

SAFRAN acquires majority stake in GE Homeland Protection, bolstering ties with General Electric

Paris, April 24, 2009

SAFRAN announced today that it has acquired 81% of GE Homeland Protection, a wholly owned affiliate of the General Electric Company (NYSE:GE). GE Homeland Protection is a leader in tomography-based detection systems for hazardous or illicit substances in baggage. Through this acquisition Sagem Sécurité, a wholly owned subsidiary of SAFRAN becomes a leading global player in airport security solutions.

SAFRAN is carrying out this acquisition in partnership with General Electric, which retains a 19% stake in the company and a seat on the Board of Directors. Through this new partnership, the Homeland Protection business will continue to benefit from the advanced technologies developed by GE Healthcare and from the expertise of the GE research center.

SAFRAN is acquiring an 81% stake in GE Homeland Protection for \$580 million.

Homeland Protection provides equipment and services to protect airports, ports, borders and critical infrastructures, for Government, military and commercial customers. It is a leader in tomography-based technology for detection of hazardous or illicit substances in checked baggage, with the largest worldwide installed base of approximately 1,600 machines. The business also provides services for its installed base, which generate approximately 60% of total revenues. Homeland Protection's latest product, the CTX 9800, certified by the Transportation Security Administration (TSA) in March 2009, offers the highest resolution and the highest throughput system in the industry. Homeland Protection is also a leading provider of Trace equipment.

GE Homeland Protection has approximately 780 employees, including 150 in Research & Development, located in the U.S., Europe and Asia, and posted sales of about \$260 million in 2008. It has posted sales in 2009 in line with growth objectives for the year.

By acquiring GE Homeland Protection, SAFRAN also acquires leading-edge technology to support its development in an industry characterized by:

- Recurring revenue generated by service of the installed base.
- Growth: the explosives and narcotics detection market, today estimated at approximately \$2.4 billion, is headed for strong short and medium-term growth. The U.S. stimulus package includes a budget of approximately \$700 million for checked baggage infrastructure and equipment, while new regulations in Europe require Standard 3 (tomography-like) detection equipment to be purchased from 2012 with complete replacement to Standard 3 equipment by 2018.

Combining Homeland Protection's detection capabilities with Sagem Sécurité's (SAFRAN Group) identity solutions will enable SAFRAN to provide a differentiated, seamless and integrated offering to customers.

Jean-Paul Herteman, CEO of SAFRAN, said: *"Following our 2008 acquisitions of SDU-Identification (a Dutch manufacturer of secure passports and ID documents) and Motorola's biometrics business (Printrak brand), adding GE Homeland Protection will significantly bolster our Group's third core business. This makes SAFRAN a pivotal player in the security market, a business that will generate 20% of the Group's total revenues in the medium term, with double-digit profit perspectives and reducing exposure to aerospace cycles. Furthermore, this transaction is the latest step in our long-standing relationship of mutual trust and partnership with GE that reaches back some 35 years."*

Jean-Paul Jainsky, Chairman and CEO of Sagem Sécurité, added: *"There is growing demand from both governments and private industry for cutting-edge security solutions, based on long-term projects anchored in advanced, very-high-reliability technologies. From this standpoint, the SAFRAN Group is in a perfect position to meet today's most demanding public security requirements."*

Dennis Cooke, President and CEO of GE Homeland Protection said: *"This is a great move for our Homeland Protection business. Our business has a strong leadership team, dedicated and talented employees, innovative technology, a large installed base and a strong brand. This move aligns Homeland Protection with a business that is committed to globalization and further investment in new detection technologies and new products for the Homeland Security space."*

The transaction is expected to be finalized by mid 2009, pending customary regulatory approvals.

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 about 54,000 people in over 30 countries and generates revenue of more than €10 billion. It comprises many companies with 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 its share is included in the SBF 120 and Euronext 100 indices.

For more information: www.safran-group.com

Sagem Sécurité (SAFRAN Group) is a high-technology company. One of the world's leading suppliers of identity solutions, Sagem Sécurité focuses on applications including personal rights and flow management, in particular based on biometrics, a sector in which it is the world leader, secure terminals and smart cards. Its integrated systems and equipment are deployed worldwide and contribute to the safety and security of transportation, data, people and states. Sagem Sécurité has 4,300 employees in over 24 countries in 2008.

For more information, www.sagem-securite.com

GE Security, Inc. is a wholly owned affiliate of the General Electric Company (NYSE: GE) focused on communication and information technologies for security and life safety solutions. GE Security has more than 5700 employees with operations in over 26 countries and is represented by some of the best-known brand names for intrusion and fire detection, access and building control, video surveillance, explosives and drug detection, key management and structured wiring. GE Homeland Protection, Inc. is focused on explosives and narcotics detection and has approximately 780 employees worldwide.

For more information: www.gesecurity.com

Caution Concerning Forward-Looking Statements

This document contains "forward-looking statements" - that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties which could adversely or positively affect our future results include: the behavior of financial markets, including fluctuations in interest rates and commodity prices; strategic actions, including dispositions; future integration of acquired businesses; future financial performance of major industries which we serve, including, without limitation, the air and rail transportation, energy generation, media, real estate and healthcare industries; unanticipated loss development in our insurance businesses; and numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.

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