

# Statutory Auditors' report on the Consolidated Financial Statements

[Year ended 31 December 2008]

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

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, we hereby report to you, for the year ended December 31, 2008, on:

- the audit of the accompanying consolidated financial statements of Saft Groupe SA;
- the justification of our assessments;
- the specific verification required by law.

The Consolidated Financial Statements have been approved by the Management Board. Our role is to express an opinion on these financial statements based on our audit.

## Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, on a test basis or by selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2008 and of the results of its operations for the year then ended in accordance with IFRSs as adopted by the EU.

## Justification of our assessments

The financial crisis has gradually taken hold of the real economy with wide-ranging consequences for companies, notably in terms of business activity and funding. These factors have been taken into consideration by your Company, particularly with regard to debt-related liquidity risk as described in Note 3 to the consolidated financial statements. The current lack of visibility on the business outlook has also created specific conditions for the preparation of financial statements this year, and especially for accounting estimates required by the applicable accounting principles. In this context and in accordance with the requirements of article L.823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

The Company tests goodwill and indefinite-lived intangible assets for impairment at each balance sheet date, and also assesses whether there is any indication that non-current assets may be impaired, in accordance with the methods described in Notes 2.9 and 10. We reviewed the methods used to perform this impairment test as well as the underlying cash flow forecasts and assumptions, and verified that the disclosures contained in said notes are appropriate.

The Company records provisions for other liabilities and borrowings, mainly to cover restructuring costs and risks related to warranties given on goods sold (provisions for contractual claims), in accordance with the methods set out in Note 2.20. As part of our work, we assessed the data and assumptions on which these estimates were based, reviewed the calculations made by the Company, compared the accounting estimates from prior periods with the corresponding actual figures, and examined the management approval procedures applicable to these estimates. As part of our assessments, we obtained assurance that the estimates used were reasonable.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

## Specific verification

We have also performed the specific verification required by law of the information provided in the Group's management report. We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine, on February 17, 2009

The Statutory Auditors

PricewaterhouseCoopers Audit

Bruno Tesniere

MOORESTEPHENS SYC

SYC SA

Serge Yablonsky