FIRST-QUARTER 2017 REVENUE

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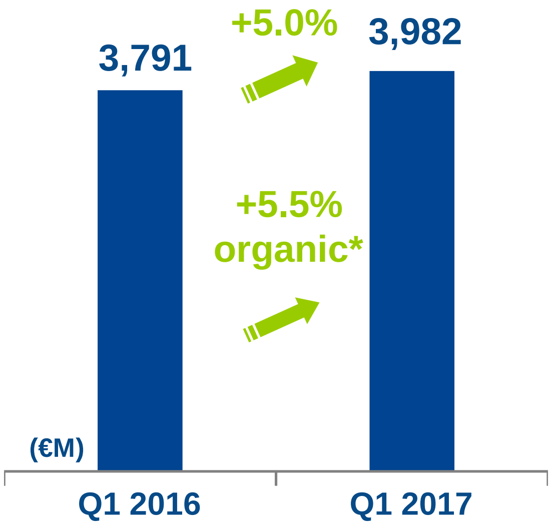
Q1 2017 HIGHLIGHTS

Philippe PETITCOLIN - CEO

SAFRAN

Q1 2017 revenue highlights



Strong organic revenue growth in Q1 2017

- Increased contribution from Aerospace activities (+5.5%) notably driven by continuing momentum in services (Propulsion and Aircraft Equipment)
- Defense revenue up 4.5%

Q1 2017 sales impacted by equity accounting of ASL from July 1, 2016

Positive currency impacts mainly due to USD strengthening

Q1 performance supporting annual growth outlook

**Excluding changes in scope and FX impacts*

Update on LEAP programme

LEAP commercial success

- Total backlog (orders and commitments) of 12,046 engines at March 31, 2017
- 55% market share on A320neo at March 31, 2016

Executing on production ramp-up

- Increasing deliveries of LEAP supporting commitments to airframers
- Further ramp-up of LEAP production to reach close to 500 units in 2017

LEAP-1A: smooth entry into service

- Entry into service in July 2016 at Pegasus Airlines
- In operations at 9 airlines with 80,000 flight hours accumulated to date
- Meeting all performance specifications

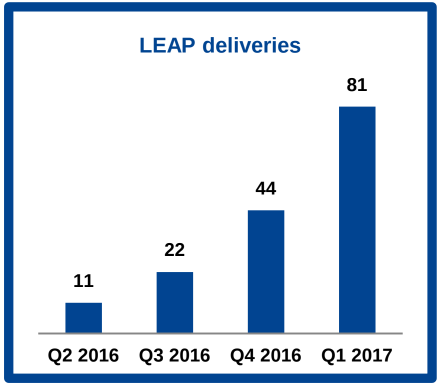
LEAP-1B: on track for EIS on 737 MAX 8 in Q2 2017

- Certification of LEAP-1B simultaneously awarded by both EASA* and the FAA* on May 4, 2016
- First flight of 737 MAX 9 completed on April 13, 2017: 737 MAX 9 is the second aircraft model to begin certification flight testing

LEAP-1C: preparing for first flight expected in Q2 2017 by Comac

- Certification was simultaneously awarded by both EASA* and the FAA* on Dec 21, 2016

First flight of 737 MAX 9 powered by LEAP-1B



* EASA: European Aviation Safety Agency; FAA: Federal Aviation Administration

Q1 2017 business highlights

Executing on transition in production from CFM56 to LEAP

- Increasing deliveries of LEAP supporting production of A320neo and 737 MAX
- Beginning of CFM56 production ramp down, as expected
  - 345 CFM56 deliveries in Q1 2017, down from Q1 2016

17.7% growth for civil aftermarket in Q1 2017

- Driven by sales of spares and services for second generation CFM56 and GE90 engines

First delivery of the Bell 505 Jet Ranger X powered by the Arrius 2R

Signature of several carbon brakes contracts including:

- Norwegian for 108 Boeing 737 MAX; Singapore Airlines for 47 A350

Defense: The French defense procurement agency (DGA) awarded Safran the development of an improved version of its Global Navigation System for “Triomphant” class ballistic missile nuclear submarines.

Completion of the sale of Safran’s detection activities to Smiths Group

- Announced on April 6, 2017
- Safran will record a pre-tax capital gain in its first half 2017 accounts

Contemplated acquisition of Zodiac Aerospace

- Negotiations with Zodiac are ongoing, as we announced on March 14th, 2017
- These negotiations are taking into account the consequences of developments in Zodiac’s operations announced by the company in March 2017.
- Safran and Zodiac will update the market in due course as required.

Maintenance of CFM56-7B (Belgium)

Bell Jet Ranger 505 X

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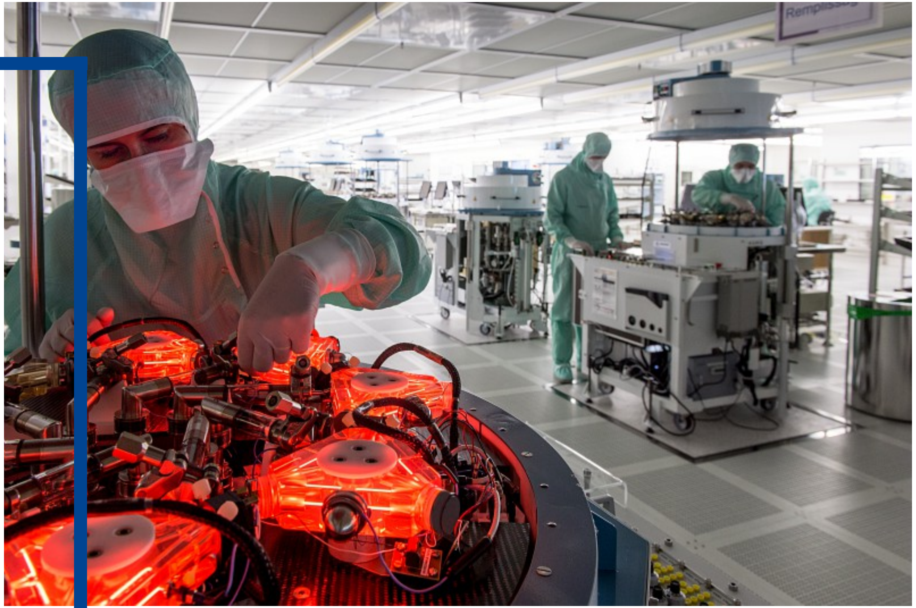
Q1 2017 REVENUE

Bernard DELPIT – Group CFO



Foreword

All revenue figures in this presentation represent Adjusted[1] revenue and continuing operations[2].

To reflect the Group’s actual economic performance and enable it to be monitored and benchmarked against competitors, Safran prepares an adjusted revenue.

Safran’s consolidated revenue has been adjusted for the impact of the mark-to-market of foreign currency derivatives, in order to better reflect the economic substance of the Group's overall foreign currency risk hedging strategy:

- revenue net of purchases denominated in foreign currencies is measured using the effective hedged rate, i.e., including the costs of the hedging strategy,
- all mark-to-market changes on foreign currency derivatives hedging future cash flows are neutralized.

[1] See annex for bridge with consolidated revenue
[2] Safran Identity & Security is presented as discontinued

Foreign exchange effects

Translation effect: foreign currencies translated into €

- Positive impact mainly from the USD
- Impact on Revenues and Return on Sales

Average spot rate

Q1 2016	Q1 2017
$1.10	$1.06

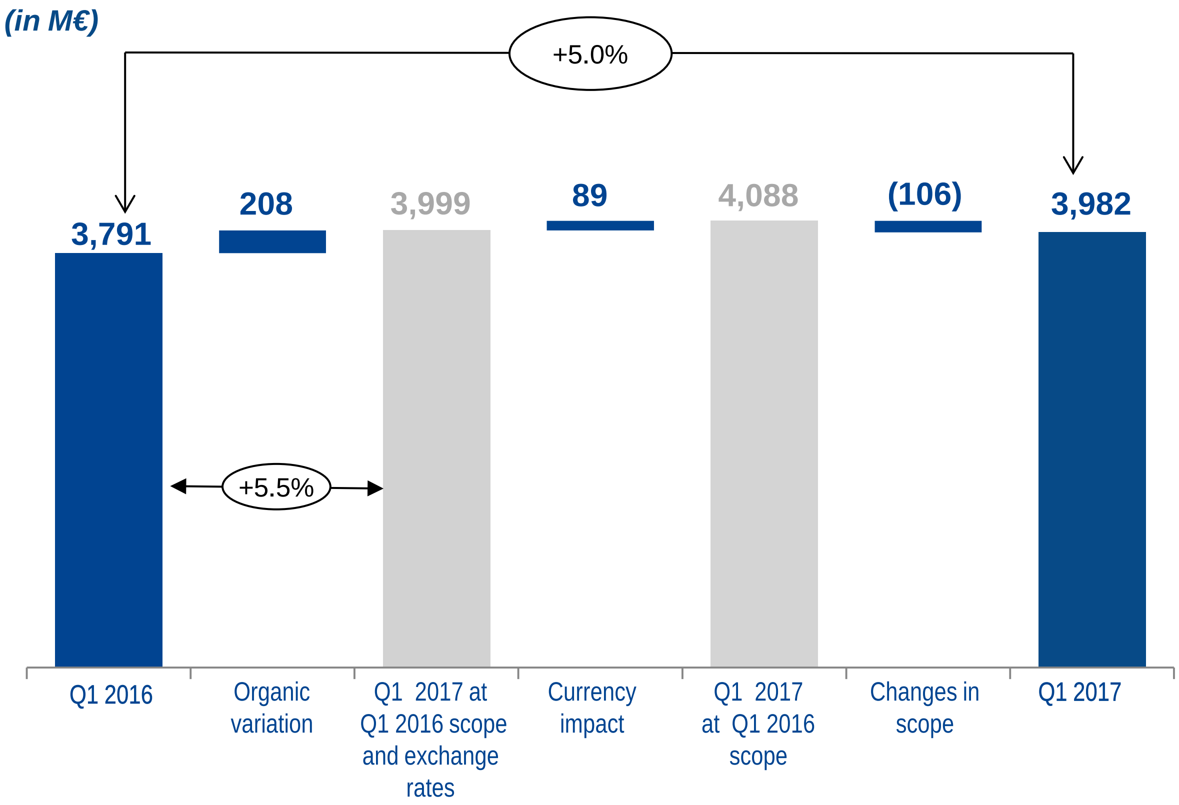
Transaction effect: mismatch between $ sales and € costs is hedged

- Positive impact from hedged $ as planned
- Impact on Profits

Hedge rate

Q1 2016	Q1 2017
$1.24	$1.21

Q1 2017 revenue (continuing operations)



Organic change: +5.5%

Currency impact: +2.3%

- Positive translation effect mainly from the strengthening of the USD partially offset by a negative translation impact from the GBP

Scope: (2.8)%

- Safran' space launcher activities (contributed to Airbus Safran Launchers starting July 1, 2016) generated revenue of €114M in Q1 2016

Q1 2017 revenue by activity

Adjusted data *(in Euro million)*	Q1 2016	**Q1 2017**	*Change reported*	*Change organic*
Aerospace propulsion	2,301	**2,360**	*2.6%*	*5.2%*
Aircraft equipment	1,219	**1,335**	*9.5%*	*6.2%*
Defense	269	**284**	*5.6%*	*4.5%*
Others	2	**3**	*n/s*	*n/s*
Safran (continuing operations)	3,791	**3,982**	*5.0%*	*5.5%*

Growth drivers

- Aerospace services up 14.4% (in €)
  - Propulsion services up 15.9% thanks to civil aftermarket (+17.7% in $) and increased contribution from military engines
  - Aircraft equipment services up 9.3% mostly driven by carbon brakes and sales of spare parts for nacelles (including for A320neo-LEAP airline customers)
- Aircraft equipment OE revenue up 9.6%
  - Higher volumes of A350 shipsets (landing gear: +11 units; wiring: +12 units), A330 (landing gear: +4 units; thrust reversers: +6 units), A320neo (+41 nacelles), A320 family (landing gear: +17 units)
- Ramp up of LEAP : 81 engines delivered to Airbus and Boeing
- Defense: higher volumes of guidance kits and infrared goggles, positive contribution of the tactical drone programme (Patroller)

Offsetting impacts

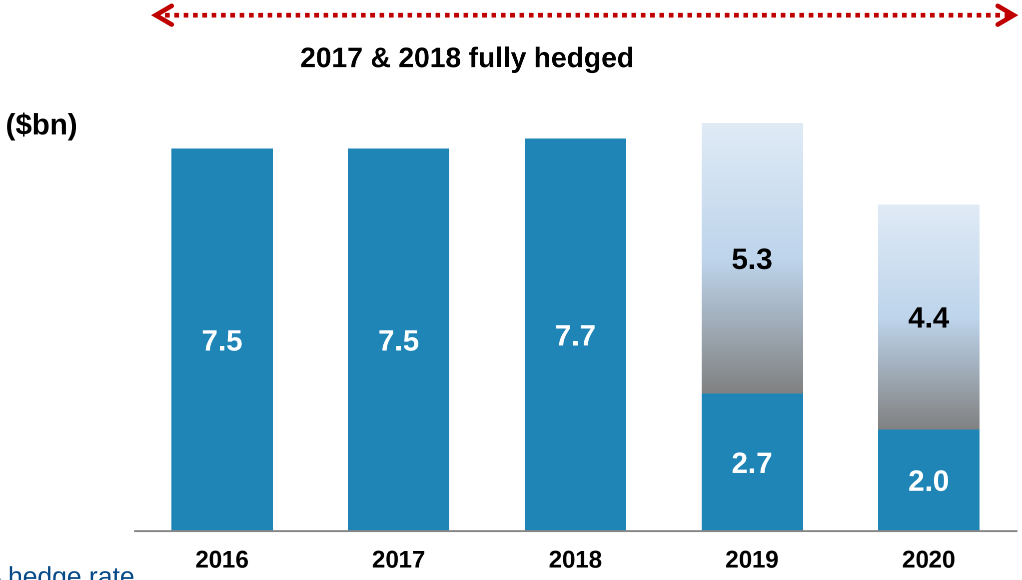
- Ramp down of CFM56 deliveries, as planned: 97 fewer deliveries in Q1
- First impact of declining assembly rate of A380: 13 nacelles delivered in Q1 2017 compared to 25 in Q1 2016
- Lower helicopter turbines sales (-6%)
  - Continuing headwinds in OE (mix effect) and in services (fall in flight hours and grounding of part of the H225 Super Puma fleet)

SAFRAN

FX Hedging: $18.1bn hedge portfolio* (April 11, 2017)

Yearly exposure: $7.5bn to $8.0bn

Increasing level of net USD exposure for 2017-20 in line with the growth of businesses with exposed USD revenue



€/$ hedge rate

Target	1.24	1.21	1.18	1.15-1.18	1.13-1.18

Approx. 45% of Safran US$ revenue are naturally hedged by US$ procurement

2018

- **Fully hedged at 1.18**

2019

- **$2.7bn achieved through forward sales and short dated knock out option strategies to rise to a maximum of $8.0bn at a target rate between $1.15 and $1.18 as long as €/$<1.25 up to end 2017**
- Knock out options barriers set at various levels between $1.16 and $1.45 with maturities up to one year

2020

- **$2.0bn achieved through forward sales and short dated knock out option strategies to rise to a maximum of $6.4bn at a target rate between $1.13 and $1.18 as long as €/$<1.25 up to mid 2018**
- Knock out options barriers set at various levels between $1.16 and $1.45 with maturities up to 2 years

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OUTLOOK

Philippe PETITCOLIN - CEO

2017 key assumptions unchanged

Increase in aerospace OE deliveries

Civil aftermarket growth at the same level as 2016

Transition CFM56 – LEAP: overall impact on Propulsion adjusted recurring operating income in the range € 300 to 350 million

- Lower CFM56 OE volumes
- Negative margin on LEAP deliveries and depreciation of inventory and WIP related to future deliveries

Reduction of self-funded R&D of the order of € 100 million

- Less spending on LEAP, A320neo

Falling capitalisation, rising amortisation of capitalised R&D: impact on recurring operating income in the range € 50 to 100 million

Sustained level of tangible capex, including expansions, new production capacity and tooling, around € 850 million, to support production transitioning and ramp-up

Continued benefits from productivity improvement

Full-year 2017 outlook confirmed

In the first quarter of 2017, all the businesses comprising the Security activities are classified as "discontinued operations". As a result, the comparison to 2016 and guidance for 2017 are based on continuing operations: Propulsion, Aircraft Equipment, Defense, Holding & Others.

In addition, starting on July 1, 2016, Safran accounts for its share in Airbus Safran Launchers using the equity method and no longer records revenue from space activities. In 2017 the change is expected to impact revenue by Euro 312 million corresponding to the first half of 2016 (of which 114 million euros in the first quarter) when these activities had been fully consolidated.

Safran expects for 2017 on a full-year basis:

- **Adjusted revenue to grow in the range 2% to 3% (at an estimated average rate of USD 1.10 to the Euro). Excluding the effect of the equity accounting of ASL from July 1, 2016 revenue growth is expected to be in the low to mid single digits.**
- **Adjusted recurring operating income close to the 2016 level.**
- **Free cash flow representing above 45% of adjusted recurring operating income, an element of uncertainty being the rhythm of payments by state-clients.**

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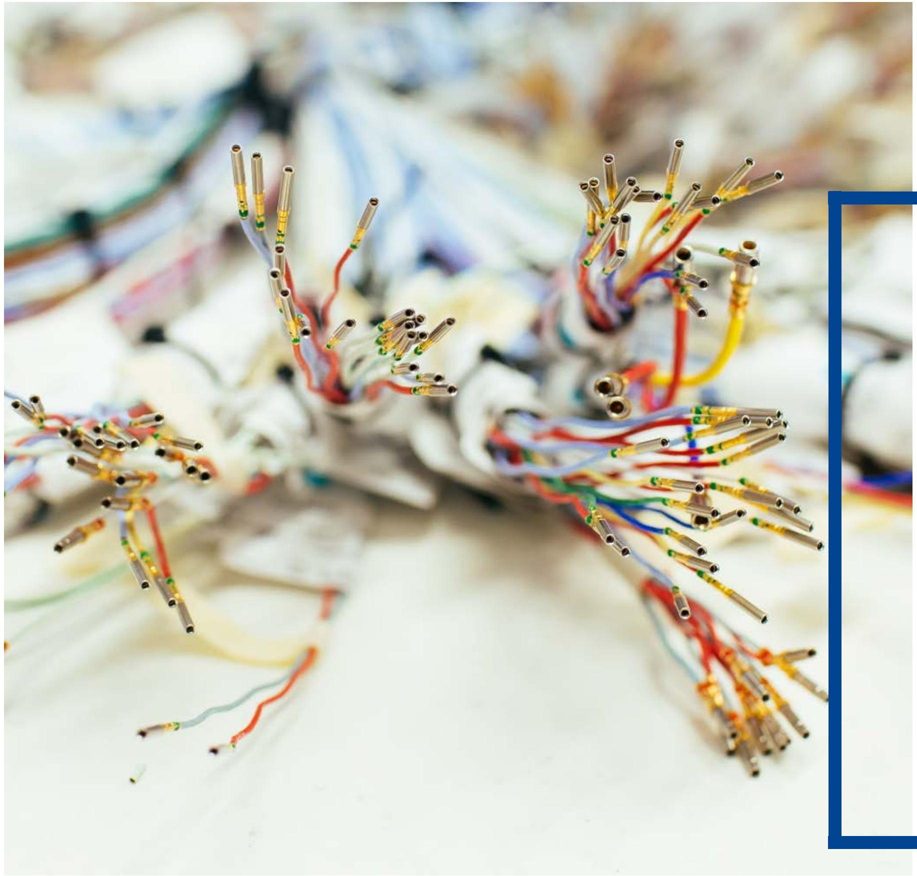
Q&A

SAFRAN



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ADDITIONAL INFORMATION

Q1 2017 consolidated and adjusted revenue

Q1 2017 *(In Euro million)*	Consolidated revenue	Hedge accounting		Business combinations		Adjusted revenue
		Re-measurement of revenue	Deferred hedging gain (loss)	Amortization of intangible assets - Sagem/Snecma	PPA impacts - other business combinations	
Revenue	4,181	(199)	na	na	na	3,982

Aerospace OE / Services revenue split

Reported change of Propulsion OE revenue

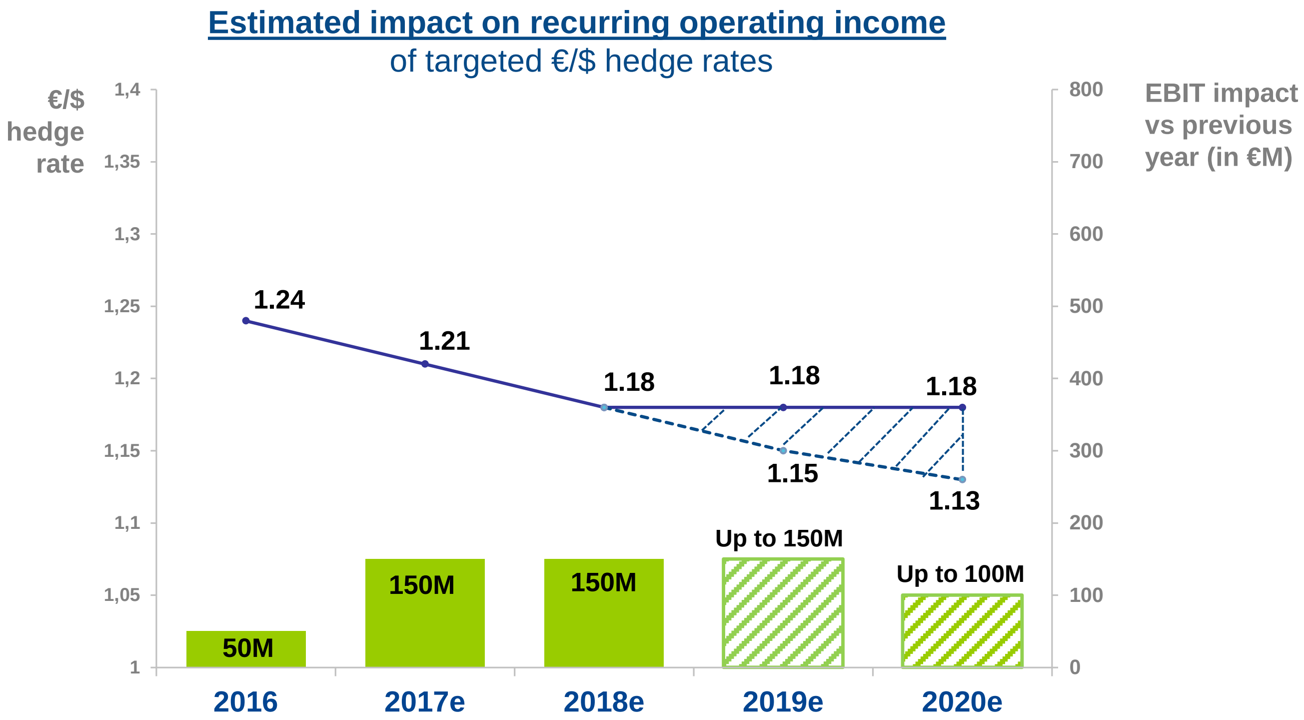
- From July 1, 2016, the space launcher business no longer contributes to Aerospace propulsion OE revenue whereas it had done so in 2016 (Euro 114 million in Q1 2016).

Revenue Adjusted data *(in Euro million)*	**Q1 2016**		**Q1 2017**		**% change**	
	OE	Services	OE	Services	OE	Services
Aerospace Propulsion	*1,047*	*1,254*	*907*	*1,453*	*(13.3)%*	*15.9%*
% of revenue	*45.5%*	*54.5%*	*38.4%*	*61.6%*		
Aircraft Equipment	*844*	*375*	*925*	*410*	*9.6%*	*9.3%*
% of revenue	*69.2%*	*30.8%*	*69.3%*	*30.7%*		

Quantities of major aerospace programs

Number of units delivered	Q1 2016	Q1 2017	%
CFM56 engines	442	**345**	*(22)%*
LEAP engines	-	**81**	-
High thrust engines	186	**137**	*(26)%*
Helicopter engines	133	**147**	*11%*
M88 engines	7	**7**	-
787 landing gear sets	33	**32**	*(3)%*
A350 landing gear sets	10	**21**	*x2*
A380 nacelles	25	**13**	*(48)%*
A330 thrust reversers	17	**23**	*35%*
A320neo nacelles	-	**41**	-
A320ceo thrust reversers	131	**119**	*(9)%*
Small nacelles *(biz & regional jets)*	158	**96**	*(39)%*

FX hedging: benefiting margins over 2016-2020e



€300M to €550M of tailwind over 2017-2020e

Definition

Civil aftermarket (expressed in USD)

- This unaudited performance indicator comprises spares and MRO (Maintenance, Repair & Overhaul) revenue for all civil aircraft engines for Safran Aircraft Engines and its subsidiaries only and reflects the Group's performance in civil aircraft engines aftermarket.

Discontinued operations

- Safran entered into exclusive negotiations with Advent International/Oberthur Technologies to sell Safran’s identity and security activities (announced September 29, 2016). Following this decision, all the businesses comprising Safran’s Identity & Security activities have been classified as “discontinued operations” at the end of September 2016, including Detection activities which had been classified as assets and liabilities held for sale since the announcement on April 21, 2016 of the signing of an agreement for their sale to Smiths Group. The contribution of the I&S activities to Safran’s financial statements is therefore presented separately from Safran’s continuing operations: Propulsion, Aircraft Equipment, Defense and Holding & Others. The sale of Safran’s Detection activities to Smiths Group was finalised on April 6, 2017.

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