

After accounting for the Group's 50% share in the profit of the ASB joint venture, representing a positive contribution of €0.2 million during the first half of 2013, profit before tax from continuing operations stood at €20.7 million for H1 2013, compared to €29.2 million in H1 2012.

The tax expense related to continuing operations totalled €4.4 million during the first half of 2013, for a group-wide overall tax rate of 21.3% versus a tax expense of €8.7 million in H1 2012, which corresponded to a 29.8% overall tax rate on continued operations. The decrease in the Group corporate tax rate results from the overall decline in profitability recorded in the first half, particularily in countries with high tax rates where the Group has a strong presence, such as the United States of America and France.

Thus, the net profit from continuing operations during the first half of 2013 totalled €16.3 million, versus net profit of €20.5 million during H1 2012.

LOSS FROM DISCONTINUED OPERATIONS

In the first half of 2013, the net loss from discontinued operations stood at €5.2 million which corresponds to the loss recorded for the small nickel battery business, sold on June 28, 2013. Of this amount, €1.4 million correspond to the business' operating loss during the first five months of 2013, the balance representing the loss upon disposal, net of future tax reductions. The net loss from discontinued operations in the first halves of 2012 and 2011 corresponded - for H1 2012 - to the operating loss after tax of the "SNB" business and - in 2011 - to the Group's share in the net results of the Johnson Controls-Saft joint venture, an interest sold by the Group on September 30, 2011.

NET PROFIT

Thus, the Group's net profit during the first half of 2013 totalled €11.1 million, versus a net profit of €20.0 million during H1 2012.

Net earnings per share amounted to €0.44 for the first half of 2013, compared with EPS of €0.79 in H1 2012.

1.4 MAIN CASH FLOWS OVER THE PERIOD

CASH GENERATED FROM OPERATIONS

Net cash generated from continued operations in the first half of 2013 amounted to €24.9 million, an increase of €6.5 million compared to the first half of 2012.

This increase is the result, despite the decline in the EBITDA margin, of a slight increase of €3.3 million in working capital in the first half of 2013, against an increase of more than €23 million in first half of 2012.

CASH FLOW FROM INVESTING ACTIVITIES

Cash outflows from investing activities during the first half of 2013 amounted to €34.6 million as compared to €29.3 million in H1 2012.

Gross industrial capex amounted to €22.3 million during H1 2013 (versus €24.6 million during H1 2012), of which €8.7 million (i.e. $11.5 million) related to the construction of the Jacksonville production facility. The latter amount excludes the funding received from the US Department of Energy, as analysed below. The investment for the construction of the Jacksonville plant amounted to €15.4 million ($20.0 million) during the first half of 2012.

Investments made during the first half include €2.8 million euros for the replacement of industrial equipment in the Group's production unit in Israel. This investment is fully funded by an insurance indemnity of €4,0 million received during the first half.

Investments in intangible assets, which consist mainly of capitalized development costs, amounted to €3.6 million during the first half of 2013, as compared to €5.0 million during H1 2012.

Finally, on January 1, 2013, the Group acquired the Nersac Li-ion cells production from Johnson Controls Inc. for €8.5 million, net of cash aquired. The Nersac balance sheet as of the acquisition date is presented in note 5 to the interim consolidated financial statements.

CASH FLOW FROM FINANCING ACTIVITIES

The significant cash flows relating to financing activities in the first half of 2013 concerned, firstly, the payment of a dividend in the amount of €9.1 million (as 53% of shareholders opted for the payment of the dividend in shares), and secondly, the inflow of €3.7 million ($4.8 million) representing the US Department of Energy contribution to the funding for the construction of the Jacksonville plant and, finally, the receipt of an insurance indemnity of €4,0 million, used to fund the replacement of industrial equipment in the Group's production unit in Israel.

CASH FLOW FROM DISCONTINUED OPERATIONS

Net cash-flows variations from discontinued operations in the first halves of 2012 and 2013 correspond to the small nickel battery business sold on June 28, 2013. The cash-flow change recorded in H1 2011 relates to the funding of the Johnson Controls-Saft joint venture for the period.

FREE CASH-FLOW

Given the decrease in the Group's profitability in the first half of the year, but considering the high level of investment, the free cash-flow generated by the Group during H1 2013 was negative by €2.0 million, versus a negative free cash-flow - excluding refinancing - of €4.2 million in H1 2012.

1.5 GROUP'S STATEMENT OF FINANCIAL POSITION

With respect to the end of the 2012 financial year, the Group's balance sheet at June 30, 2013 shows the following:

- an increase of €24.8 million in non-current assets, mainly as a result of the investment in the new lithium-ion production facility in Jacksonville, but also of the acquisition of the Nersac Li-ion production unit;
- a €9.3 million increase in current assets(1), mainly as a result of increased inventory and tax credits, as well as a slight increase of €5.1 million in current liabilities(2) due primarily to the increase in trade payables;
- a stable, strong cash position of €94.2 million, after payment of the dividends totalling €9.1 million;
- lastly, broadly stable equity and financial debt amounting to €396.0 and €217.3 million(3) respectively.

1.6 OTHER SIGNIFICANT EVENTS DURING THE FIRST HALF OF 2013

ANNUAL GENERAL MEETING AND DIVIDEND

At the Annual General Meeting on May 7, 2013, Saft Groupe SA's shareholders voted for a payment of €0.75 per ordinary share for the 2012 financial year, that is an increase of 4.2% compared to the ordinary dividend of the previous year. Moreover, they approved the option for dividend payment in shares. Taking into account the chosen method, the issue price of shares was fixed at €16.72 per share. Shareholders accounting for over 53% of the share capital chose to have dividends paid in shares. The subsequent capital increase is described in note 6 attached to these Condensed Interim Consolidated Statements.

INVESTMENT PROJECTS

The third and final production line of the Jacksonville lithium-ion production plant is currently being installed and is expected to become operational at the end of 2013. This line will produce prismatic cells, whilst the first two produce cylindrical cells

Furthermore, in January 2013 the Group opened its new production plant in Bangalore, India. This plant, which represented a total investment of €2 million, enables the Group to double its local nickel battery production capacity for the industrial battery market. It also allows the Group to prepare for the expansion of the Indian railway market, as well as the energy and electricity markets.

LI-ION BUSINESS DEVELOPMENTS

The market for Li-ion batteries for telecommunications networks made a very positive progress in the first half of 2013, notably as a result of the orders received from the Indian telecoms network operator Reliance Jio Infocomm Limited, for a total of €35 million, the delivery of which began in the second quarter and will be staggered up to the first quarter of 2014. The deployment of Evolion® Li-ion batteries for telecommunications networks has been initiated by four other operators in Asia, Africa, but also in Northern Europe.

The Energy Storage Systems market developed slower than expected in the first half, as the expected signature of several significant contracts has not yet materialized.

(1) Excluding cash.
(2) Excluding financial debts.
(3) Excluding accrued interest.

1.7 RELATED-PARTY TRANSACTIONS

The nature of the Group's related-party transactions remains unchanged as compared to the situation described in note 29 of the 2012 consolidated financial statements, as presented on page 179 of the 2012 annual report registered with the Autorité des marchés financiers (AMF) on February 22, 2013.

The Group's 50% share in the H1 2013 profit of the ASB joint venture - jointly controlled with EADS - amounted to €0.2 million, against a share in profits equal to €0.6 million during the first half of 2012. The decline in profitability of ASB is due to a contraction in demand for thermal batteries for missiles.

1.8 RISKS AND UNCERTAINTIES WITH REGARD TO THE SECOND HALF OF 2013

Saft believes that the main risks to which the Group is exposed are the same as those described on pages 55 to 65 of the 2012 annual report.

The main uncertainties for H2 2013 concern:

- trends in the global economic situation, in both the United States and Europe and in developing countries, and their impact on market segments in which the Group operates;
- trends with regard to public procurement contracts, especially in the defence markets;
- finally, changes in exchange rates and particularly those of the US dollar and the Swedish krona as compared to the euro, but also the Israeli shekel against the dollar.

1.9 OUTLOOK

In light of the Group's revenue during the first half of the year and considering the current macroeconomic situation, the projected revenue for the 2013 financial year has been revised, with revenue now estimated at €630 million. Estimated sales of Li-ion batteries for 2013 remain unchanged at €120 millions.

The expected EBITDA margin has also been revised and is expected to be between €90 and €95 million.

(in € million)	FY 2012	H1 2013 actual	FY 2013 initial estimate	FY 2013 revised estimate
Sales [(1)]	598.0	284.9	630 to 650	630
EBITDA margin	102.1	40.0	102 to 106	90 to 95

(1) Revenue estimates are calculated at constant exchange rates.

1.10 PROVISIONAL FINANCIAL REPORTING DATES

For information purposes, the Company's financial reporting dates are expected to be as follows:

- Q3 2013 revenue: October 24, 2013
- Annual revenue and results for 2013: February 18, 2014

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Condensed interim consolidated financial statements

At June 30, 2013

Preliminary Note: On June 28, 2013, the Saft Group sold its "SNB" small nickel batteries business. As the sale was highly probable at the end of the financial year 2012, this activity has been classified and presented from that date in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations". Accordingly :

- the result, net of corporate income tax, of this activity for H1 2013 and H1 2012 is reported as a single amount on a specific line "Net income from discontinued operations" of the consolidated income statement. The comparative data for the first half of 2011 have not been restated as the information is not available;
- loss from the sale of this activity is presented on the same line of the consolidated income statement;
- cash flows from SNB activity for the first halves of 2013 and 2012 are presented on a separate line of the consolidated statement of cash flow. The comparison data for the first half of 2011 has not been restated as the information is not available.

2.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(in € million)	Note	As of June 30, 2013	As of December 31, 2012	As of December 31, 2011
Non-current assets				
Intangible assets, net		210.1	213.3	218.1
Goodwill		111.8	111.1	112.7
Property, plant and equipment, net		248.1	226.7	214.4
Investment properties		0.1	0.1	0.1
Investments in joint undertakings	10	12.4	13.3	13.3
Deferred income tax assets		11.8	5.1	5.9
Other non-current financial assets		0.4	0.3	0.4
		594.7	**569.9**	**564.9**
Current assets				
Inventories		95.2	80.2	85.5
Tax credits		19.9	14.7	10.0
Trade and other receivables		160.0	170.0	159.5
Derivative financial instruments		0.1	1.0	3.9
Cash and cash equivalents		94.2	114.5	267.2
		369.4	**380.4**	**526.1**
Assets held for sale		-	18.8	-
TOTAL ASSETS	4	***964.1***	**969.1**	**1091.0**

LIABILITIES AND SHAREHOLDERS' EQUITY

(in € million)	Note	As of June 30, 2013	As of December 31, 2012	As of December 31, 2011
Shareholders' equity	6			
Ordinary shares		25.8	25.2	25.2
Share premium		87.6	78.1	103.2
Treasury shares		(2.1)	(2.0)	(1.8)
Cumulative translation adjustments		25.7	26.0	34.8
Fair value and other reserves		0.4	2.3	(3.7)
Group consolidated reserves		256.1	263.4	246.2
Minority interest in equity		2.5	2.7	2.7
Total shareholders' equity		**396.0**	**395.7**	**406.6**
Liabilities				
Non-current liabilities				
Debt	8	213.9	212.8	101.2
Other non-current financial liabilities		5.0	4.9	5.3
Deferred grants related to assets	7	55.6	53.4	47.3
Deferred income tax liabilities		73.7	75.1	71.0
Pensions and other long-term employee benefits		10.0	8.9	10.3
Provisions		33.1	31.5	33.1
		391.3	**386.6**	**268.2**
Current liabilities				
Trade and other payables		164.0	152.9	162.3
Taxes payable		1.9	5.7	6.6
Debt	8	4.6	4.7	237.8
Derivative instruments		1.5	1.0	1.2
Pensions and other long-term employee benefits		0.6	1.1	1.1
Provisions		4.2	6.3	7.2
		176.8	**171.7**	**416.2**
Liabilities associated with assets held for sale		-	15.1	-
TOTAL LIABILITIES AND EQUITY	4	***964.1***	**969.1**	**1091.0**

2.2 CONSOLIDATED INCOME STATEMENT

(in € million)	Note	**Period ended June 30, 2013 (1)**	Period ended June 30, 2012 (1)	Period ended June 30, 2011 (1)
Revenues	4	284.9	293.0	311.6
Cost of sales		(205.8)	(207.0)	(217.7)
Gross profit		**79.1**	**86.0**	**93.9**
Distribution and sales costs		(20.6)	(19.4)	(19.3)
Administrative expenses		(23.9)	(21.7)	(24.1)
Research and development expenses		(14.0)	(11.3)	(11.0)
Restructuring costs		(0.2)	(0.1)	0.1
Other operating income and expenses		5.8	0.0	(0.4)
Operating profit		**26.2**	**33.5**	**39.2**
Finance costs, net	8	(5.7)	(4.9)	(6.9)
Share of profit/(loss) of associates	9	0.2	0.6	0.8
Profit before income tax from continuing operations		**20.7**	**29.2**	**33.1**
Income tax on continuing operations	10	(4.4)	(8.7)	(9.0)
Net profit/(loss) from continuing operations		**16.3**	**20.5**	**24.1**
Net profit/(loss) from discontinued operations	11	(5.2)	(0.5)	(8.3)
Net profit for the period		**11.1**	**20.0**	**15.8**
Attributable to owners of the parent Company		**11.1**	**19.9**	**15.5**
Attributable to non-controlling interests		0.0	0.1	0.3
Earnings per share ***(in € per share)***	12			
• basic		0.44	0.79	0.62
• diluted		0.44	0.79	0.61
Earnings of continuing operations ***(in € per share)***				
• basic		0.65	0.81	0.95
• diluted		0.65	0.81	0.94

(1) Net income from discontinued activities for the first halves of 2012 and 2013 relates to "SNB" small nickel batteries activity, sold on June 28, 2013. The net result of this activity for the first half of 2011 has not been restated as related information was unavailable. The net result from discontinued operations for the first half of 2011 activities therefore concerns only the Group's share in the net income of the Johnson Controls-Saft joint-venture for that period.

2.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € million)	Period ended June 30, 2013	Period ended June 30, 2012	Period ended June 30, 2011
Net profit for the period	**11.1**	**20.0**	**15.8**
Other comprehensive income			
Actuarial gains and losses recognised against Statement of Comprehensive Income	0.0	0.0	0.0
Tax effect on actuarial gains and losses recognised against Statement of Comprehensive Income	0.0	0.0	0.0
Items that will not be reclassified to profit or loss	**0.0**	**0.0**	**0.0**
Fair value gains/(losses) on cash flow hedge	(1.8)	(0.1)	(0.8)
Fair value gains/(losses) on investment hedge	(1.0)	6.7	13.6
Currency translation adjustments	(0.4)	(0.7)	(14.0)
Tax effect on income/(expenses) recognized directly in equity	0.9	(2.2)	(4.4)
Items that may be reclassified subsequently to profit or loss	**(2.3)**	**3.7**	**(5.6)**
Total other comprehensive income for the period, net of tax	**(2.3)**	**3.7**	**(5.6)**
Total comprehensive income for the period	**8.8**	**23.7**	**10.2**
Attributable to:			
• owners of the parent Company	9.0	23.6	10.0
• non-controlling interests	(0.2)	0.1	0.2

2.4 CONSOLIDATED STATEMENT OF CASH FLOWS

(in € million)	Period ended June 30, 2013	Period ended June 30, 2012	Period ended June 30, 2011
Net profit for the period from continuing operations	**16.3**	**20.5**	**24.1**
Adjustments:			
Share of profit/(loss) of associates (net of dividends received)	0.7	0.4	0.2
Income tax expense from continued operations	4.4	8.7	9.0
Property, plant and equipment and intangible assets amortization and depreciation	21.4	18.0	15.0
Amortization of deferred grants related to assets	(2.0)	(1.5)	0.0
Finance costs, net	5.7	4.9	6.9
Stock option plans	0.6	0.6	0.8
Net movements in provisions	(1.4)	0.0	(2.3)
Other	(4.0)	(0.1)	0.3
	41.7	**51.5**	**54,0**
Change in inventories	(14.5)	(13.1)	(15.9)
Change in trade and other receivables	9.9	0.0	6.5
Change in trade and other payables	0.6	0.7	1.8
Change in other receivables and payables	0.7	(10.9)	(5.6)
Changes in working capital	**(3.3)**	**(23.4)**	**(13.1)**
Cash flow generated from operations before interest and tax	**38.4**	**28.1**	**40.9**
Interest paid	(3.7)	(2.9)	(5.4)
Income tax paid	(9.8)	(6.8)	(8.1)
Net cash generated by operating activities	**24.9**	**18.4**	**27.4**
Cash flows from investing activities			
Purchase/Sale of equity securities, net of cash acquired	(8.5)	0.0	0.0
Purchase of property, plant and equipment	(22.3)	(24.6)	(39.4)
Purchase of intangible assets	(3.6)	(5.0)	(3.7)
Proceeds from sale of property, plant and equipment	0.0	0.3	0.0
Variation of other non-current financial assets and liabilities	(0.2)	0.0	0,0
Net cash used in investing activities	**(34.6)**	**(29.3)**	**(43.1)**
Cash flows from financing activities			
Capital increase	0.1	0.0	2.3
Purchase/Sale of treasury shares - liquidity contract	(0.2)	(0.3)	(0.7)
New debt	0.0	209.4	0.0
Debt repayments	0.0	(328.5)	0.0
Grants related to assets and insurance indemnities	7.7	6.9	15.2
Increase/(decrease) in other long-term liabilities	0.1	0.1	0.1
Dividends paid to Company shareholders	(9.1)	(43.1)	(17.6)
Net cash generated by/(used in) financing activities	**(1.4)**	**(155.5)**	**(0.7)**
Net cash generated by/(used in) continuing operations	(11.1)	(166.3)	(16.4)
Net cash generated by/(used in) discontinued operations [(1)]	(8.4)	(0.3)	(22.9)
Net increase/(decrease) in cash	**(19.5)**	**(166.6)**	**(39.3)**
Cash and cash equivalents at beginning of period	114.5	267.2	194.6
Impact of changes in exchange rate	(0.8)	(1.4)	(3.6)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**94.2**	**99.2**	**151.7**

(1) Cash flows from discontinued activities for the first halves of 2012 and 2013 relate to the "SNB" small nickel batteries activity, sold on June 28, 2013. Cash flows from this activity for the first half of 2011 have not been restated as the information is not available. Cash flows from discontinued activities for the first half of 2011 only concern the Group's share in the financing and net income of the Johnson Controls-Saft joint-venture for that period.

2.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in € million)	Number of shares making up the capital	Attributable to equity holders of the Company: Share Capital	Share Premium	Reserves	Profit for the period attributable to equity	Total	Non-controlling interests	Shareholders' equity
Balance at January 1, 2011	**25,125,840**	**25.1**	**102.1**	**172.9**	**39.7**	**339.8**	**1.4**	**341.2**
Appropriation of 2010 earnings	-	-	-	39.7	(39.7)	-	-	-
Employee stock options plans (value of employee services)	-	-	-	1.6	-	1.6	-	1.6
Capital increase of Amco-Saft India Ltd	-	-	-	-	-	-	1.1	1.1
Capital increase by exercise of stock options	49,005	0.1	1.1	0.0	0.0	1.2	-	1.2
Dividend paid	-	-	-	(17.6)	0.0	(17.6)	-	(17.6)
Purchase/Sale of treasury shares	-	-	-	1.1	-	1.1	-	1.1
Total comprehensive income	-	-	-	-	80.0	80.0	0.2	80.2
Balance at December 31, 2011	**25,174,845**	**25.2**	**103.2**	**195.5**	**80.0**	**403.9**	**2.7**	**406.6**
Appropriation of 2011 earnings	-	-	-	80.0	(80.0)	-	-	0.0
Employee stock options plans (value of employee services)	-	-	-	0.6	-	0.6	-	0.6
Capital increase	-	-	-	-	-	-	-	0.0
Capital increase by exercise of stock options	-	-			-		-	0.0
Dividend paid	-	-	(25.1)	(18.0)	-	(43.1)	-	(43.1)
Purchase/Sale of treasury shares	-	-	-	(0.3)	-	(0.3)	-	(0.3)
Total comprehensive income	-	-	-	-	23.7	23.7	-	23.7
Balance at June 30, 2012	**25,174,845**	**25.2**	**78.1**	**257.8**	**23.7**	**384.8**	**2.7**	**387.5**
Appropriation of 2011 earnings	-	-	-	-	-	-	-	-
Employee stock options plans (value of employee services)	-	-	-	0.7	-	0.7	-	0.7
Capital increase	-	-	-	-	-	-	-	-
Capital increase by exercise of stock options	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
Purchase/Sale of treasury shares	-	-	-	0.1	-	0.1	-	0.1
Total comprehensive income	-	-	-	-	7.4	7.4	-	7.4
Balance at December 31, 2012	**25,174,845**	**25.2**	**78.1**	**258.6**	**31.1**	**393.0**	**2.7**	**395.7**
Appropriation of 2012 earnings	-	-	-	31.1	(31.1)	-	-	-
Employee stock options plans (value of employee services)	-	-	-	0.6	-	0.6	-	0.6
Capital increase	-	-	-	-	-	-	-	-
Capital increase by exercise of stock options	6,690	-	0.1	-	-	0.1	-	0.1
Dividend (paid and/or in shares)	583,596	0.6	9.4	(19.1)	-	(9.1)	-	(9.1)
Purchase/Sale of treasury shares	-	-	-	(0.1)	-	(0.1)	-	(0.1)
Total comprehensive income	-	-	-	-	9.0	9.0	(0.2)	8.8
Balance at June 30, 2013	**25,765,131**	**25.8**	**87.6**	**271.1**	**9.0**	**393.5**	**2.5**	**396.0**

2.6 NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 INFORMATION ABOUT THE COMPANY AND THE GROUP

Saft Groupe SA (the "Company", and collectively with its consolidated subsidiaries, the "Group" or "Saft") was formed on March 23, 2005. Saft Groupe SA, a limited company governed by French law, whose registered office is located at 12, rue Sadi Carnot, 93170 Bagnolet, France, has been listed on Euronext Paris (compartment B) since June 29, 2005.

On July 17, 2013, the Management Board approved and authorized publication of the Condensed Interim Consolidated Financial Statements of Saft Groupe SA at June 30, 2013.

Unless otherwise indicated, the Condensed Interim Consolidated Financial Statements are presented in millions of euros.

NOTE 2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

These Condensed Interim Consolidated Financial Statements for the half year ended June 30, 2013 have been prepared in accordance with IAS 34, "Interim financial reporting". They do not include all the detailed information required for the full-year consolidated statements and should be read in conjunction with the Group's consolidated annual financial statements for the year ended December 31, 2012, prepared in accordance with the International Financial Reporting Standards as approved by the European Union.

The accounting policies applied in these Condensed Interim Consolidated Financial Statements are identical to those applied by the Company in its Consolidated Financial Statements for the year ended December 31, 2012 with the exceptions set out below.

New IFRS standards, interpretations and amendments, as adopted by the EU for periods beginning from January 1, 2013 onwards, have been applied by the Company. They have not led to any significant changes in the methods for measurement of assets, liabilities, income and expenses including:

- the application of fair value principles as defined in the new IFRS 13 « Fair Value measurement » standard;
- the application of valuation principles for employees benefits as defined in revised IAS19 standard.

The Company has not anticipated the implementation of any standards and interpretations which are not mandatory in 2013.

2.2 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Condensed Interim Consolidated Financial Statements in conformity with IAS 34 requires management to make assumptions and estimates that affect the reported amounts set out in the Financial Statements, whether this involves the valuation of certain assets and liabilities or certain income and expenses, such as depreciation, amortization and provisions.

These estimates, which are based on the going concern assumption, are prepared on the basis of the available information at the time of their preparation. They may be revised if the circumstances on which they have been based change as a result of new information. Actual results may differ from these estimates.

Where an estimate is revised, it does not imply the correction of an error. The impact of changes in accounting estimates is recognized for the period in which the change is made if it only affects such period or for the period in which the change is made and any subsequent periods that may be affected by the change.

Within the scope of preparation of the Interim Consolidated Financial Statements at June 30, 2013, the use of assumptions and estimates primarily related to the following, as it did at the time of preparation of the Consolidated Financial Statements for the financial year ended December 31, 2012:

- Impairment tests on goodwill and other fixed assets: the Group carries out impairment tests on unamortized intangible assets and goodwill during the second half of each year.

  As the operating results of the CGUs recognized at June 30, 2013 – excluding the non recurring cost impact of the construction and start-up of Jacksonville factory – do not undermine forecasts taken into consideration in the scope of the sensitivity tests of the value in use of the CGUs carried out at December 31, 2012, the estimates of the values in use of the goodwill made as of such date have not been revised when closing off the interim financial statements.

  With regard to brands, the annual impairment tests that are carried out are based on a discounting to present value of the royalties which would be paid by a third party wishing to use them, on the basis of sales forecasts by brand. As sales for the first half year of 2013 were consistent with those used to perform impairment tests on brands by the end of the 2012 financial year, the estimates of the values in use of the brands made as of such date have not been revised when closing off the interim financial statements.
- Calculation of pension and similar retirement benefit obligations: for the interim financial statements, pension expenses and similar retirement benefit obligations are estimated at half the amount of the annual expense, unless any specific event occurs to justify a specific update;
- Some provisions: contingency provisions and in particular specific provisions for projects are reviewed by Management at the end of each half-yearly closing;
- Construction contracts: they are subject to a monthly review as part of the financial closing at each of the Group's business units.

- With regard to the current and deferred tax expense recorded in the interim financial statements: this expense is calculated by applying the average annual estimated rate of tax for the tax year in progress for each entity or tax group to profit before income tax for the period.

2.3 SEASONALITY

Saft's business is generally not seasonal. However, working capital tends to be higher in the first half as compared to the second due to manufacturing shutdowns during the summer months.

NOTE 3 SCOPE OF CONSOLIDATION

Compared to December 31, 2012, the scope of consolidation at June 30, 2013 includes a new legal entity, the French company Saft Line SAS. This company, located in Nersac, which produces Li-ion cells was purchased from Johnson Controls Inc. on January 1, 2013.

The scope of consolidation at June 30, 2013 comprises the following companies:

Company name	Activity	Country	Percentage of control and interest	Consolidation method
Saft Groupe SA	**Group Holding Company**	**France**	**100**	**Full**
Saft Australia Pty Ltd	Holding company	Australia	100	Full
Saft Batteries Pty Ltd	Assembly and commercial	Australia	100	Full
Saft Do Brazil	Commercial	Brazil	100	Full
Saft Zhuhai (Ftz) Batteries Co, Ltd	Manufacturing and commercial	China	100	Full
Saft Nife ME Ltd	Commercial	Cyprius	100	Full
Saft Ferak AS	Manufacturing and commercial	Czech Republic	100	Full
Saft SAS (previously Saft SA)	Manufacturing and commercial	France	100	Full
Saft Acquisition SAS	Holding company	France	100	Full
Saft Line SAS	Manufacturing and commercial	France	100	Full
ASB (and its subsidiaries)	Manufacturing and sale of thermal batteries	France	50	EA
Friemann & Wolf Batterietechnik GmbH (Friwo)	Manufacturing and commercial	Germany	100	Full
Saft Batterien GmbH	Commercial	Germany	100	Full
SGH GmbH	Holding company	Germany	100	Full
Tadiran Batteries GmbH	Manufacturing and commercial	Germany	100	Full
Saft Hong Kong Ltd	Commercial	Hong Kong	100	Full
Amco-Saft India Ltd	Manufacturing and commercial	India	51.04	Full
Tadiran Batteries Ltd	Manufacturing and commercial	Israël	100	Full
Saft Batterie Italia Srl	Commercial	Italy	100	Full
Saft Finance Sarl	Holding company	Luxembourg	100	Full
Saft Batterijen BV	Commercial	Netherlands	100	Full
Saft AS Norway	Commercial	Norway	100	Full
Saft Batteries Pte Ltd	Holding company and commercial	Singapore	100	Full
Saft Baterias SL	Commercial	Spain	100	Full
Alcad AB	Commercial	Sweden	100	Full
Fast Jung KB	Property investmet company	Sweden	100	Full
Saft AB	Manufacturing and commercial	Sweden	100	Full
Saft Sweden AB	Holding company	Sweden	100	Full
Saft UK Ltd	Manufacturing and commercial	United Kingdom	100	Full
Florida Substrate Inc. (PPF)	Manufacture of nickel-plated strips	United States	100	Full
Saft America Inc.	Manufacturing and commercial	United States	100	Full
Saft Federal Systems Inc. (Tadiran US)	Commercial	United States	100	Full
Saft JV Holding Co	Holding company	United States	100	Full

In the above table, "Full" signifies that the company is consolidated using the full consolidation method and "EA" ("Equity Accounted") means that a company is consolidated using the equity accounting consolidation method.

NOTE 4 INFORMATION BY BUSINESS SEGMENT AND GEOGRAPHICAL SEGMENT

4.1. INFORMATION BY BUSINESS SEGMENT

Since July 1, 2009, the Saft Group has been structured around the following business segments:

- the Industrial Battery Group (IBG) division, which manufactures rechargeable nickel and lithium batteries and battery systems for demanding industrial applications such as aircraft safety, ground-check and starting systems, high-speed trains, urban transit networks, subways and trams, oil and gas, industrial installations, power generation and distribution, hospitals and public buildings, telecommunications networks and renewable energy storage. Until May 31, 2013 the IBG division also produced a specialized range of small rechargeable nickel batteries to be used for emergency lighting, professional electronics equipment such as portable medical devices, payment terminals, private mobile radio networks and professional audio and video equipment. This activity, the sale of which was considered highly probable at the close of FY 2012, was sold on June 28, 2013 with effect from May 31, 2013. In the above presented Consolidated financial statements and in the comparative data presented for 2012, this activity is accounted for in accordance with IFRS 5 « Non-current assets held for sale and discontinued operations »;
- the Specialty Battery Group (SBG) division, which designs and manufactures high-performance primary Lithium and rechargeable Li-ion batteries for the electronics, defence and space industries. The main applications for these products are satellites, utility meters, automatic meter-reading systems, electronic toll collection, medical equipment, launchers, missiles, torpedoes, asset tracking systems, sonar buoys, military radios and night vision goggles;
- the Other segment, which comprises the Group's holding companies. It also includes corporate functions such as IT, research, Li-ion cells development, central management, and finance and administration.

Segment reporting data is based on the same accounting policies as those used for the Consolidated Financial Statements, as described in note 2. Performance measurement for each segment is based on EBITDA, EBIT and operating profit.

The tables below show the main interim financial information for each of the Group's divisions.

Operating profit by business segment

SIX MONTH PERIOD ENDED JUNE 30, 2013

(in € million)	IBG	SBG	Other	Total
Total segment revenues	207.6	160.8	-	368.4
Minus intra-segment revenues	(47.7)	(38.5)	-	(83.5)
Consolidated revenues	**159.9**	**125.0**		**284.9**
EBITDA	**12.2**	**29.1**	**(1.3)**	**40.0**
Depreciation of intangible assets	(3.2)	(3.2)	(0.1)	(6.5)
Amortization of property, plant & equipment	(9.2)	(4.5)	(0.5)	(14.2)
Impairment of intangible assets	(0.7)	-	-	(0.7)
Amortization of deferred grants related to assets	2.0	-	-	2.0
EBIT	**1.1**	**21.4**	**(1.9)**	**20.6**
Provisions for restructuring	(0.2)	-	-	(0.2)
Other operating income/(expenses)	-	3.9	1.9	5.8
Operating profit	0.9	25.3	0.0	26.2

SIX MONTH PERIOD ENDED JUNE 30, 2012

(in € million)	IBG	SBG	Other	Total
Total segment revenues	199.5	182.7	-	382.2
Minus intra-segment revenues	(45.2)	(44.0)	-	(89.2)
Consolidated revenues	**154.3**	**138.7**	**-**	**293.0**
EBITDA	**16.2**	**35.7**	**(1.8)**	**50.1**
Depreciation of intangible assets	(3.1)	(3.3)	(0.1)	(6.5)
Amortization of property, plant & equipment	(6.2)	(4.2)	(0.3)	(10.7)
Impairment of intangible assets	-	(0.8)	-	(0.8)
Amortization of deferred grants related to assets	1.5	-	-	1.5
EBIT	**8.4**	**27.4**	**(2.2)**	**33.6**
Provisions for restructuring	(0.1)			(0.1)
Operating profit	8.3	27.4	(2.2)	33.5

SIX MONTH PERIOD ENDED JUNE 30, 2011

(in € million)	IBG	SBG	Other	Total
Total segment revenues	225.8	179.0	-	404.8
Minus intra-segment revenues	(48.2)	(45.0)	-	(93.2)
Consolidated revenues	**177.6**	**134.0**	**-**	**311.6**
EBITDA	**25.3**	**32.2**	**(3.0)**	**54.5**
Depreciation of intangible assets	(2.7)	(3.9)	(0.1)	(6.7)
Amortization of property, plant & equipment	(4.0)	(3.7)	(0.3)	(8.0)
Impairment of intangible assets	-	(0.3)	-	(0.3)
Amortization of deferred grants related to assets	-	-	-	-
EBIT	**18.6**	**24.3**	**(3.4)**	**39.5**
Provisions for restructuring	0.1	-	-	0.1
Other operating income/(expenses)	-	(0.4)	-	(0.4)
Operating profit	18.7	23.9	(3.4)	39.2

4.2 BALANCE SHEET BY BUSINESS SEGMENT

AS OF JUNE 30, 2013

(in € million)	IBG	SBG	Other	Total
Total segment assets	364.5	251.9	241.6	858.0
Total of non-allocated assets				106.1
TOTAL ASSETS				**964.1**
Total segment liabilities	(91.1)	(59.4)	(50.8)	(201.3)
Total non-allocated liabilities				(366.8)
TOTAL LIABILITIES (EXCLUDING SHAREHOLDERS' EQUITY)				**(568.1)**

AS OF DECEMBER 31, 2012

(in € million)	IBG	SBG	Other	Total
Total segment assets	337.5	255.7	236.3	829.5
Total of non-allocated assets				139.6
TOTAL ASSETS				**969.1**
Total segment liabilities	(64.0)	(65.0)	(61.7)	(190.7)
Total non-allocated liabilities				(382.7)
TOTAL LIABILITIES (EXCLUDING SHAREHOLDERS' EQUITY)				**(573.4)**

AS OF DECEMBER 31, 2011

(in € million)	IBG	SBG	Other	Total
Total segment assets	327.6	265.2	341.7	934.5
Total of non-allocated assets				156.5
TOTAL ASSETS				**1091.0**
Total segment liabilities				(202.6)
Total non-allocated liabilities	(76.5)	(67.8)	(58.3)	(481.8)
TOTAL LIABILITIES (EXCLUDING SHAREHOLDERS' EQUITY)				**(684.4)**

4.3 INVESTMENTS BY BUSINESS SEGMENT

SIX-MONTH PERIOD ENDED JUNE 30, 2013

(in € million)	IBG	SBG	Other	Total
Acquisitions of property, plant and equipment	15.4	6.6	0.5	22.5
Capitalization of development costs	2.9	0.5	-	3.4
TOTAL	**18.3**	**7.1**	**0.5**	**25.9**

FINANCIAL YEAR 2012

(in € million)	IBG	SBG	Other	Total
Acquisitions of property, plant and equipment	33.4	10.6	1.2	45.2
Capitalization of development costs	6.9	2.2	-	9.1
TOTAL	**40.3**	**12.8**	**1.2**	**54.3**

FINANCIAL YEAR 2011

(in € million)	IBG	SBG	Other	Total
Acquisitions of property, plant and equipment	49.9	8.5	1.3	59.7
Capitalization of development costs	5.3	2.7	-	8.0
TOTAL	**55.2**	**11.2**	**1.3**	**67.7**

4.4 INFORMATION BY GEOGRAPHICAL REGIONS

CONSOLIDATED SALES BY GEOGRAPHICAL REGIONS

Consolidated sales, allocated on the basis of the geographical location of customers, are as follows:

(in € million)	6-month period ended June 30, 2013	6-month period ended June 30, 2012	6-month period ended June 30, 2011
Europe	121.4	121.3	160.3
North America	99.0	104.4	94.7
Asia/Oceania	44.8	35.1	39.1
Middle East and Africa	16.8	22.8	15.2
South America	2.9	4.0	2.3
TOTAL	**284.9**	**293.0**	**311.6**

ASSETS BY GEOGRAPHICAL REGIONS

The Group's assets, allocated on the basis of their geographical location, are as follows:

(in € million)	As of June 30, 2013	As of December 31, 2012	As of December 31, 2011
Europe	640.3	663.5	794.5
North America	237.0	229.9	226.5
Asia/Oceania	30.6	28.8	27.1
Middle East and Africa	55.7	46.7	42.9
South America	0.5	0.2	0.0
TOTAL	**964.1**	**969.1**	**1091.0**

ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND CAPITALIZATION OF DEVELOPMENT COSTS BY GEOGRAPHICAL REGIONS

Acquisitions of property, plant and equipment, intangible assets and capitalization of development costs, allocated according to the geographical location of the assets, are as follows:

(in € million)	6-month period ended June 30, 2013	6-month period ended June 30, 2012	6-month period ended June 30, 2011
Europe	10.8	9.2	9.7
North America	10.7	18.2	32.3
Asia/Oceania	1.1	1,1	0.2
Middle East and Africa	3.3	1,1	0.9
South America	0.0	0.0	0.0
TOTAL	**25.9**	**29.6**	**43.1**

NOTE 5 BUSINESS COMBINATIONS

On January 1, 2013, in accordance with agreements signed with Johnson Controls Inc. on 30 September 30, 2012, Saft SAS purchased from the latter the lithium-ion cells production unit located in Nersac, France.

This transaction was carried out by purchasing 100% of the share capital of the company that from now on operates under the "Saft Line SAS" name. The acquisition cost of €8.5 million, net of cash acquired, breaks down as follows:

Intangible assets, net	0.2
Property, plant and equipment, net	13.5
Inventory	-
Trade and other receivables	0.3
Cash and cash equivalents	3.7
Trade payables and other liabilities	**(3.7)**
Net assets acquired	**14.0**
Cash acquired	(3.7)
Negative goodwill	(1.8)
ACQUISITION COST, NET OF CASH ACQUIRED	**8.5**

As the acquisition cost of Saft Line was less than the fair value of the identified assets and liabilities acquired, the negative goodwill was recognized in the income statement under "Other operating income and expenses".

Equally, on June 28, 2013, through its Saft SAS subsidiary, the Group sold its "SNB" small nickel battery business to Active'Invest. The impact of this sale is hereafter presented in note 12.

NOTE 6 SHAREHOLDERS' EQUITY

The consolidated statement of changes in shareholders' equity is presented on page 19 of this report.

6.1 SHARE CAPITAL

As of June 30, 2013, Saft Groupe SA's share capital was made up of 25,765,131 shares with a €1 par value after a capital increase of €10.1 million[(1)] made on June 14, 2013 by creating 590,286 shares, of which 583,596 were created for the payment of the dividend in shares and 6,690 pursuant to the exercise of stock options by employees.

6.2 DIVIDEND

At the Annual Shareholders' Meeting of Saft Groupe SA on May 7, 2013, the shareholders set the ordinary dividend for the 2012 financial year at €0.75 per ordinary share. They also approved the option for the dividend payment in shares.

The total amount of the cash dividend paid to shareholders on June 5, 2013 thus amounted to €9.1 million compared with a dividend payout of €43.1 million in 2012.

NOTE 7 PUBLIC SUBSIDIES

7.1 PUBLIC GRANTS RELATED TO ASSETS

Public grants received that relate to assets are presented under balance sheet liabilities as deferred income on a specific line called "Deferred grants related to assets". These grants are recorded as income over the depreciation period of the assets that they are used to fund. This income is recorded in cost of sales like the depreciation expense for the related assets.

At June 30, 2013, the amount of the public grants received with regard to the industrial project in Jacksonville totals €61.9 million ($81.0 million) compared with €57.7 million ($76.2 million) at December 31, 2012. Amortization of deferred grants relating to assets amounted to €2.0 ($2.6 million) for the first half of 2013.

7.2 PUBLIC GRANTS RELATED TO RESULTS

Public grants related to results, ***i.e.*** grants other than those related to assets, are recorded in income as a deduction from the expenses to which they relate.

Public grants related to results recorded in H1 2013 in respect of the Jacksonville project amounted to €0.6 million ($0.8 million) compared with €0.8 million ($1.0 million) in H1 2012.

(1) including issuance premiums

NOTE 8 BORROWINGS AND OTHER FINANCIAL INDEBTEDNESS

8.1 ANALYSIS OF FINANCIAL INDEBTEDNESS

Change in the Group financial indebtedness as compared to previous year-end is as follows:

FINANCIAL INDEBTEDNESS BY TYPE

(in € million)	As of June 30, 2013	As of December 31, 2012	As of December, 31 2011
Non-current			
Bank borrowings	100.0	100.0	100.0
Bonds	114.7	113.7	
Deferred bank fees	(1.8)	(2.0)	
Other financial debts	0.6	0.6	0.5
Finance leases	0.4	0.5	0.7
	213.9	**212.8**	**101.2**
Current			
Bank borrowings			235.5
Bonds			
Accrued interest	1.8	1.9	0.1
Finance leases	0.2	0.2	0.2
Other financial debts	2.2	2.2	1.6
R & D grants	0.4	0.4	0.4
	4.6	**4.7**	**237.8**

At June 30, 2013, the Group's leverage ratio, calculated according to the contractual terms and conditions, amounted to 1.31 (compared to 0.98 at December 31, 2012) and the interest coverage ratio to 14.2, compared to 14.2 at December 31, 2012.

FINANCIAL INDEBTEDNESS BY MATURITY

(in € million)	As of June 30, 2013	As of December 31, 2012	As of December 31, 2011
Between 1 and 2 years	0.5	0.8	0.7
Between 2 and 5 years	100.2	100.3	100.5
More than 5 years	115.0	113.7	0.0
	215.7	**214.8**	**101.2**
Bank fees	(1.8)	(2.0)	0.0
	213.9	**212.8**	**101.2**

FINANCIAL INDEBTEDNESS BY CURRENCY

(in € million)	As of June 30, 2013	As of December 31, 2012	As of December 31, 2011
Euro	103.3	103.5	153.7
USD	117.0	116.0	185.9
	220.3	**219.5**	**339.6**
Bank fees	(1.8)	(2.0)	(0.6)
	218.5	**271.5**	**339.0**

8.2 INTEREST RATE RISK MANAGEMENT

Euro bank debt is at variable rates up to 75% of its principal amount, the balance being hedged and thus bearing interest at fixed rate of 0.9475%.

The margin over Euribor of debt at variable interest rate, revised semi-annually depending on the level of net debt reported in the consolidated EBITDA margin over the last twelve months was lowered from 1.5% to 1.4 % on January 1, 2013.

US dollar bonds issued are at fixed-rate, the US $75 million tranche due February 2019 (initial maturity of 7 years) and has a fixed coupon of 4.26% and the US $ 75 million tranche due February 2022 (original maturity of 10 years) is bearing interest at 4.73%.

NOTE 9 NET FINANCE COSTS

The Group's net finance costs for H1 2013 break down as follows:

(in € million)	**Period ended June 30, 2013**	Period ended June 30, 2012	Period ended June 30, 2011
Financial income from cash and cash equivalents	0.3	0.6	0.7
Finance costs on gross debt	(3.7)	(5.2)	(6.6)
Finance costs on net debt	**(3.4)**	**(4.6)**	**(5.9)**
Other financial income and expenses:			
• Unwinding of discounts on provisions for pensions and other financial liabilities	(1.4)	(1.2)	(1.2)
• Foreign exchange gains/(losses), net of fair value measurement of hedging financial instruments	(0.9)	0.9	0.2
	(5.7)	**(4.9)**	**(6.9)**

The composite interest rate on financial debt (including the cost of interest rate hedges) was 3.26% during the first half of 2013, compared to a rate of 3.32% in H1 2012 and 3.27% in H1 2011.

By currency, the average rates break down as follows:

- 1.84% on the euro debt in H1 2013, compared with 2.63% in H1 2012 and 3.33% in H1 2011;
- 4.50% on the US dollar debt in H1 2013, compared with 3.90% in H1 2012 and 3.22% in H1 2011.

NOTE 10 RELATED-PARTY TRANSACTIONS AND INVESTMENTS IN JOINT UNDERTAKINGS

Following the sale by the Group of its 49% stake in the joint venture Johnson Controls-Saft on September 30, 2011, investments in associates are limited to a 50% interest in ASB, the joint venture with EADS.

Accordingly, the amount reported under the "Share of profit/(loss) of associates" line of the Group consolidated income statement only relates to Saft Group's 50% share in the net profit of ASB joint venture.

The Group does not carry out any sales with ASB, a company in which it holds a 50% interest and which is consolidated under the equity method.

Support services provided and invoiced by the Saft Group to the ASB Group are not material.

NOTE 11 INCOME TAXES FROM CONTINUING OPERATIONS

As regards the current and deferred tax expense recorded in the interim financial statements, a provision is calculated by applying the estimated annual tax rate for the fiscal year in progress for each entity or tax group to profit before income tax for the period.

(in € million)	**6-month period ended June 30, 2013**	6-month period ended June 30, 2012	6-month period ended June 30, 2011
Income tax revenue/(expense) from continuing activities			
• Current income tax revenue/(expense)	(5.5)	(5.2)	(6.1)
• Deferred income tax revenue/(expense)	1.1	(3.5)	(2.9)
TOTAL INCOME TAX FROM CONTINUING ACTIVITIES	**(4.4)**	**(8.7)**	**(9.0)**

H1 2013 income tax expense on continuing operations represents an overall tax rate of 21.3%, as compared with overall tax rates of 29.8% and 26.9% in H1 and FY 2012 respectively. The decline in the Group overall income tax rate in the first half of 2013 is due to lower profitability, particularly in countries with high corporate tax rates such as the United States and France, countries where the Group has a strong presence.

NOTE 12 NET INCOME FROM DISCONTINUED OPERATIONS

2013, 2012 and 2011 data have been restated in order to separate income from continuing operations from the result of discontinued operations. Discontinued operations relate to:

- for the first half of 2013 and 2012, the "SNB" small nickel batteries activity sold on June 28, 2013. The result from this activity for the first half of 2011 has not been reclassified as related information was unavailable.
- for the first half of 2011, to results of operations of the Johnson Controls-Saft joint venture held by the group up to 49% until September 30, 2011.

(in € million)	**6-month period ended June 30, 2013**	6-month period ended June 30, 2012	6-month period ended June 30, 2011 (1)
Operating result, net of income tax from the Small Nickel Batteries activity sold on June 28, 2013 (1)	(0.9)	(0.5)	-
Net income/(loss) from the sale of "SNB" activity	(4.3)	0.0	-
Saft's share in net income/(loss) from Johnson Controls-Saft	0.0	0.0	(8.3)
NET INCOME/(LOSS) FROM DISCONTINUED OPERATIONS	**(5.2)**	**(0.5)**	**(8.3)**

(1) Due to lack of information, H1 2011 net income from the "SNB" small nickel batteries activity could not be restated.

NOTE 13 EARNINGS PER SHARE

Earnings per share are calculated on the basis of the actual average number of Saft Groupe SA shares available during the half year, treasury shares held on average over the same period being deducted.

NOTE 14 POST-BALANCE SHEET EVENTS

No event has occured since the balance sheet date which is likely to have a material effect on the financial position of the Group.

Statutory Auditors' review report

On the 2013 interim financial information

(Period from January 1 to June 30, 2013)

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meeting and in accordance with the requirements of article L.451-1-2 III of the French Monetary and Financial Code ***(Code monétaire et financier)***, we hereby report to you on:

- the review of the accompanying Condensed Interim Consolidated Financial Statements of **Saft Groupe SA**, for the six months period ended June 30, 2013;
- the verification of the information contained in the interim management report.

These Condensed Interim Consolidated Financial Statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

CONCLUSION ON THE FINANCIAL STATEMENTS

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of the persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less extensive in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - the standard of IFRSs as adopted by the European Union applicable to interim financial information.

SPECIFIC VERIFICATION

We have also verified the information given in the interim management report on the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine and Paris, July 24, 2013
The Statutory Auditors

PricewaterhouseCoopers Audit
Françoise GARNIER-BEL

Mazars
Juliette DECOUX   Eric SCHWALLER

Certificate by the persons responsible
For the interim report

We declare that, to the best of our knowledge, the condensed interim consolidated financial statements have been prepared in accordance with applicable accounting standards and provide a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company and of all consolidated companies, and that the interim management report presented on pages 3 to 10 gives a true and fair picture of the significant events during the first six months of the fiscal year and their impact on the financial statements, of the main related party transactions as well as a description of the main risks and uncertainties for the remaining six months of the fiscal year."

John Searle

Chairman of the Management Board

Bruno Dathis

Member of the Management Board and Chief Financial Officer

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