



# communiqué de presse **press** release

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## **Saft Groupe SA reports Quartely Financial Information for the first quarter of 2008**

**Paris, 6<sup>th</sup> May 2008** - Saft, leader in the design, development and manufacture of high-end batteries for industry and defence, announces its sales for the first quarter of 2008.

### **Sales highlights**

- Q1 2008 sales up 8.2% yoy to €149.9m, at constant exchange rates;
  - Industrial Battery Group: +16.2%
  - Specialty Battery Group: +1.6%
  - Rechargeable Battery Systems: +1.4%
- Q1 2008 reported sales up 2.7% yoy;
- Demand remains good in most markets;
- 2008 sales guidance given in March is confirmed.

John Searle, Chairman of the Management Board, commented:

*“Saft has made a good start to 2008 with sales growth in the first quarter ahead of the FY 2008 organic growth guidance at constant exchange rates.*

*The strong growth is the result of a sustained demand from our main markets with the exception of the military and emergency lighting markets.*

*The IBG division is still benefiting from a favourable market environment, particularly in the stationary back-up power markets.*

*With this encouraging first quarter I am confident that our 2008 sales will be in line with our 2008 guidance given in March namely sales growth of 4-6 % at constant exchange rates.*

*Raw material costs remained stable during the quarter and Saft pursued its strategy of hedging the majority of IBG’s nickel purchases for the next 6 months. This hedging policy enables the Saft Group to secure its margins.*

*Finally, thanks to continued progress with our business development projects and the Johnson Controls-Saft JV, we remain confident that these investments will bring success in the future.”*

## TURNOVER (€ millions, under IFRS)

### First quarter

| Period        | Q1 2008     | Q1 2007     | Growth                   |                            |
|---------------|-------------|-------------|--------------------------|----------------------------|
| Exchange rate | Actual 2008 | Actual 2007 | at actual exchange rates | at constant exchange rates |
| SBG           | 57.0        | 59.8        | (4.6)%                   | 1.6%                       |
| IBG           | 72.6        | 65.6        | 10.6%                    | 16.2%                      |
| RBS           | 20.3        | 20.6        | (1.4)%                   | 1.4%                       |
| Total         | 149.9       | 146.0       | 2.7%                     | 8.2%                       |

*The average exchange rate in Q1 2008 was €1 to \$1.50 (compared with €1 to \$1.31 in Q1 2007).*

*There was no change in perimeter between Q1 2007 and Q1 2008.*

Q1 2008 sales of €149.9m were up 2.7% as reported and up 8.2% at constant exchange rates, compared with Q1 2007.

### Industrial Battery Group (IBG)

The Division saw strong yoy sales growth in Q1 2008 of 16.2% at constant exchange rates. The main growth drivers during the quarter were the industrial standby power and telecom network markets. During Q1 2007, the Division was progressively increasing output of telecom batteries to meet the needs of AT&T, whilst in Q1 2008 the facilities were operating at high levels of output throughout the quarter.

A number of important successes were announced during the first quarter including the award of the Airbus A350 XWB Li-ion battery contract.

### Specialty Battery Group (SBG)

The pattern of demand in Q1 2008 was similar to that seen in 2007. Sales growth of 1.6% yoy at constant exchange rates was satisfactory, considering the Division entered 2008 with a low order backlog for military lithium batteries. An important number of contracts, most notably a multi-year contract with the US Army should be awarded during the coming months. In contrast, the civil market remained strong with growth in both the lithium and satellite markets.

Saft was especially pleased to announce the recent award by BAe Systems of the next phase of the development of military HEV batteries, part of the Future Combat System programme in the US.

### Rechargeable Battery Systems (RBS)

The Division saw yoy sales growth in Q1 2008 of 1.4% at constant exchange rates. This growth, ahead of management expectations, was supported by price increases averaging 3% effective from the beginning of January.

The emergency lighting market remained challenging with lower market demand but the other activities, most notably our Professional Electronics segment, saw growing sales volumes yoy.

### **Financial calendar 2008**

|                                             |                 |
|---------------------------------------------|-----------------|
| Annual General Meeting                      | 16 June 2008    |
| 2008 Q2 turnover<br>2008 Half year turnover | 24 July 2008    |
| 2008 Half year earnings                     | 28 August 2008  |
| 2008 Q3 turnover                            | 6 November 2008 |

### ***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.*

### **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 3,900 employees worldwide, Saft is present in 18 countries. Its 15 manufacturing sites and extensive sales network enable the group to serve its customers worldwide.

For more information, visit Saft at [www.saftbatteries.com](http://www.saftbatteries.com)

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