

**THURSDAY, JUNE 15, 2017
AT 2.00 P.M.**

Espace Grande Arche
1, parvis de la Défense
92044 Paris-La Défense

2017 NOTICE OF MEETING

Shareholders' Meeting

(Ordinary and Extraordinary)

 **SAFRAN**

CONTENTS

<u>MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS</u>	1	Summary table of authorizations for the Board of Directors submitted for approval at the Annual General Meeting of June 15, 2017	66
<u>PARTICIPATE IN THE MEETING</u>	2	Summary table of authorizations in force already granted to the Board of Directors	68
How to participate in the Meeting	2		
How to fill out the proxy/postal voting form	9		
How to get to the Annual General Meeting	10		
<u>AGENDA</u>	11	<u>SAFRAN IN 2016</u>	70
<u>REPORT ON THE PROPOSED RESOLUTIONS AND TEXT OF THE PROPOSED RESOLUTIONS</u>	13	<u>FIVE-YEAR FINANCIAL SUMMARY OF THE COMPANY</u>	75
<u>GOVERNANCE</u>	52	<u>STATUTORY AUDITORS' REPORTS ON THE PROPOSED RESOLUTIONS PRESENTED TO THE ANNUAL GENERAL MEETING OF JUNE 15, 2017</u>	76
Nominees to the Board of Directors	52	<u>REQUEST FOR ADDITIONAL DOCUMENTS AND INFORMATION</u>	81
Compensation policy for corporate officers	57	<u>SIGN UP FOR THE E-NOTICE OF MEETING</u>	83

*The Registration Document
is available on the website at
www.safran-group.com*



This document is a translation of the original French document and is provided for information purposes only.

In all matters of interpretation of information, views or opinions expressed therein, the original French version takes precedence over this translation.

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



ROSS McINNES
CHAIRMAN OF THE BOARD
OF DIRECTORS

Dear Shareholders,

I am pleased to invite you to Safran's Annual General Meeting, which will take place on **Thursday, June 15, 2017** at 2.00 p.m. at the Espace Grande Arche - 1, parvis de la Défense, 92044 Paris-La Défense (France).

The Annual General Meeting provides **a unique opportunity for information, exchange and discussion** in the company of Safran's **Chief Executive Officer, Philippe Petitcolin**, and myself, two years after our respective appointments. The Meeting is designed to keep you abreast of what is happening at Safran and to answer any questions you may have for us, no matter the number of Safran shares you own. It also gives you a chance actively to participate in Safran by voting on the Group's key decisions.

You may also vote online before the Annual General Meeting takes place.

In the following pages, you will find **practical information on how to participate** in the Meeting, **the agenda** and **the text of the proposed resolutions** which will be submitted for your approval.

I would like to thank you in advance for taking the time to read this notice of meeting.

Best regards,

Ross McInnes

PARTICIPATE IN THE MEETING

How to participate in the Meeting

Ways of participating in the Meeting

All shareholders are entitled to participate in the Meeting, whether in person, by proxy or by casting a postal or online vote, regardless of the number of shares owned, in accordance with French law.

In accordance with Article R.225-85 of the French Commercial Code (*Code de commerce*), in order for shareholders to attend the Annual General Meeting, cast a postal or online vote or appoint a proxy, their shares must be recorded in their name or in the name of an authorized intermediary on their behalf no later than zero hours (CET) on the second business day preceding the Meeting (i.e., June 13, 2017) as follows:

- for **REGISTERED** shares: in the Company's share register managed by BNP Paribas Securities Services;
- for **BEARER** shares: in a securities account managed by an authorized intermediary, as provided for in Article L.211-3 of the French Monetary and Financial Code (*Code monétaire et financier*).

The recording of shares in bearer share accounts managed by an authorized intermediary must be certified by a share ownership certificate issued by the latter. This certificate, drawn up in your name or in the name of the registered intermediary acting on your behalf, should be attached to the proxy/postal voting form or to the admittance card request.

All Safran shareholders may request an admittance card, cast their vote or appoint a proxy online prior to the Meeting via the secure voting platform Votaccess as from May 26, 2017. The deadline for requesting an admittance card, voting and appointing/revoking a proxy online is 3.00 p.m. (CET), June 14, 2017. Shareholders are advised not to wait until the day before the Meeting to request their admittance card or register their voting instructions.

How to exercise your voting rights

Shareholders may exercise their voting rights in any of the following ways:



CASE 1: they may **attend the Meeting in person**;



CASE 2: they may **give proxy to the Chairman of the Meeting or send a proxy form to the Company** without specifying their representative, in which case the Chairman of the Meeting will vote to adopt the proposed resolutions presented or approved by the Board of Directors and vote against all other proposed resolutions;



CASE 3: they may **give proxy** to another shareholder, their spouse, their partner with whom they have entered into a civil union or any other individual or legal entity of their choice in accordance with the requirements of Article L.225-106 of the French Commercial Code;



CASE 4: they may **cast a postal vote**;



CASE 5: they may **give online voting instructions**.

Once you have cast a postal or online vote, appointed a proxy or requested an admittance card, you will not be able to participate in the Meeting in another way.



CASE 1: you plan to attend the Meeting in person

Holders of registered and administered registered shares

POSTAL PROXY

Holders of registered or administered registered shares planning to attend the Meeting in person should complete the proxy/postal voting form attached to the notice of meeting (checking the box corresponding to their choice) and send it in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France.

You will receive your admittance card by return mail. If you do not receive your admittance card in time you will still be able to attend the Meeting subject to providing proof of identity.

In the event that you have not received your admittance card the day before the Meeting, you can also call one of the following numbers: 0826 100 374 (France only) or 00 33 1 57 43 75 00 (outside France) to obtain your admittance card number, which will facilitate entry to the Meeting.

ONLINE PROXY

Holders of registered and administered registered shares may request an admittance card online, via the Votaccess secure platform. This platform can be accessed from the Planetshares website at <https://planetshares.bnpparibas.com>.

Holders of **registered shares** should log on to the Planetshares website with the username and password they use to access their share account.

Holders of **administered registered shares** should log on to the Planetshares website with the username that appears in the top right-hand corner of the voting form that was posted along with the notice of meeting.

In the event that you misplace or forget your username and/or password, call one of the following numbers: 0826 100 374 (France only) or 00 33 1 57 43 75 00 (outside France).

After logging on, registered and administered registered shareholders should follow the on-screen instructions to access Votaccess, where they can request an admittance card online.

Shareholders (holders of registered or administered registered shares and holders of bearer shares) may request an admittance card online:

→ The admittance card will be sent either by email or by post, at your discretion.

→ Shareholders can also download and print their admittance card online.

Holders of bearer shares

POSTAL PROXY

Holders of bearer shares planning to attend the Meeting in person should request a share ownership certificate from their authorized intermediary. The latter will forward the certificate to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France, which will then send an admittance card by post.

If you do not receive your admittance card by zero hours (CET) on the second business day preceding the Meeting (i.e., June 13, 2017), you should ask your authorized intermediary to issue you with a certificate proving that you own the shares and are therefore entitled to attend the Meeting.

ONLINE PROXY

Holders of bearer shares should find out whether their custodian is connected to the Votaccess platform and if so, whether this access is subject to specific terms and conditions.

Only holders of bearer shares whose custodian is connected to Votaccess can request an admittance card online.

If your custodian is connected to Votaccess, you should log on to your custodian's website with your usual username and password. You should then click on the icon that appears on the line corresponding to your Safran shares and follow the on-screen instructions to access the Votaccess platform and request an admittance card.



CASE 2: you wish to give proxy to the Chairman of the Meeting or send a proxy form to the Company without specifying a representative

The Chairman of the Meeting will vote to adopt the proposed resolutions presented or approved by the Board of Directors and vote against all other proposed resolutions.

Holders of registered and administered registered shares

POSTAL PROXY

Holders of registered or administered registered shares wishing to give proxy to the Chairman of the Meeting should complete and sign the proxy/postal voting form attached to the notice of meeting (checking the box corresponding to their choice) and send it in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France.

ONLINE PROXY

Holders of registered or administered registered shares can give proxy to the Chairman of the Meeting online via Votaccess by logging on to the Planetshares website at <https://planetshares.bnpparibas.com>.

Holders of **registered shares** should log on to the Planetshares website with the username and password they use to access their share account.

Holders of **administered registered shares** should log on to the Planetshares website with the username that appears in the top right-hand corner of the voting form that was posted along with the notice of meeting.

In the event that you misplace or forget your username and/or password, call one of the following numbers: 0826 100 374 (France only) or 00 33 1 57 43 75 00 (outside France).

Holders of bearer shares

POSTAL PROXY

Holders of bearer shares wishing to give proxy to the Chairman of the Meeting may request a unique proxy form from their authorized intermediary. This request must be received by the authorized intermediary no later than six days before the date of the Meeting (i.e., June 9, 2017). The authorized intermediary will then send the duly completed and signed voting form along with a share ownership certificate to BNP Paribas Securities Services.

ONLINE PROXY

Holders of bearer shares whose custodian is connected to Votaccess should log on to their custodian's website with their usual username and password. They should then click on the icon that appears on the line corresponding to their Safran shares and follow the on-screen instructions.



CASE 3: you wish to give proxy to another person or entity

You may give proxy to another shareholder, your spouse, your partner with whom you have entered into a civil union or any other individual or legal entity of your choice in accordance with the provisions of Article L.225-106 of the French Commercial Code.

Appointing a proxy

You may appoint a proxy by post or online.

Holders of registered and administered registered shares

POSTAL PROXY

Holders of registered or administered registered shares wishing to give proxy to another person or entity should complete and sign the proxy/postal voting form attached to the notice of meeting (checking the box corresponding to their choice) and send it in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France.

ONLINE PROXY

Holders of registered or administered registered shares can give proxy online via Votaccess by logging on to the Planetshares website at <https://planetshares.bnpparibas.com>.

Holders of **registered shares** should log on to the Planetshares website with the username and password they use to access their share account.

Holders of **administered registered shares** should log on to the Planetshares website with the username that appears in the top right-hand corner of the voting form that was posted along with the notice of meeting.

In the event that you misplace or forget your username and/or password, call one of the following numbers: 0826 100 374 (France only) or 00 33 1 57 43 75 00 (outside France).

Holders of bearer shares

POSTAL PROXY

Holders of bearer shares wishing to give proxy to another person or entity may request a unique proxy form from their authorized intermediary. This request must be received by the authorized intermediary no later than six days before the date of the Meeting (i.e., June 9, 2017). The authorized intermediary will then send the duly completed and signed voting form along with a share ownership certificate to BNP Paribas Securities Services.

Proxy given online or via email in accordance with Article R.225-79 of the French Commercial Code:

ONLINE

Holders of bearer shares whose custodian is connected to Votaccess should log on to their custodian's website with their usual username and password. They should then click on the icon that appears on the line corresponding to their Safran shares and follow the on-screen instructions.

EMAIL @

Holders of bearer shares whose custodian is not connected to Votaccess can send an email to paris.bp2s.france.cts.mandats@bnpparibas.com with the following information: the name of the company concerned (Safran), the date of the Meeting (June 15, 2017), their name, address and banking details, as well as the name and, if possible, the address of their proxy.

Holders of bearer shares must ask the authorized intermediary managing their securities account to send a share ownership certificate to the AGM Department (Service Assemblées Générales) of BNP Paribas Securities Services by post or email.

PARTICIPATE IN THE MEETING

CASE 3: you wish to give proxy to another person or entity

Only notifications of proxies can be sent to the above email address; all other unrelated requests or notifications will not be considered and/or dealt with.

Digital copies of the proxy form must be signed in order to be valid. The forms must be received by 3.00 p.m. (CET) the day before the Meeting (i.e., June 14, 2017).

Revoking a proxy

BY POST

You can revoke your proxy by following the same procedure as when you appointed the proxy.

To appoint a new proxy after revoking your previous proxy, you must request a “Change of proxy” form from BNP Paribas Securities Services (for holders of registered shares) or from your authorized intermediary (for holders of bearer shares). The completed form must be returned to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France, at the latest three calendar days before the Meeting. (i.e., by zero hours [CET] on June 12, 2017). Holders of bearer shares must ask the authorized intermediary managing their securities account to send a share ownership certificate to the AGM Department (Service Assemblées Générales) of BNP Paribas Securities Services.

ONLINE

You can also revoke your proxy online by following the same procedure as when you appointed the proxy.

Holders of registered and administered registered shares

Holders of registered and administered registered shares can revoke their proxy and, where applicable, appoint a new proxy by logging on to Votaccess via the Planetshares website at <https://planetshares.bnpparibas.com>.

Holders of bearer shares

Holders of bearer shares whose custodian is connected to Votaccess can revoke their proxy and, where applicable, appoint a new proxy by logging on to their custodian’s website with their usual username and password.

Holders of bearer shares whose custodian is not connected to Votaccess can revoke or change their proxy electronically in accordance with the provisions of Article R.225-79 of the French Commercial Code.

In this case, shareholders should send an email to paris.bp2s.france.cts.mandats@bnpparibas.com with the following information: the name of the company concerned (Safran), the date of the Meeting (June 15, 2017), their name, address and banking details, as well as the name and, if possible, the address of their proxy.

To appoint a new proxy after revoking a previous proxy, holders of bearer shares must obtain a “Change of proxy” form from their custodian. The completed form must be returned by email to paris.bp2s.france.cts.mandats@bnpparibas.com. Holders of bearer shares must ask the authorized intermediary managing their securities account to send a share ownership certificate to the AGM Department (Service Assemblées Générales) of BNP Paribas Securities Services by post or email.

Only notifications of revoked proxies or of a change of proxy can be sent to the above email address; all other unrelated requests or notifications will not be considered and/or dealt with.

Digital copies of the “Change of proxy” form must be signed in order to be valid. Emails and forms notifying revoked proxies or a change of proxy must be received by 3.00 p.m. (CET) the day before the Meeting (i.e., June 14, 2017).



CASE 4: you wish to cast a postal vote

Holders of registered and administered registered shares

Holders of registered or administered registered shares wishing to cast a postal vote should complete and sign the proxy/postal voting form attached to the notice of meeting (checking the box corresponding to their choice) and send it in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France.

Holders of bearer shares

Holders of bearer shares wishing to cast a postal vote may request a unique postal voting form from their authorized intermediary. This request must be received by the authorized intermediary no later than six days before the date of the Meeting (i.e., June 9, 2017). The authorized intermediary will then send the duly completed and signed voting form along with a share ownership certificate to BNP Paribas Securities Services.

Duly completed and signed postal voting forms must reach BNP Paribas Securities Services at least three days before the Meeting (i.e., by zero hours [CET] on June 12, 2017).



CASE 5: you wish to register your voting instructions online

Holders of registered shares

Holders of registered shares wishing to register their voting instructions online should log on to Votaccess with the username and password they use to access their registered share account on the Planetshares website at <https://planetshares.bnpparibas.com>.

Holders of administered registered shares

Holders of administered registered shares wishing to register their voting instructions online should log on to the Planetshares website with the username that appears in the top right-hand corner of the voting form that was posted along with the notice of meeting.

Procedure for holders of registered and administered registered shares

In the event that you misplace or forget your username and/or password, call one of the following numbers: 0826 100 374 (France only) or 00 33 1 57 43 75 00 (outside France).

After logging on, you should follow the on-screen instructions to access Votaccess, where you can register your voting instructions. From this website, you can also consult official documentation pertaining to the Annual General Meeting.

Procedure for holders of bearer shares

Holders of bearer shares whose custodian is connected to Votaccess should log on to their custodian's website with their usual username and password. They should then click on the icon that appears on the line corresponding to their Safran shares and follow the on-screen instructions to access the Votaccess platform. From this website, they can also consult official documentation pertaining to the Annual General Meeting.

■ Sale of shares prior to the Annual General Meeting

Shareholders may transfer ownership of some or all of their shares at any time

- (i) If the sale occurs before zero hours (CET) on June 13, 2017, the postal vote, proxy, admittance card and any share ownership certificates will be canceled or modified accordingly. In such an event, the authorized intermediary (as provided for in Article L.211-3 of the French Monetary and Financial Code) must notify the Company or BNP Paribas Securities Services of the sale and forward the required information.
- (ii) If the sale occurs after zero hours (CET) on June 13, 2017, it will not be notified by the authorized intermediary and will not be taken into consideration by the Company, regardless of the means of communication, notwithstanding any agreement to the contrary.

■ Written questions, documents made available to shareholders

Submitting written questions

Shareholders may submit written questions to the Company as from the publication date of the documentation to be submitted to the Shareholders' Meeting on the Company's website (see below). Written questions must be addressed to the Chairman of the Board of Directors at the Company's registered office (2, boulevard du Général-Martial-Valin, 75724 Paris Cedex 15, France) by recorded delivery with acknowledgement of receipt, or to the following email address: actionnaire.individuel@safrangroup.com, no later than the fourth business day preceding the Meeting (i.e., by zero hours [CET] on June 9, 2017). Written questions must be accompanied by a share ownership certificate. Questions covering the same or similar content may be answered jointly. A written question will be considered answered when such answer is published on the Company's website in a dedicated Q&A section.

Documents made available to shareholders

In accordance with the applicable legal and regulatory provisions, all documents that must be made available to shareholders within the context of the Shareholders' Meeting may be obtained from the Safran Shareholder Relations Department at the registered office located at 2, boulevard du Général-Martial-Valin, 75015 Paris, France. These documents may also be obtained by shareholders on request from BNP Paribas Securities Services as from the publication of the notice of meeting in the French legal gazette (*Bulletin des Annonces Légales Obligatoires* - BALO), or fifteen days before the Meeting, depending on the document concerned.

The documentation provided for by Article R.225-73-1 of the French Commercial Code will be available on the Company's website at <http://www.safran-group.com> (Finance section), no later than twenty one days before the Meeting.

How to fill out the proxy/postal voting form

If you plan to attend the Meeting
Check box A

If you cannot attend the Meeting
Check box B

If you hold bearer shares
Please send this form to your authorized intermediary

IMPORTANT : Avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso - **Important** : Before selecting please refer to instructions on reverse side
Quelle que soit l'option choisie, noircir comme ceci la ou les cases correspondantes, dater et signer au bas du formulaire - **Whichever option is used, shade box(es) like this , date and sign at the bottom of the form**

A. Je désire assister à cette assemblée et demande une carte d'admission : dater et signer au bas du formulaire // **I wish to attend the shareholders' meeting and request an admission card : date and sign at the bottom of the form.**

B. J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes // **I prefer to use the postal voting form or the proxy form as specified below.**

SAFRAN
S.A. à Conseil d'Administration
Au capital de 83 405 917 €
Siège social : 2, boulevard du Général Martial Valin
75015 PARIS
562 082 909 R.C.S. PARIS

ASSEMBLÉE GÉNÉRALE MIXTE
convoquée le jeudi 15 juin 2017 à 14 heures
à l'Espace Grande Arche
1, parvis de la Défense - 92044 Paris-La Défense

COMBINED GENERAL MEETING
to be held on **Thursday, June 15, 2017, at 2.00 pm**
at Espace Grande Arche
1, parvis de la Défense - 92044 Paris-La Défense

CADRE RÉSERVÉ À LA SOCIÉTÉ - FOR COMPANY'S USE ONLY

Identifiant - Account

Nombre d'actions / Number of shares

Nombre de voix - Number of voting rights

Nominatif / Registered

Porteur / Bearer

Vote simple / Single vote

Vote double / Double vote

JE VOTE PAR CORRESPONDANCE // I VOTE BY POST
Cf. au verso (2) - See reverse (2)

Je vote OUI à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directeur ou la Gérance, à l'EXCEPTION de ceux que je signale en noircissant comme ceci la case correspondante et pour lesquels je vote NON ou je m'abstiens.

I vote YES all the draft resolutions approved by the Board of Directors EXCEPT those indicated by a shaded box - like this , for which I vote NO or I abstain.

JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE
Cf. au verso (3)

I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING
See reverse (3)

JE DONNE POUVOIR À : Cf. au verso (4)

I HEREBY APPOINT : See reverse (4)

M., Mme ou Mlle, Raison Sociale / Mr, Mrs or Miss, Corporate Name

Adresse / Address

ATTENTION : s'il s'agit de titres au porteur, les présentes instructions ne seront valides que si elles sont directement retournées à votre banque.
CAUTION : If it is about bearer securities, the present instructions will be valid only if they are directly returned to your bank.

Nom, prénom, adresse de l'actionnaire (les modifications de ces informations doivent être adressées à l'établissement concerné et ne peuvent être effectuées à l'aide de ce formulaire). Cf. au verso (1)
Surname, first name, address of the shareholder (Change regarding this information have to be notified to relevant institution, no change can be made using the proxy form). See reverse (1)

1	2	3	4	5	6	7	8	9	Oui / Non/No Yes Abst/Abs	Oui / Non/No Yes Abst/Abs
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	A <input type="checkbox"/>	F <input type="checkbox"/>
10	11	12	13	14	15	16	17	18	B <input type="checkbox"/>	G <input type="checkbox"/>
19	20	21	22	23	24	25	26	27	C <input type="checkbox"/>	H <input type="checkbox"/>
28	29	30	31	32	33	34	35	36	D <input type="checkbox"/>	J <input type="checkbox"/>
37	38	39	40	41	42	43	44	45	E <input type="checkbox"/>	K <input type="checkbox"/>

Please date and sign here
whatever your chosen method of voting

Date & Signature

Please state your first name, surname and address or verify that the details are correct

If you wish to cast a postal vote
Check this box and follow the instructions

If you wish to give proxy to the Chairman of the Meeting
Check this box

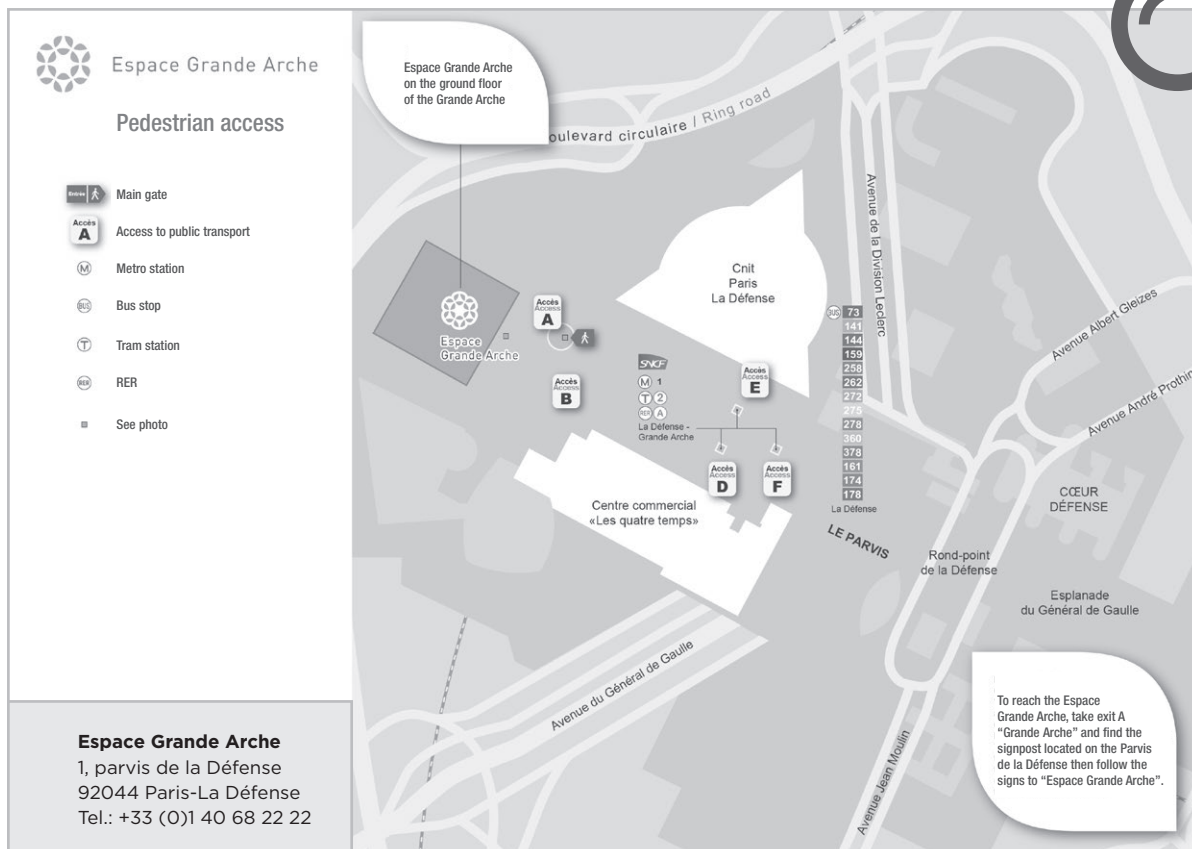
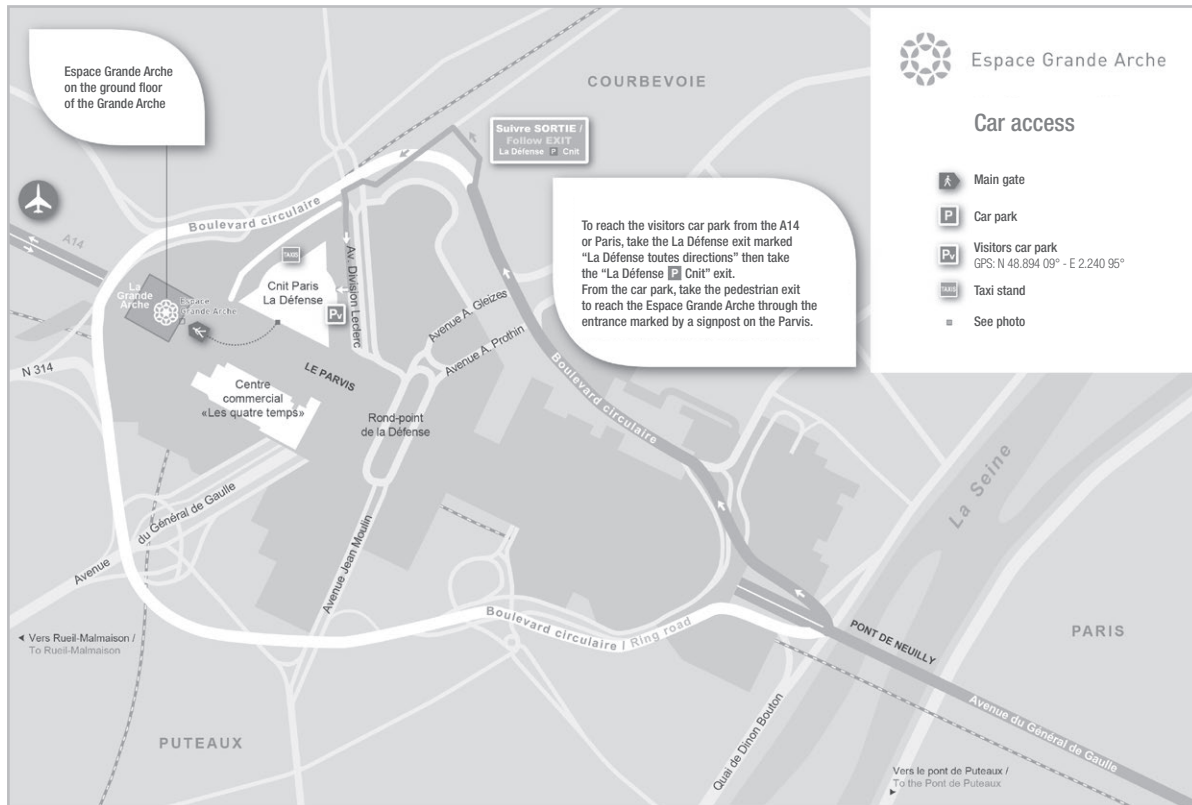
If you wish to appoint a proxy
Check this box and state the name and address of your representative

FOR FURTHER INFORMATION PLEASE CONTACT:



Safran - Shareholders' relations
2, boulevard du Général-Martial-Valin - 75724 Paris Cedex 15, France
Toll-free number (France only): 0 800 17 17 17 - Fax: 01 40 60 83 53
Email: actionnaire.individuel@safrangroup.com
www.safran-group.com/finance

How to get to the Annual General Meeting



Espace Grande Arche
1, parvis de la Défense
92044 Paris-La Défense
Tel.: +33 (0)1 40 68 22 22



AGENDA

Ordinary resolutions

- First resolution:** Approval of the parent company financial statements for the year ended December 31, 2016
- Second resolution:** Approval of the consolidated financial statements for the year ended December 31, 2016
- Third resolution:** Appropriation of profit for the year and approval of the recommended dividend
- Fourth resolution:** Approval of related-party commitments governed by Article L.225-42-1 of the French Commercial Code, given to Ross McInnes (Chairman of the Board of Directors) concerning pension benefits
- Fifth resolution:** Approval of related-party commitments governed by Article L.225-42-1 of the French Commercial Code, given to Philippe Petitcolin (Chief Executive Officer) concerning pension benefits
- Sixth resolution:** Approval of related-party agreements governed by Article L.225-38 of the French Commercial Code, entered into with the French State
- Seventh resolution:** Re-appointment of Odile Desforges as a Director
- Eighth resolution:** Appointment of H el ene Auriol Potier as a Director
- Ninth resolution:** Appointment of Patrick P elata as a Director
- Tenth resolution:** Appointment of Sophie Zurquiyah as a Director
- Eleventh resolution:** Advisory vote on the components of compensation due or awarded for 2016 to Ross McInnes, Chairman of the Board of Directors
- Twelfth resolution:** Advisory vote on the components of compensation due or awarded for 2016 to Philippe Petitcolin, Chief Executive Officer
- Thirteenth resolution:** Approval of the compensation policy applicable to the Chairman of the Board of Directors
- Fourteenth resolution:** Approval of the compensation policy applicable to the Chief Executive Officer
- Fifteenth resolution:** Authorization for the Board of Directors to carry out a share buyback program

Extraordinary resolutions

- Sixteenth resolution:** Amendment to Article 25 of the Company's bylaws in order to raise the age limit for serving as Chief Executive Officer or Deputy Chief Executive Officer to 68
- Seventeenth resolution:** Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares
- Eighteenth resolution:** Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer, which may not be used during, or in the run-up to, a public offer for the Company's shares
- Nineteenth resolution:** Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares

- Twentieth resolution:** Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through a private placement governed by Article L.411-2-II of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares
- Twenty-first resolution:** Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 17th, 18th, 19th or 20th resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares
- Twenty-second resolution:** Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings or additional paid-in capital, which may not be used during, or in the run-up to, a public offer for the Company's shares
- Twenty-third resolution:** Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may only be used during, or in the run-up to, a public offer for the Company's shares
- Twenty-fourth resolution:** Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer, which may only be used during, or in the run-up to, a public offer for the Company's shares
- Twenty-fifth resolution:** Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may only be used during, or in the run-up to, a public offer for the Company's shares
- Twenty-sixth resolution:** Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through a private placement governed by Article L.411-2-II of the French Monetary and Financial Code, which may only be used during, or in the run-up to, a public offer for the Company's shares
- Twenty-seventh resolution:** Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights (pursuant to the 23rd, 24th, 25th or 26th resolutions), which may only be used during, or in the run-up to, a public offer for the Company's shares
- Twenty-eighth resolution:** Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings or additional paid-in capital, which may only be used during, or in the run-up to, a public offer for the Company's shares
- Twenty-ninth resolution:** Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Safran group employee savings plan, without pre-emptive subscription rights for existing shareholders
- Thirtieth resolution:** Authorization for the Board of Directors to reduce the Company's capital by canceling treasury shares
- Thirty-first resolution:** Authorization for the Board of Directors to grant existing or new shares of the Company, free of consideration, to employees and corporate officers of the Company and other Safran group entities, with a waiver of shareholders' pre-emptive subscription rights

Resolution concerning powers to carry out formalities

- Thirty-second resolution:** Powers to carry out formalities



REPORT ON THE PROPOSED RESOLUTIONS AND TEXT OF THE PROPOSED RESOLUTIONS



The proposed resolutions that will be submitted for shareholder approval at Safran's Annual General Meeting on June 15, 2017 are presented below.

Each of the resolutions is preceded by an explanatory paragraph providing a description of the resolution and setting out the reasons why it is being proposed.

All of these explanatory paragraphs, as well as the business review provided in this Notice of Meeting (pages 70 to 74), form the report of the Board of Directors. This report should be read in conjunction with the text of the proposed resolutions.

Ordinary resolutions

Approval of the parent company and consolidated financial statements for the year ended December 31, 2016

PRESENTATION OF THE 1st AND 2nd RESOLUTIONS

Shareholders are invited to approve the parent company and consolidated financial statements for the year ended December 31, 2016 as well as the expenses incurred during the year that are not deductible for tax purposes (company vehicles).

- ▣ The parent company financial statements show that the Company ended 2016 with profit of €969.8 million.
- ▣ The consolidated financial statements show attributable profit for the year amounting to €1,689 million (€4.06 per share).

TEXT OF THE FIRST RESOLUTION

Approval of the parent company financial statements for the year ended December 31, 2016

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the management report prepared by the Board of Directors and the Statutory Auditors' report on the parent company financial statements, the shareholders approve the financial statements of the parent company for the year ended December 31, 2016 as presented - showing profit for the year of €969,870,637.75 - together with the transactions reflected in these financial statements and referred to in these reports.

Pursuant to Article 223 quater of the French Tax Code (*Code général des impôts*), the shareholders approve the non-deductible expenses governed by Article 39-4 of said Code, which totaled €69,249 and gave rise to a tax charge of €23,842.

TEXT OF THE SECOND RESOLUTION

Approval of the consolidated financial statements for the year ended December 31, 2016

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the management report prepared by the Board of Directors and the Statutory Auditors' report on the consolidated financial statements, the shareholders approve the consolidated financial statements for the year ended December 31, 2016 as presented, together with the transactions reflected in these financial statements and referred to in these reports.

Appropriation of profit for the year and approval of the recommended dividend

PRESENTATION OF THE 3rd RESOLUTION

The Company's distributable profit for 2016 totals €2,427.7 million, breaking down as €969.8 million in profit for the year plus €1,457.8 million in retained earnings brought forward from the previous year.

The Board of Directors is recommending a total dividend payout of €633.8 million, representing a per-share dividend of €1.52, up 10.1% on 2015. In line with the Group's practice, this dividend payout represents approximately 40% of adjusted profit for the year.

An interim dividend of €0.69 per share was paid on December 21, 2016 with the ex-dividend date having been set as December 19, 2016. If the 3rd resolution is approved, the ex-dividend date for the balance of the 2016 dividend - corresponding to €0.83 per share - will be set as June 19, 2017, and the dividend payment will be made on June 21, 2017.

The remaining €1,793.8 million of distributable profit would be allocated to retained earnings.

Individual shareholders domiciled for tax purposes in France are eligible for 40% tax relief on the full amount of their interim dividend, as provided for under Article 158, 3-2° of the French Tax Code.

They also qualify for this 40% tax relief on the full amount of the balance of the dividend payment.

TEXT OF THE THIRD RESOLUTION

Appropriation of profit for the year and approval of the recommended dividend

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, and based on the Board of Directors' recommendation, the shareholders resolve to appropriate the profit for the year ended December 31, 2016 as follows:

▣ Profit for 2016	€969,870,637.75
▣ Retained earnings ⁽¹⁾	€1,457,860,822.84
▣ Profit available for distribution	€2,427,731,460.59
Appropriation:	
▣ Dividend	€633,884,969.20
▣ Retained earnings	€1,793,846,491.39

(1) Including €863,202.90 corresponding to the 2015 dividend due on shares held in treasury at the dividend payment date.

Accordingly, the dividend paid will be €1.52 per share.

An interim dividend of €0.69 per share was paid on December 21, 2016. The ex-dividend date for the remaining payout of €0.83 per share will be June 19, 2017 and the dividend will be paid on June 21, 2017.

Individual shareholders domiciled for tax purposes in France are eligible for 40% tax relief on the full amount of their interim dividend and the remainder of the dividend, as provided for under Article 158, 3-2° of the French Tax Code.

The shareholders resolve that dividends not payable on shares held in treasury will be credited to retained earnings.

The shareholders note that dividends paid for the past three years were as follows:

	Number of shares carrying dividend rights ⁽¹⁾	Net dividend per share	Total payout ⁽⁵⁾
2015	416,410,610 ⁽²⁾	€1.38	€574,637,624.40
2014	416,459,463 ⁽³⁾	€1.20	€499,711,590.56
2013	416,450,981 ⁽⁴⁾	€1.12	€466,423,898.72

(1) Total number of shares making up the Company's capital (417,029,585) less the number of Safran shares held in treasury at the dividend payment date.

(2) An interim dividend (€0.60) was paid on 416,395,581 shares and the remainder of the dividend (€0.78) was paid on 416,410,610 shares.

(3) An interim dividend (€0.56) was paid on 416,388,454 shares and the remainder of the dividend (€0.64) was paid on 416,459,463 shares.

(4) An interim dividend (€0.48) was paid on 416,448,481 shares and the remainder of the dividend (€0.64) was paid on 416,450,981 shares.

(5) Fully eligible for the 40% tax relief provided for under Article 158, 3-2° of the French Tax Code.

Related-party commitments

PRESENTATION OF THE 4th AND 5th RESOLUTIONS

The 4th and 5th resolutions concern related-party commitments governed by Articles L.225-38 and L.225-42-1 of the French Commercial Code given since the beginning of 2017 and prior to the notice of the June 15, 2017 Annual General Meeting, as described in the Statutory Auditors' special report (see section 7.6 of the 2016 Registration Document).

Related-party commitments given to executive corporate officers correspond to benefits due or potentially due (i) as a result of the termination or a change in their duties, and (ii) in relation to pension plans and personal risk insurance. In early 2017 the Company gave a number of commitments relating to pension benefits that are subject to this procedure.

At its meeting on April 23, 2015, having appointed Ross McInnes as Chairman of the Board of Directors and Philippe Petitcolin as Chief Executive Officer, the Board decided – in accordance with Article L.225-42-1 of the French Commercial Code – to authorize both Ross McInnes and Philippe Petitcolin to continue to be beneficiaries under the defined benefit supplementary pension plan (Article 39) and the defined contribution supplementary pension plan (Article 83) set up in France (subject to the same terms and conditions as the other plan members). These commitments were approved by shareholders at the May 19, 2016 Annual General Meeting.

The Board of Directors considers it necessary to supplement the statutory basic and top-up pension plans of its senior managers as the benchmark surveys carried out in relation to comparable groups in France showed that this component of Safran's compensation policy is not sufficiently competitive to attract and retain the best talent. This is particularly important because:

- as a result of its demographic profile, in the coming years the Group will need to recruit senior managers in the international market, which is highly competitive; and
- like other groups, Safran will probably have to deal with higher turnover of managerial-grade staff in the future than is currently the case.

Consequently, the Board decided to modify Safran's supplementary pension plans in order to align them with future needs, bring them more into line with market practices and enhance the Group's appeal.

The underlying aim of these changes is to increase the replacement rate of the managerial-grade staff concerned (when they take their pension after 20 years' worth of contributions) as compared with what they would potentially have received under other existing plans (statutory and supplementary). This will be achieved by putting in place new defined contribution plans (without a guaranteed replacement rate).

The new pension system comprises three stages:

- closing the current defined benefit plan to new entrants and freezing existing beneficiaries' entitlements as at December 31, 2016.

To compensate for the closure of this plan, new plans will be set up for senior managers in France as from January 1, 2017 in addition to the defined contribution plan already in place:

- putting in place an additional component of the current defined contribution plan;
- setting up a new defined contribution plan (Article 82).

Closing the defined benefit plan to new entrants and freezing existing entitlements

Only beneficiaries who have five years of service with the Group at December 31, 2017 will be eligible to receive benefits under this plan (a closed group).

Their benefit entitlements will remain subject to the terms and conditions set when the plan was originally put in place.

Conditional entitlements under the plan will be frozen as at December 31, 2016. This means that for members of the closed group:

- the reference compensation used to calculate the conditional entitlements will be calculated based on the average of beneficiaries' gross fixed and variable compensation for the years 2014 to 2016 (revalued annually using the actuarial assumptions applied to calculate retirement benefit provisions); and
- the length of service taken into account for the plan will have a cut-off date of December 31, 2016 and no additional conditional entitlements will be accrued under the plan for any service after that date.

Mandatory collective defined contribution plan (Additional Defined Contribution Plan)

This plan will apply to all managerial-grade staff whose gross annual compensation for the calendar year preceding the assessment date (Y-1) is equal to or higher than four times the social security ceiling (PASS) for Y-1.

The contributions will be based on Tranches A, B and C of compensation as defined for the calculation of statutory top-up pensions (ARRCO-AGIRC plans).

Entitlements under the plan will accrue in return for the payment of monthly contributions representing 6% of Tranche A, 6% of Tranche B and 6% of Tranche C. All of these monthly payments are borne in full by the Company (in addition to the 2% contribution already paid by the Company under the existing defined contribution supplementary pension plan).

The taxes and social security contributions on the monthly payments are also borne in full by the Company.

Voluntary collective defined contribution plan

Unlike for the Company's defined benefit plan, this plan does not provide a guaranteed level of retirement benefits.

It is a voluntary plan which eligible beneficiaries can decide whether or not to sign up to.

Eligible beneficiaries correspond to top executives (*hors statut*) whose reference compensation (fixed compensation and annual bonus) for the calendar year preceding the assessment date (Y-1) is equal to or higher than seven times the social security ceiling (PASS) for Y-1.

The reference compensation for Y-1 is used to calculate the contributions to the plan. This reference compensation corresponds to the beneficiary's full-time basic fixed compensation plus the short-term bonus for the year concerned and excludes any other components of compensation.

In order for entitlements to accrue, the plan provides for:

- ▣ payment by the Company to an insurer of monthly contributions, the rate of which is set based on the beneficiary's reference compensation for year Y-1 (Insurer Contribution) and may amount to up to 12.7% of that reference compensation;
- ▣ payment by the Company to the beneficiary of a cash amount corresponding to the Insurer Contribution (Additional Payment). The plan provides for upfront taxation so that the capital accrued and received on beneficiaries' retirement is net of tax and social security contributions.

The above payments are borne in full by the Company and subject to social security contributions in the same way as salaries.

Application of the new system to the Chairman of the Board of Directors

At its meeting on March 23, 2017, the Board of Directors decided that the Chairman of the Board could be a beneficiary under the new supplementary pension plan system.

Concerning the voluntary collective defined contribution plan, the Insurer Contribution and the Additional Payment to the Chairman of the Board for 2017 will each correspond to 11.29% of his reference compensation (i.e., a total of 22.58%). These amounts are estimated to represent €57,690 each (i.e., a total of €115,381).

The expenses payable by Safran under the Additional Defined Contribution Plan for 2017 are estimated at €18,829.

These commitments form an indivisible whole which the shareholders are invited to approve in the 4th resolution.

Application of the new system to the Chief Executive Officer

At its meeting on March 23, 2017, the Board of Directors decided that the Chief Executive Officer could be a beneficiary under the new supplementary pension plan system.

Concerning the new voluntary collective defined contribution plan, the Insurer Contribution and the Additional Payment to the Chief Executive Officer for 2017 will each correspond to 12.73% of his reference compensation (i.e., a total of 25.47%). These amounts are estimated to represent €154,747 each (i.e., a total of €309,493).

The expenses payable by Safran under the Additional Defined Contribution Plan for 2017 are estimated at €18,829.

These commitments form an indivisible whole which the shareholders are invited to approve in the 5th resolution.

TEXT OF THE FOURTH RESOLUTION

Approval of related-party commitments governed by Article L.225-42-1 of the French Commercial Code, given to Ross McInnes (Chairman of the Board of Directors) concerning pension benefits

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Statutory Auditors' special report on related-party commitments governed by Article L.225-42-1 of the French Commercial Code, the shareholders approve (i) the commitments described therein given to Ross McInnes (Chairman of the Board of Directors) concerning Safran's new pension plan system and (ii) the related provisions of said report.

TEXT OF THE FIFTH RESOLUTION

Approval of related-party commitments governed by Article L.225-42-1 of the French Commercial Code, given to Philippe Petitcolin (Chief Executive Officer) concerning pension benefits

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Statutory Auditors' special report on related-party commitments governed by Article L.225-42-1 of the French Commercial Code, the shareholders approve (i) the commitments described therein given to Philippe Petitcolin (Chief Executive Officer) concerning Safran's new pension plan system and (ii) the related provisions of said report.

Related-party agreements

PRESENTATION OF THE 6th RESOLUTION

In the 6th resolution, shareholders are asked to approve related-party agreements governed by Article L.225-38 of the French Commercial Code, as described in the Statutory Auditors' special report (see section 7.6 of the 2016 Registration Document).

Related-party agreements that require shareholder approval include agreements – other than those falling within the scope of routine operations – that are entered into between the Company and (i) any companies with which it has a member of management in common, or (ii) a shareholder owning more than 10% of the Company's voting rights.

Approval of related-party agreements governed by Article L.225-38 of the French Commercial Code entered into with the French State

Directors concerned:

- *Lucie Muniesa, representing the French State (shareholder);*
- *Patrick Gandil, Director put forward by the French State;*
- *Vincent Imbert, Director put forward by the French State.*

Shareholder concerned: *the French State (shareholder owning more than 10% of the Company's voting rights).*

In order to boost competitive performance and safeguard the future of the European space launch vehicle sector, faced with increasing international competition, Safran and Airbus joined forces in the launch vehicle sector through Airbus Safran Launchers Holding (ASLH) and its wholly-owned subsidiary Airbus Safran Launchers (ASL SAS). This business combination was carried out in two stages and was finalized on June 30, 2016.

The following agreements and addenda subject to this procedure for related-party agreements were entered into in the first half of 2016:

- ASLH Agreement;
- Arianespace Agreement;
- Pre-emption Agreement;
- Addendum no. 6 to the Agreement dated December 21, 2004;
- Addendum to the Environmental Guarantee Agreement (EGA).

These agreements and addenda – which are being submitted for shareholder approval at this meeting – relate to the finalization of the above-mentioned business combination. Together they make up a set of indivisible agreements that are required to set up the business combination. Primarily required by the French State to ensure the protection of national interests, they provide for the transfer of the French State's protective rights over the strategic assets to ASLH and confer on it the benefits of the rights related to these assets.

The ASLH Agreement, Arianespace Agreement, Pre-emption Agreement and Addendum no. 6 to the Agreement dated December 21, 2004 were authorized by the Board of Directors on December 17, 2015. They were signed on June 24, 2016 and entered into force on June 30, 2016.

Effective from June 30, 2016, the protection of the French State's strategic interests is ensured via:

- the ASLH Agreement: a new agreement between the French State and ASLH relating to protected assets and strategic subsidiaries and interests, entered into in the presence of Safran and Airbus SE;
- the Arianespace Agreement: a new agreement between the French State and ASLH relating to Arianespace Participation and Arianespace SA shares, entered into in the presence of Safran and Airbus SE.

The following agreements were entered into at the same time:

- the Pre-emption Agreement: an agreement between Safran, Airbus SE and the French State, which sets out the conditions under which Airbus SE and Safran may exercise a pre-emptive right on shares of the other partner in ASLH if the French State exercises any of the call options granted to it by Airbus SE and Safran. The French State may only buy back ASLH shares once the pre-emptive rights of Safran and Airbus SE have been used or expire;
- Addendum no. 6 to the Agreement dated December 21, 2004 entered into between Safran and the French State (described in section 7.1.4.2 of the 2016 Registration Document), whose purpose is to exclude from the scope of said Agreement the assets, subsidiaries and interests henceforth protected by the ASLH Agreement, the Arianespace Agreement and the Pre-emption Agreement described above.

Moreover, the EGA Addendum (an addendum to the environmental guarantee agreement with SNPE, authorized by the Board of Directors on December 17, 2015) was signed on May 17, 2016 and entered into force on June 30, 2016. Some sites transferred to ASL SAS, as part of the above-described business combination, are covered by an environmental guarantee agreement ("EGA") granted to Safran by SNPE and counter-guaranteed by the French State. With the French State's approval, the addendum to the EGA was entered into between SNPE, ASLH and Safran in order to transfer the benefit of the EGA to ASLH for said sites (Safran being substituted by ASLH).

Shareholders are invited to approve these related-party agreements in the 6th resolution.

TEXT OF THE SIXTH RESOLUTION

Approval of related-party agreements governed by Article L.225-38 of the French Commercial Code, entered into with the French State

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Statutory Auditors' special report on related-party agreements governed by Article L.225-38 of the French Commercial Code, the shareholders approve the conclusions of this report and the related-party agreements entered into with the French State as described therein.

Appointments/Re-appointment of Directors

PRESENTATION OF THE 7th TO 10th RESOLUTIONS

As the terms of office of Giovanni Bisignani, Odile Desforges, Xavier Lagarde and Élisabeth Lulin are due to expire at the close of this meeting, a number of resolutions are being put forward for the appointment or re-appointment of Directors.

Consequently, shareholders are invited to re-appoint Odile Desforges as a Director. Chair of the Audit and Risk Committee, Odile Desforges brings to the Board her experience as a Director and former senior executive of international industrial groups, as well as performance and management control expertise and acknowledged experience in purchasing, R&D projects and innovation.

Shareholders are invited to appoint H  l  ne Auriol Potier as a Director to replace Giovanni Bisignani. H  l  ne Auriol Potier would bring to the Board her experience of leading international groups, an international outlook, expertise and vision in digital technologies and transformation, as well as her experience as a Director.

Shareholders are invited to appoint Patrick P  lata as a Director to replace Xavier Lagarde. Patrick P  lata would bring to the Board his experience of leading innovative, high-tech industrial groups on an international scale, as well as his experience in strategy, consulting and industrialization in the digital age.

Shareholders are invited to appoint Sophie Zurquiyah as a Director to replace   lisabeth Lulin. Sophie Zurquiyah would bring to the Board her experience of leading innovative, high-tech industrial equipment groups on an international scale, an international outlook, expertise in various operational and corporate positions, as well as her extensive knowledge of North America and Latin America.

If the shareholders approve these resolutions as recommended by the Board of Directors, the proportion of women on the Board will be increased to the 40% required pursuant to Article L.225-18-1 of the French Commercial Code and four Independent Directors would be re-appointed or appointed out of the four expiring mandates.

The profiles of the candidates put forward for appointment or re-appointment as Directors are presented in detail on pages 53 to 56 of this Notice.

TEXT OF THE SEVENTH RESOLUTION

Re-appointment of Odile Desforges as a Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, the shareholders re-appoint Odile Desforges as a Director, for a four-year term expiring at the close of the Annual General Meeting to be held to approve the financial statements for the year ending December 31, 2020.

TEXT OF THE EIGHTH RESOLUTION

Appointment of H  l  ne Auriol Potier as a Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, the shareholders appoint H  l  ne Auriol Potier as a Director to replace Giovanni Bisignani whose term of office is due to expire at the close of this meeting.

H  l  ne Auriol Potier is appointed for a four-year term expiring at the close of the Annual General Meeting to be held to approve the financial statements for the year ending December 31, 2020.

TEXT OF THE NINTH RESOLUTION

Appointment of Patrick Pélata as a Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, the shareholders appoint Patrick Pélata as a Director to replace Xavier Lagarde whose term of office is due to expire at the close of this meeting.

Patrick Pélata is appointed for a four-year term expiring at the close of the Annual General Meeting to be held to approve the financial statements for the year ending December 31, 2020.

TEXT OF THE TENTH RESOLUTION

Appointment of Sophie Zurquiyah as a Director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, the shareholders appoint Sophie Zurquiyah as a Director to replace Elisabeth Lulin whose term of office is due to expire at the close of this meeting.

Sophie Zurquiyah is appointed for a four-year term expiring at the close of the Annual General Meeting to be held to approve the financial statements for the year ending December 31, 2020.

Advisory votes on the components of compensation due or awarded for 2016 to the executive corporate officers ("Say on Pay")

PRESENTATION OF THE 11th AND 12th RESOLUTIONS

In accordance with Article 26 of the November 2016 version of the AFEP-MEDEF Corporate Governance Code (hereinafter the AFEP-MEDEF Code), which Safran uses as its corporate governance framework, the Board of Directors hereby presents to shareholders the components of compensation due or awarded to each of the Company's executive corporate officers for 2016, including:

- ▣ the fixed portion;
- ▣ the annual variable portion, and where applicable, the multi-annual variable portion, with a description of the objectives used to determine this variable portion;
- ▣ exceptional compensation;
- ▣ stock options, performance shares and any other long-term compensation;
- ▣ benefits related to taking up or terminating office;
- ▣ supplementary pension plans;
- ▣ benefits-in-kind.

The AFEP-MEDEF Code recommends that this presentation be followed by a shareholder advisory vote, with separate resolutions presented for the Chairman of the Board and the Chief Executive Officer.

In accordance with these recommendations, the following two resolutions are being presented to shareholders:

- ▣ in the 11th resolution, shareholders are invited to give an advisory vote on the components of compensation due or awarded for 2016 to Ross McInnes, Chairman of the Board of Directors.
- ▣ in the 12th resolution, shareholders are invited to give an advisory vote on the components of compensation due or awarded for 2016 to Philippe Petitcolin, Chief Executive Officer.

COMPONENTS OF COMPENSATION DUE OR AWARDED TO ROSS MCINNES, CHAIRMAN OF THE BOARD OF DIRECTORS

Components of compensation due or awarded for 2016	Amounts (or accounting value) submitted to the shareholder vote	Presentation
Fixed compensation	€350,000 (paid in 2016)	Ross McInnes' gross annual fixed compensation was set at €350,000 by the Board of Directors at its meeting of April 23, 2015, when he was appointed as Chairman of the Board, and has remained unchanged since that date.
Annual variable compensation	N/A⁽¹⁾	Ross McInnes does not receive any annual variable compensation.
Deferred variable compensation	N/A	Ross McInnes does not receive any deferred variable compensation.
Multi-year variable compensation	N/A	Ross McInnes does not receive any multi-year variable compensation.
Exceptional compensation	N/A	Ross McInnes did not receive any exceptional compensation.
Stock options, performance shares and any other long-term compensation	Stock options = N/A	Ross McInnes does not receive any stock options.
	Performance shares = N/A	Ross McInnes does not receive any performance shares or any other long-term compensation.
	Other long-term compensation = N/A	
Attendance fees	€65,000 (payable for 2016; paid in 2017)	Ross McInnes receives attendance fees in his capacity as a Director and Chairman of the Board of Directors, based on the allocation rules described in section 6.6.3 of the 2016 Registration Document.
Value of benefits-in-kind	€3,764 (accounting value)	Ross McInnes has the use of a company car.

(1) N/A = not applicable.

Components of compensation due or awarded for 2016 that have been approved by shareholders pursuant to the procedure for related-party agreements and commitments	Amounts submitted to the shareholder vote	Presentation
Termination benefits	N/A ⁽¹⁾	Ross McInnes is not entitled to any termination benefits in his capacity as Chairman of the Board of Directors.
Non-compete indemnity	N/A	Ross McInnes is not subject to any non-compete clause.
Supplementary pension plan	€0	<p>Defined contribution supplementary pension plan: At its April 23, 2015 meeting, when it appointed Ross McInnes as Chairman of the Board of Directors, the Board decided to authorize him to continue to be a beneficiary under the defined contribution supplementary pension plan set up for the Group's managerial-grade staff in France (subject to the same terms and conditions as the other plan members). Mr. McInnes was previously a beneficiary under the plan in his former capacity as a Company employee, then as Deputy Chief Executive Officer following a decision made by the Board of Directors. The contributions to the plan are based on the compensation that Mr. McInnes receives for his role as Chairman of the Board of Directors. The expense recorded in the 2016 financial statements relating to the contributions paid under this plan for Mr. McInnes amounted to €11,204.41. The commitment given by the Company to enable Mr. McInnes to continue to be a beneficiary under this plan was approved at the Annual General Meeting of May 19, 2016, pursuant to the provisions of Article L.225-40 of the French Commercial Code.</p> <p>At December 31, 2016, the estimated theoretical amount⁽²⁾ of the annual retirement benefits that could be paid to Ross McInnes under the defined contribution supplementary pension plan was €5,414.</p> <p>Defined benefit supplementary pension plan: As part of the Group's human resources management policy, on October 31, 2013, the Board of Directors decided to set up a defined benefit supplementary pension plan for Group senior managers in France, effective from January 1, 2014. At its April 23, 2015 meeting, the Board of Directors decided to authorize Ross McInnes to continue to be a beneficiary under this plan (subject to the same terms and conditions as the other plan members). Mr. McInnes was previously a beneficiary under the plan in his former capacity as Deputy Chief Executive Officer, following a decision by the Board of Directors. The methods used to calculate the annual retirement benefits payable to Mr. McInnes under the plan are exactly the same as for the other plan members, namely:</p> <ul style="list-style-type: none"> ▣ the amount of the benefits will be calculated based on the average compensation over the last three years before retirement and will take into account the seniority of the beneficiary concerned within the category of top executives (<i>hors statut</i>) and officers (with at least five years of service), and will be equal to 1.8% of this reference compensation per year of seniority, capped at 18%; ▣ the total replacement rate (all basic, additional and supplementary retirement benefits) is capped at 35% of the reference compensation; ▣ the annual amount of the supplementary retirement benefits is capped at three times the annual social security ceiling in force at the date that the general social security retirement pension is paid (the applicable ceiling in 2017 is €39,228); ▣ the payment of these supplementary retirement benefits is subject to beneficiaries completing their careers with the Group and being entitled to retire under French social security rules having completed the required number of working years. <p>The potential annual retirement benefits to which Ross McInnes would be entitled under this plan, provided he meets the required conditions, would be capped at three times the annual social security ceiling, i.e., €117,684 per year based on the ceiling applicable in 2017. At December 31, 2016, the estimated theoretical amount⁽²⁾ of the annual retirement benefits that could be paid to Ross McInnes under the defined benefit supplementary pension plan was €117,142. The commitment given by the Company to enable Mr. McInnes to continue to be a beneficiary under this plan was approved at the Annual General Meeting of May 19, 2016, pursuant to the provisions of Article L.225-40 of the French Commercial Code.</p>

(1) N/A = not applicable.

(2) Calculated based on the assumption that the annual retirement benefits would be received as from January 1, 2017, irrespective of the eligibility conditions (in accordance with Article D.225-104-1 of the French Commercial Code).

COMPONENTS OF COMPENSATION DUE OR AWARDED TO PHILIPPE PETITCOLIN,
 CHIEF EXECUTIVE OFFICER

Components of compensation due or awarded for 2016	Amounts (or accounting value) submitted to the shareholder vote	Presentation
Fixed compensation	€600,000 (paid in 2016)	Philippe Petitcolin's gross annual fixed compensation was set at €600,000 by the Board of Directors at its meeting of April 23, 2015, when he was appointed Chief Executive Officer, and has remained unchanged since that date.
Annual variable compensation	€745,500 (payable for 2016; paid in 2017)	<p>At its February 24, 2016 meeting, the Board determined the methods used to calculate Philippe Petitcolin's annual variable compensation as follows:</p> <ul style="list-style-type: none"> ▣ one-third was contingent on quantitative and qualitative individual objectives related to: <ul style="list-style-type: none"> - the Group's main industrial programs (LEAP and Silvercrest); - the implementation of strategic decisions made by the Board of Directors (M&A transactions), - HR organizational measures (grading system and promotion of senior managers); ▣ two-thirds was contingent on quantitative financial performance objectives based on recurring operating income (ROI), free cash flow (FCF) and working capital. <p>The Board set the following weightings for each of these objectives:</p> <ul style="list-style-type: none"> - ROI: 60%, - FCF: 30%, and - working capital: 10%. <p>The following triggering thresholds (Thresholds) applied, based on the objectives in the annual budget (Objective(s)):</p> <ul style="list-style-type: none"> - 80% of the ROI Objective, - 65% of the FCF Objective, - 135% of the working capital Objective (no variable compensation due if the level was higher than 135% for this Objective as anything over 135% corresponds to under-performance); ▣ Philippe Petitcolin's "target" variable compensation, i.e., the amount payable if the achievement rate was 100% for all of the financial and individual performance objectives set out above, corresponded to 117% of his annual fixed compensation (the "Target"). <p>If Philippe Petitcolin outperformed his objectives, his "maximum" variable compensation (i.e., the amount payable if the achievement rate was 130% for all of the financial and individual performance objectives set out above) would have corresponded to 130% of the Target, representing 152% of his annual fixed compensation (the "Cap");</p> ▣ calculation methods for the Thresholds and the Cap: <ul style="list-style-type: none"> - the Threshold for each performance metric triggered the entitlement to variable compensation (starting at 0 from the Threshold to 100% if the budget Objective was achieved), - if an Objective was exceeded, the variable compensation allocated in respect of that Objective increased beyond 100% in proportion to the extent to which the Objective was exceeded, but capped at a maximum of 130% irrespective of the extent to which the Objective is exceeded. Consequently: <ul style="list-style-type: none"> - if 130% (or more) of the ROI Objective was achieved, 130% of the Target was payable, corresponding to the Cap for this metric, - if 130% (or more) of the FCF Objective was achieved, 130% of the Target was payable, corresponding to the Cap for this metric, - if 65% (or less) of the working capital Objective was achieved, 130% of the Target was payable, corresponding to the Cap for this metric. <p>At its February 23, 2017 meeting, based on the recommendation of the Appointments and Compensation Committee, the Board of Directors reviewed the achievement of the objectives set for the variable compensation payable to Philippe Petitcolin for 2016.</p> <p>The Board of Directors set Philippe Petitcolin's variable compensation for 2016 at €745,500, based on the following achievement rates:</p> <ul style="list-style-type: none"> ▣ 111% for the objectives related to the Group's financial performance, breaking down as follows: <ul style="list-style-type: none"> - 106% for the ROI target, - 87% for the working capital target, - 129% for the free cash flow target; ▣ 97.5% for the individual performance objectives.

Components of compensation due or awarded for 2016	Amounts (or accounting value) submitted to the shareholder vote	Presentation
Deferred variable compensation	N/A⁽¹⁾	No deferred variable compensation was awarded to Philippe Petitcolin.
Multi-year variable compensation	€0 (no amount payable)	No multi-year variable compensation was awarded to Philippe Petitcolin in 2016. Philippe Petitcolin was granted multi-year variable compensation (performance units) in 2015, under a plan designed to recognize contributions to the Group's operating performance and the creation of shareholder value, as measured over several years. This multi-year compensation plan applied to Philippe Petitcolin and other members of Safran's Executive Committee. Philippe Petitcolin was granted 17,050 performance units (PUs) under the plan. Its main characteristics and terms and conditions are described in sections 6.3.1.2 and 6.3.3.3 of the 2015 Registration Document.

(1) NA = not applicable.

Components of compensation due or awarded for 2016	Amounts (or accounting value) submitted to the shareholder vote	Presentation
Exceptional compensation	N/A ⁽¹⁾	Philippe Petitcolin did not receive any exceptional compensation.
Stock options, performance shares and any other long-term compensation	Stock options = N/A Performance shares = €858,780 (accounting value)	<p>Philippe Petitcolin did not receive any stock options.</p> <p>On the recommendation of the Appointments and Compensation Committee, at its meeting of July 28, 2016, using the authorization granted in the 23rd resolution of the May 19, 2016 Annual General Meeting, the Board of Directors decided to grant 27,390 performance shares to Philippe Petitcolin, as part of an overall performance share plan described in section 6.6.4.2 of the 2016 Registration Document. All of the performance shares awarded to Philippe Petitcolin are subject to the same internal and external performance conditions as those applicable to the other plan beneficiaries.</p> <p>The two internal performance conditions count for 70% of the total vested shares and are based on:</p> <ul style="list-style-type: none"> ▣ ROI, for 35%; ▣ FCF, for 35%; ▣ the achievement levels for these conditions are measured by reference to the average of the targets for ROI and FCF set for the fiscal year in which the grant takes place and for the following two fiscal years, as contained in the most recent medium-term plan (MTP) approved by the Board of Directors before the grant date. The following achievement levels have been set for these conditions: <ul style="list-style-type: none"> - lowest achievement level: if 80% of the MTP target is achieved, 40% of the shares contingent on that target will vest, - target achievement level: if 100% of the MTP target is achieved, 80% of the shares contingent on that target will vest, - highest achievement level (cap): if 125% of the MTP target is achieved, 100% of the shares contingent on that target will vest, - between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the internal performance condition concerned will vest. <p>The external performance condition counts for 30% of the total vested shares and is based on Safran's total shareholder return (TSR) performance as measured relative to a panel of peer companies operating in the same business sectors as Safran (Aerospace, Defense and Security)⁽²⁾.</p> <p>The following achievement levels have been set for this condition:</p> <ul style="list-style-type: none"> ▣ lowest achievement level: if Safran's TSR is equal to that of the peer companies, 40% of the shares contingent on the external performance condition will vest; ▣ target achievement level: if Safran's TSR is 8 points higher than that of the peer companies, 80% of the shares contingent on the external performance condition will vest; ▣ highest achievement level: if Safran's TSR is 12 points higher than that of the peer companies, 100% of the shares contingent on the external performance condition will vest; ▣ between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the external performance condition will vest. <p>Under the rules of the performance share plan, the shares will only vest if the beneficiary still forms part of the Group on the vesting date, apart from in a limited number of cases (death, disability, retirement of the beneficiary or a specific decision by the Board of Directors).</p> <p>The vesting period has been set at three years (2016-2018) and the number of shares that will ultimately vest will depend on the extent to which the applicable performance conditions are met over that period.</p> <p>The vesting period will be followed by a one-year lock-up period.</p> <p>The Board has decided that following this lock-up period and until his term of office ends, Philippe Petitcolin will be required to hold in registered form 40% of the vested performance shares granted under this plan and any future plans, until the number of shares he holds represents the equivalent of one year of his most recent annual fixed compensation.</p> <p>In addition, Philippe Petitcolin has given a formal undertaking to refrain from using instruments to hedge the risks related to these shares until after the end of the lock-up period.</p> <p>The accounting value of these performance shares has been estimated at €858,780⁽³⁾.</p>
	Other long-term compensation = N/A	Philippe Petitcolin did not receive any other long-term compensation.

Components of compensation due or awarded for 2016	Amounts (or accounting value) submitted to the shareholder vote	Presentation
Attendance fees	€38,500 (payable for 2016; paid in 2017)	Philippe Petitcolin receives attendance fees in his capacity as a Director of the Company, in accordance with the allocation rules described in section 6.6.3 of the 2016 Registration Document.
Value of benefits-in-kind	€4,011 (accounting value)	Philippe Petitcolin has the use of a company car.

(1) N/A = not applicable.

(2) At the grant date, these companies comprised Airbus, BAe Systems, Boeing, Finmeccanica, MTU Aero Engines, Rolls-Royce, Thales, Gemalto and Zodiac Aerospace, but the latter two companies have subsequently been removed.

(3) In accordance with IFRS 2, the value of the performance shares was measured at the grant date and not based on compensation received by the beneficiary during the year (see Note 1.q in section 3.1 of the 2016 Registration Document).

Components of compensation due or awarded for 2016 that have been approved by shareholders pursuant to the procedure for related-party agreements and commitments	Amounts submitted to the shareholder vote	Presentation
Termination benefits	N/A⁽¹⁾	Philippe Petitcolin is not entitled to any termination benefits in his capacity as Chief Executive Officer.
Non-compete indemnity	N/A	Philippe Petitcolin is not subject to any non-compete clause.
Supplementary pension plan	€0	<p>Defined contribution supplementary pension plan: At its April 23, 2015 meeting, when it appointed Philippe Petitcolin as Chief Executive Officer, the Board of Directors decided to authorize him to continue to be a beneficiary under the defined contribution supplementary pension plan set up for the Group's managerial-grade staff (subject to the same terms and conditions as the other plan members). Mr. Petitcolin was previously a beneficiary under the plan in his former capacity as a Company employee. The contributions to the plan are based on the annual compensation (fixed and variable) that Mr. Petitcolin receives for his role as Chief Executive Officer. The expense recorded in the 2016 financial statements relating to the contributions paid under this plan for Mr. Petitcolin amounted to €40,175.66. The commitment given by the Company to enable Mr. Petitcolin to continue to be a beneficiary under this plan was approved at the Annual General Meeting of May 19, 2016, pursuant to the provisions of Article L.225-40 of the French Commercial Code.</p> <p>At December 31, 2016, the estimated theoretical amount⁽²⁾ of the annual retirement benefits that could be paid to Philippe Petitcolin under the defined contribution supplementary pension plan was €19,731.</p> <p>Defined benefit supplementary pension plan: As part of the Group's human resources management policy, on October 31, 2013, the Board of Directors decided to set up a defined benefit supplementary pension plan for Group senior managers in France, effective from January 1, 2014. At its April 23, 2015 meeting, the Board of Directors decided to authorize Philippe Petitcolin to continue to be a beneficiary under this plan (subject to the same terms and conditions as the other plan members). Mr. Petitcolin was previously a beneficiary under the plan in his former capacity as a Company employee. The methods used to calculate the annual retirement benefits payable to Mr. Petitcolin under the plan are the same as those for the other plan members, namely:</p> <ul style="list-style-type: none"> ▣ the amount of the benefits will be calculated based on the average compensation over the last three years before retirement and will take into account the seniority of the beneficiary concerned within the category of top executives (<i>hors statut</i>) and officers (with at least five years of service), and will be equal to 1.8% of this reference compensation per year of seniority, capped at 18%; ▣ the total replacement rate (all basic, additional and supplementary retirement benefits) is capped at 35% of the reference compensation; ▣ the annual amount of the supplementary retirement benefits is capped at three times the annual social security ceiling in force at the date that the general social security retirement pension is paid (the applicable ceiling in 2017 is €39,228); ▣ the payment of these supplementary retirement benefits is subject to beneficiaries completing their careers with the Group and being entitled to retire under French social security rules having completed the required number of working years. <p>The potential annual retirement benefits to which Philippe Petitcolin would be entitled under this plan, provided he meets the required conditions, would be capped at three times the annual social security ceiling, i.e., €117,684 per year based on the ceiling applicable in 2017. At December 31, 2016, the estimated theoretical amount⁽²⁾ of the annual retirement benefits that could be paid to him corresponded to this ceiling.</p> <p>The commitment given by the Company to enable Mr. Petitcolin to continue to be a beneficiary under this plan was approved at the Annual General Meeting of May 19, 2016, pursuant to the provisions of Article L.225-40 of the French Commercial Code.</p>

(1) N/A = not applicable.

(2) Calculated based on the assumption that the annual retirement benefits would be received as from January 1, 2017, irrespective of the eligibility conditions (in accordance with Article D.225-104-1 of the French Commercial Code).

TEXT OF THE ELEVENTH RESOLUTION

Advisory vote on the components of compensation due or awarded for 2016 to Ross McInnes, Chairman of the Board of Directors

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, and having been consulted in application of the “say-on-pay” recommendations in Article 26 of the AFEP-MEDEF Code on Corporate Governance – which the Company uses as its reference framework for corporate governance in accordance with Article L.225-37 of the French Commercial Code – the shareholders issue a positive advisory vote on the components of compensation due or awarded for 2016 to Ross McInnes (Chairman of the Board of Directors), as presented in section 6.6.2.3. of the 2016 Registration Document and in the report of the Board of Directors on the resolutions proposed at this Annual General Meeting.

TEXT OF THE TWELFTH RESOLUTION

Advisory vote on the components of compensation due or awarded for 2016 to Philippe Petitcolin, Chief Executive Officer

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, and having been consulted in application of the “say-on-pay” recommendations in Article 26 of the AFEP-MEDEF Code on Corporate Governance – which the Company uses as its reference framework for corporate governance in accordance with Article L.225-37 of the French Commercial Code – the shareholders issue a positive advisory vote on the components of compensation due or awarded for 2016 to Philippe Petitcolin (Chief Executive Officer), as presented in section 6.6.2.3. of the 2016 Registration Document and in the report of the Board of Directors on the resolutions proposed at this Annual General Meeting.

Compensation policy

PRESENTATION OF THE 13th AND 14th RESOLUTIONS

In accordance with Article L.225-37-2 of the French Commercial Code, each year the shareholders are asked to give a forward-looking (“ex-ante”) vote on the principles and criteria used to determine, allocate and award the fixed, variable and exceptional components of the total compensation and benefits packages of executive corporate officers. Consequently, the shareholders are invited for the first time to vote on the compensation policy adopted by the Board of Directors, in accordance with the new requirements introduced by French Act 2016-1691 of December 9, 2016 relating to transparency, anti-corruption measures and modernization of the economy.

These principles and criteria adopted by the Board of Directors form the Company’s compensation policy. They are presented in section 6.6.1 of the 2016 Registration Document and reproduced on pages 57 to 65 of this Notice.

As from 2018, shareholders will be asked to give a backward-looking (“ex-post”) vote on the components of the compensation and benefits packages of executive corporate officers set by the Board for 2017 based on the compensation policy voted on in the 13th and 14th resolutions of this meeting.

In addition, payment of the variable and any exceptional components of the executive corporate officers’ compensation for 2017 will be subject to shareholder approval at the 2018 Annual General Meeting.

In the 13th and 14th resolutions, you are invited to vote in favor of the compensation policy applicable to the Chairman of the Board of Directors and the Chief Executive Officer respectively.

TEXT OF THE THIRTEENTH RESOLUTION

Approval of the compensation policy applicable to the Chairman of the Board of Directors

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors’ report on the compensation policy applicable to executive corporate officers drawn up in accordance with Article L.225-37-2 of the French Commercial Code, the shareholders approve the compensation policy applicable to the Chairman of the Board of Directors, as presented in sections 6.6.1 and 6.6.1.1 of the 2016 Registration Document.

TEXT OF THE FOURTEENTH RESOLUTION

Approval of the compensation policy applicable to the Chief Executive Officer

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors’ report on the compensation policy applicable to executive corporate officers drawn up in accordance with Article L.225-37-2 of the French Commercial Code, the shareholders approve the compensation policy applicable to the Chief Executive Officer, as presented in sections 6.6.1 and 6.6.1.2 of the 2016 Registration Document.

Authorization for the Board of Directors to carry out a share buyback program

PRESENTATION OF THE 15th RESOLUTION

Share buyback programs

The Company needs to have the necessary flexibility to react to changes in financial markets by buying back Safran shares.

Shareholders are therefore invited to renew the authorization given to the Board of Directors to carry out a share buyback program, with the following main conditions:

- ▣ the number of shares that may be bought back may not exceed 10% of the Company's total outstanding shares (for information purposes, 41,702,958 shares based on the issued capital at December 31, 2016) and the Company may at no time directly or indirectly hold a number of Safran shares representing more than 10% of its capital;
- ▣ the shares may be purchased, sold or transferred by any authorized method, including through block trades for all or some of the program, subject to the regulations in force at the date on which the authorization is implemented.

Subject to the limits authorized by the applicable laws and regulations, the Board of Directors may use this authorization at any time, except during periods when there is a public offer in progress for the Company's shares, or during the run-up to such an offer.

The maximum per-share purchase price of shares acquired using this authorization would be set at €95 and the maximum total investment in the buyback program would be €3.9 billion (in lieu of the amounts set out in section 7.2.7.2 of the 2016 Registration Document).

The buyback program would be used to purchase shares for the following purposes:

- ▣ to maintain a liquid market in the Company's shares via a liquidity agreement entered into with an investment services firm;
- ▣ for allocation or sale to employees and/or certain corporate officers, notably in connection with a profit-sharing plan, free share grant plan or Group employee savings plan;
- ▣ for delivery on the exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;
- ▣ for delivery in payment or exchange for external growth transactions; and
- ▣ for cancellation, pursuant to the share capital reduction authorization in effect, granted by the Annual General Meeting.

This program is also designed to enable any future market practices permitted by the French financial markets authority (*Autorité des Marchés Financiers* - AMF) to be carried out and, more generally, to enable any other authorized operations or operations that would be authorized in the future by the applicable regulations. In such a case, the Company will inform its shareholders in a press release.

This authorization would be given for a period of 18 months and would supersede the previous authorization granted for the same purpose in the 21st resolution of the Annual General Meeting held on May 19, 2016.

Report on the utilization in 2016 of previous shareholder-approved share buyback programs

In 2016, the aggregate number of shares purchased under the liquidity agreement entered into with Oddo Corporate Finance amounted to 2,645,456.

The total number of shares sold under this liquidity agreement during the year amounted to 2,634,148.

No treasury shares purchased under a buyback program were canceled in 2016.

During 2016 the Company carried out the following transactions in its own shares:

- ▣ on November 21, 2016, it bought back 600,000 Safran shares. These shares were purchased for subsequent grants or sales to employees and/or corporate officers of the Company or other Group companies;
- ▣ on December 12, 2016, Safran announced its intention to buy back up to €450 million worth of its own shares in order to neutralize the dilutive effect of equity instruments on its balance sheet. On December 8, 2016, Safran signed a share purchase agreement with an investment services firm for an initial buyback tranche (see section 7.2.7 of the 2016 Registration Document). The buyback of this first tranche was carried out in two phases with the first buyback of 621,475 shares completed on December 30, 2016. These shares are earmarked to cover exchangeable debt securities.

At December 31, 2016, Safran directly held 1,838,487 of its own shares, representing 0.44% of its capital.

These treasury shares were held for the following purposes:

- ▣ for allocation or sale to employees: 1,118,604 shares, representing 0.27% of the Company's capital;
- ▣ to cover exchangeable debt securities: 621,475 shares, representing 0.15% of the Company's capital;
- ▣ to maintain a liquid market in the Company's shares via a liquidity agreement: 98,408 shares, representing 0.02% of the Company's capital.

TEXT OF THE FIFTEENTH RESOLUTION

Authorization for the Board of Directors to carry out a share buyback program

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the report of the Board of Directors, the shareholders grant the Board of Directors an authorization – which may be delegated pursuant to the law – to purchase, directly or indirectly, the Company's shares in accordance with the conditions set out in Articles L.225-209 *et seq.* of the French Commercial Code and EC Regulation 596/2014 dated April 16, 2014, as well as any other laws and regulations that may be applicable in the future.

The authorization may be used to purchase shares:

- to maintain a liquid market in the Company's shares via a liquidity agreement that complies with the Code of Ethics drawn up by the French association of financial and investment firms (*Association Française des Marchés Financiers* – AMAFI), approved by the AMF, and entered into with an investment services firm;
- for allocation or sale to employees and/or corporate officers of the Company or other Group companies, in accordance with the terms and conditions provided for by law, notably in connection with a profit-sharing plan, free share grants, the exercising of stock options, the Group employee savings plan, or any company employee savings plan in place within the Group;
- for delivery on the exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;
- to hold in treasury for subsequent delivery in payment or exchange for external growth transactions; and
- for cancellation, pursuant to the share capital reduction authorization in effect, granted by the Annual General Meeting.

This authorization is also designed to enable any future market practices permitted by the AMF to be carried out and, more generally, to enable any other operations authorized by the applicable regulations. The Company will inform its shareholders in a press release prior to carrying out any such operations.

Shares may be purchased, sold, or transferred by any method allowed under the laws and regulations applicable at the transaction date, on one or more occasions, including, in accordance with the regulations in force at the date of this meeting, over-the-counter and through block trades for all or part of the program, as well as through the use of derivative financial instruments.

The Board of Directors may use this authorization at any time subject to the limitations set down by the applicable laws and regulations, except during, or in the run-up to, a public offer for the Company's shares.

The number of shares that may be bought back under this authorization may not exceed 10% of the Company's total outstanding shares (for information purposes, 41,702,958 shares based on the issued capital at December 31, 2016). This ceiling is reduced to 5% for shares acquired for the purpose of being held in treasury for subsequent delivery in payment or exchange for external growth transactions. When shares are bought back for the purpose of maintaining a liquid market in the Company's shares via a liquidity agreement, the number of shares included in the calculation of the 10% ceiling corresponds to the number of shares purchased less any shares sold during the period covered by this authorization.

Under no circumstances may the Company hold, either directly or indirectly, more than 10% of its share capital.

The shares may not be purchased at a price of more than €95 per share and the maximum amount that may be invested in the program is €3.9 billion. However, the Board of Directors may adjust this maximum purchase price to take into account the impact on the share price of any corporate actions.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to carry out this share buyback program, set the applicable terms and conditions, make the required adjustments as a result of any corporate actions, place any and all buy and sell orders, enter into any and all agreements notably for the keeping of registers of share purchases and sales, make any and all filings with the AMF and any other organization, carry out all other formalities, and generally do everything necessary to use this authorization.

This authorization is given for a period of 18 months from the date of this meeting and supersedes the authorization given to the Board of Directors for the same purpose in the 21st resolution of the Annual General Meeting held on May 19, 2016.

Extraordinary resolutions

Amendment to the Company's bylaws

PRESENTATION OF THE 16th RESOLUTION

In the 16th resolution shareholders are invited to amend the Company's bylaws in order to raise the age limit for serving as Chief Executive Officer or Deputy Chief Executive Officer (if applicable) from 65 to 68.

This resolution is being submitted because the age limit of 65 for these posts no longer seems suited to the Company in view of executives' longer careers. By extending the age limit to 68, the Company will be able to benefit from the experience and expertise of high-quality executives for a longer period of time. Many of Safran's peer companies offer such a possibility in their bylaws, and the Board of Directors considers that the higher age limit would be in Safran's best interests.

In view of the strategic, industrial and operational challenges facing Safran in the coming years, including the ramp-up of the LEAP program, this amendment to the bylaws would enable the Board of Directors (if it so decided) to extend Philippe Petitcolin's term of office, which is due to expire at the Annual General Meeting to be held to approve the financial statements for the year ending December 31, 2017.

TEXT OF THE SIXTEENTH RESOLUTION

Amendment to Article 25 of the Company's bylaws in order to raise the age limit for serving as Chief Executive Officer or Deputy Chief Executive Officer to 68

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors, the shareholders resolve:

- ▣ to raise the age limit for serving as Chief Executive Officer or Deputy Chief Executive Officer to 68;
- ▣ to accordingly amend Article 25 of the Company's bylaws to read as follows:

"Article 25 - Age Limit

25.1 The age limit for holding office as Chief Executive Officer or Deputy Chief Executive Officer shall be sixty-eight.

25.2 No-one over the age of sixty-eight may be appointed as Chief Executive Officer or Deputy Chief Executive Officer.

25.3 When the Chief Executive Officer or a Deputy Chief Executive Officer reaches the age of sixty-eight during his term of office, he will be deemed to have resigned from his position at the close of the first Annual General Meeting held after the date of his sixty-eighth birthday."

Financial authorizations

Safran needs to have the flexibility required to raise financing swiftly to support its ongoing operations and business development, based on opportunities arising in financial markets and using the most suitable financial instruments. To this end shareholders are invited to grant the Board of Directors the necessary authorizations to issue ordinary shares and/or securities carrying immediate or deferred rights to shares of the Company.

The Board of Directors is seeking these authorizations in order to carry out the operations considered necessary for the effective running and future growth of the Company and the Group. If the new authorizations are adopted, they will supersede the previous authorizations granted to the Board of Directors for the same purpose.

In order to take into consideration the diversity and expectations of shareholders, two sets of financial authorizations are being submitted to the shareholders for their approval:

- ▣ a first set of authorizations which may not be used during, or in the run-up to, a public offer for the Company's shares;
- ▣ a second set of authorizations which are similar but may only be used during, or in the run-up to, a public offer for the Company's shares.

A summary table is provided on page 66 of the Notice of Meeting setting out the financial authorizations that shareholders are being asked to approve.

Ceilings

The authorizations given in these resolutions would enable the Board of Directors to increase the Company's capital by a maximum nominal amount of €20 million (blanket ceiling set in the 17th resolution), corresponding to a maximum of 100 million shares and representing less than 25% of the current capital.

The following individual ceilings provided for in the various resolutions are included in this blanket ceiling (expressed in terms of nominal value):

Resolutions that may not be used during, or in the run-up to, a public offer for the Company's shares

- ▣ €20 million ceiling applicable to capital increases carried out with pre-emptive subscription rights for existing shareholders (17th resolution);
- ▣ €8 million ceiling (less than 10% of the Company's capital) applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, by way of a public offer (18th resolution);
- ▣ €8 million ceiling applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company (19th resolution);
- ▣ €8 million ceiling applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, through a private placement (20th resolution);
- ▣ ceiling currently equal to 15% of any issues carried out pursuant to the 17th to 20th resolutions which are oversubscribed (21st resolution), also subject to the ceiling applicable in the relevant resolution;
- ▣ €12.5 million ceiling applicable to capital increases carried out by capitalizing reserves (22nd resolution).

Resolutions that may only be used during, or in the run-up to, a public offer for the Company's shares

- ▣ €8 million ceiling applicable to capital increases carried out with pre-emptive subscription rights for existing shareholders (23rd resolution);
- ▣ €8 million ceiling (less than 10% of the Company's capital) applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, by way of a public offer (24th resolution);
- ▣ €8 million ceiling applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company (25th resolution);
- ▣ €8 million ceiling applicable to capital increases carried out without pre-emptive subscription rights for existing shareholders, through a private placement (26th resolution);
- ▣ ceiling currently equal to 15% of any issues carried out pursuant to the 23rd to 26th resolutions which are oversubscribed, also subject to the ceiling applicable in the relevant resolution (27th resolution);
- ▣ €8 million ceiling applicable to capital increases carried out by capitalizing reserves (28th resolution).

The blanket ceiling set in the 17th resolution also includes any capital increases carried out as a result of employee share issues, which are capped at 1% of the Company's capital (29th resolution).

None of the above ceilings include the par value of any additional shares that may be issued in the event of further corporate actions, in accordance with the applicable laws and regulations and any contractual provisions, to protect the rights of existing holders of securities carrying rights to the Company's shares or beneficiaries of free share grants.

If the authorizations granted in the 17th to 21st and 23rd to 27th resolutions are used to issue debt securities, the aggregate nominal amount of said debt securities may not exceed €2 billion (or the equivalent of this amount for issues denominated in foreign currency or a monetary unit determined by reference to a basket of currencies).

Sub-ceilings applicable to issues carried out without pre-emptive subscription rights for existing shareholders

Issues carried out without pre-emptive subscription rights for existing shareholders (pursuant to the 18th to 21st resolutions and the 24th to 27th resolutions) are subject to a cumulative sub-ceiling of €8 million for capital increases (less than 10% of the share capital) and €1.8 billion for issues of debt securities (irrespective of whether or not the issues are carried out during, or in the run-up to, a public offer for the Company's shares).

Sub-ceiling applicable to capital increases carried out during, or in the run-up to, a public offer for the Company's shares

All capital increases that may be carried out during, or in the run-up to, a public offer for the Company's shares, either with or without pre-emptive subscription rights for existing shareholders (pursuant to the 23rd to 28th resolutions), are subject to an aggregate ceiling of €8 million (less than 10% of the capital).

Use of previous authorizations

The financial authorizations given to the Board of Directors at the April 23, 2015 and May 19, 2016 Annual General Meetings were used as follows:

- ▣ the authorization given to the Board of Directors in the 21st resolution of the April 23, 2015 Annual General Meeting to increase the Company's capital through a private placement was used in January 2016 to issue bonds convertible and/or exchangeable for new and/or existing shares ("OCEANE" bonds) (see section 7.2.3.2 of the 2016 Registration Document);

- the authorization given to the Board of Directors in the 23rd resolution of the May 19, 2016 Annual General Meeting to grant new or existing shares of the Company free of consideration was used in July 2016 and March 2017 (see section 7.3.7.1 of the 2016 Registration Document).

The other authorizations given to the Board of Directors by shareholders in order to increase the Company's capital were not used in 2016.

Authorizations which may not be used during, or in the run-up to, a public offer for the Company's shares

PRESENTATION OF THE 17th RESOLUTION

Issue of various shares and/or other securities with pre-emptive subscription rights

The purpose of the 17th resolution is to authorize the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders. The pre-emptive rights granted to existing shareholders may be detached from the shares to which they relate and may be transferred or traded throughout the subscription period of any issues carried out under this authorization.

These pre-emptive subscription rights would entitle their holders to subscribe for a number of new shares proportionate to the number of pre-emptive rights held, during a period corresponding to at least five trading days from the opening of the subscription period.

The Board of Directors would be able to use this authorization at any time except during, or in the run-up to, a public offer for the Company's shares.

The maximum aggregate nominal amount of any capital increases carried out pursuant to this resolution – either immediately or on the exercise of rights to shares of the Company – would be set at €20 million (representing approximately 24% of the Company's capital). This €20 million ceiling corresponds to a blanket ceiling covering all of the capital increases that may be carried out pursuant to this resolution as well as the 18th, 19th, 20th, 21st, 22nd, 23rd, 24th, 25th, 26th, 27th, 28th and 29th resolutions.

The maximum principal amount of any debt securities issued would be set at €2 billion. The nominal amount of any capital increases resulting from the exercise of rights attached to debt securities carrying rights to shares of the Company would be included in the €20 million blanket ceiling on capital increases set in this resolution. This €2 billion ceiling corresponds to a blanket ceiling covering the principal amount of all debt securities that may be issued pursuant to this resolution as well as the 18th, 19th, 20th, 21st, 23rd, 24th, 25th, 26th and 27th resolutions.

This authorization would supersede, as from the date of the Meeting, the authorization granted to the Board of Directors for the same purpose in the 18th resolution of the Annual General Meeting held on April 23, 2015.

TEXT OF THE SEVENTEENTH RESOLUTION

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with the applicable laws and regulations, and in particular Articles L.225-129-2, L.225-132 and L.228-91 *et seq.* of the French Commercial Code, and having noted that the share capital has been fully paid up, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions, ordinary shares and/or securities carrying immediate or deferred rights to new or existing ordinary shares of the Company (either with or without consideration), with pre-emptive subscription rights for existing shareholders. The Board will have full discretionary powers to determine the amount and timing of said issue(s), which may be carried out in France or abroad and may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that if the Board of Directors uses this authorization:
 - the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either directly or on the exercise of rights to shares – is set at €20 million corresponding to 100 million shares. This €20 million ceiling represents a blanket ceiling covering all of the capital increases that may be carried out under this authorization and the authorizations

granted in the 18th, 19th, 20th, 21st, 22nd, 23rd, 24th, 25th, 26th, 27th, 28th and 29th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares;

- the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €2 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This ceiling represents a blanket ceiling covering the principal amount of all debt securities that may be issued under this authorization and the authorizations granted in the 18th, 19th, 20th, 21st, 23rd, 24th, 25th, 26th and 27th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve that existing shareholders will have pre-emptive rights to subscribe for the securities issued pursuant to this authorization, in proportion to their existing holdings.
4. Note that in accordance with the law, the Board of Directors may grant shareholders additional pre-emptive rights to subscribe for any securities not taken up by other shareholders exercising their pre-emptive subscription rights. Such additional rights will also be exercisable in proportion to shareholders' existing holdings and within the limits of their requests.
5. Resolve that if an issue is not taken up in full by shareholders exercising their pre-emptive rights as described above, the Board of Directors may take one or more of the following courses of action, in accordance with the law and in the order of its choice:
 - limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
 - freely allocate all or some of the unsubscribed securities;
 - offer some or all of the unsubscribed securities on the open market, either in France or abroad.
6. Resolve that Safran stock warrants may be offered for subscription on the above basis or allocated without consideration to existing shareholders. In the latter case, the Board of Directors will have full powers to decide that rights to fractions of warrants will not be transferable or tradable and that the corresponding warrants will be sold.
7. Resolve that the Board of Directors may suspend the exercise of rights to shares of the Company for a maximum period of three months, and make any adjustments in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares.
8. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.

The shareholders give full powers to the Board of Directors - or any representative duly empowered in accordance with the law - to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level;
- in the case of the issuance of debt securities, determine (i) whether the debt should be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned;
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this meeting and supersedes the authorization given to the Board of Directors for the same purpose in the 18th resolution of the Annual General Meeting held on April 23, 2015.

PRESENTATION OF THE 18th TO 20th RESOLUTIONS

Issue of shares and/or other securities without pre-emptive subscription rights

The purpose of the 18th to 20th resolutions is to authorize the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders.

The Board of Directors would be able to use these authorizations at any time except during, or in the run-up to, a public offer for the Company's shares.

The maximum nominal amount of any capital increases carried out using these three authorizations (both per authorization and cumulatively) would be set at €8 million, representing approximately 9.6% of the Company's capital. The amounts used under these authorizations would be included in the blanket ceiling set in the 17th resolution.

The maximum principal amount of any debt securities issued would be set (both per authorization and cumulatively) for the three authorizations at €1.8 billion. The amounts used under these authorizations would be included in the €2 billion blanket ceiling set in the 17th resolution. The nominal amount of any capital increases resulting from the exercise of rights attached to debt securities carrying rights to shares of the Company would be included in the €8 million individual and cumulative ceiling set in the 18th to 20th resolutions (and therefore in the blanket ceiling set in the 17th resolution).

These authorizations would supersede, as from the date of this meeting, the authorization granted to the Board of Directors for the same purpose in the 19th, 20th and 21st resolutions of the Annual General Meeting held on April 23, 2015.

18th resolution (public offers). In this resolution the Board is seeking an authorization to issue ordinary shares and/or securities carrying rights to shares of the Company, by way of a public offer. If this resolution is adopted, the Board of Directors would be able to grant shareholders a priority subscription right for a period of at least three trading days but this right would be non-transferable and non-tradable. The waiver of shareholders' pre-emptive subscription rights would make it easier to carry out public offers, especially when an issue has to be organized swiftly in order for it to be successful, or when shares or other securities are offered in financial markets both in France and abroad.

19th resolution (issues carried out in the event of a public exchange offer initiated by the Company). The purpose of this resolution is to authorize the Board to issue shares of the Company and/or securities carrying rights to the Company's shares as payment for securities of another company that are tendered to a public exchange offer initiated by the Company in France or abroad.

20th resolution (private placements governed by Article L.411-2-II of the French Monetary and Financial Code). This resolution would authorize the Board of Directors to issue shares and/or securities carrying rights to the Company's shares, by way of a private placement carried out through an offer to qualified investors or a restricted group of investors). The simplified procedure for this type of private placement would enable the Company to react swiftly to market opportunities and rapidly raise the funds it requires.

TEXT OF THE EIGHTEENTH RESOLUTION

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company without pre-emptive subscription rights for existing shareholders, by way of a public offer, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129 *et seq.* of the French Commercial Code, notably Articles L.225-129-2, L.225-135 and L.225-136 as well as Articles L.228-91 *et seq.* of said Code, and having noted that the share capital has been fully paid up, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions and through a public offer, ordinary shares of the Company and/or securities carrying immediate or deferred rights to new or existing ordinary shares of the Company (either with or without consideration). The Board will have full discretionary powers to determine the amount and timing of said issue(s), which may be carried out in France or abroad and may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that if the Board of Directors uses this authorization:
 - the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either directly or on the exercise of rights to shares – is set at €8 million. This €8 million ceiling (i) represents an overall ceiling on the nominal amount of the capital increases that may be carried out under this authorization and the authorizations granted in the 19th, 20th, 21st, 24th, 25th, 26th and 27th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same

purpose that could supersede the aforementioned resolutions during the validity period of this authorization), and (ii) is included in the blanket ceiling set in the 17th resolution (or in any ceiling set in a resolution with the same purpose that could supersede the 17th resolution during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares;

- the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €1.8 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This €1.8 billion ceiling (i) represents an overall ceiling on the principal amount of debt securities that may be issued under this authorization and the authorizations granted in the 19th, 20th, 21st, 24th, 25th, 26th and 27th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), and (ii) is included in the blanket ceiling set in the 17th resolution (or in any ceiling set in a resolution with the same purpose that could supersede the 17th resolution during the validity period of this authorization). However, it is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve to waive shareholders' pre-emptive rights to subscribe for the shares and/or other securities to be issued under this authorization. However, in accordance with paragraph 5 of Article L.225-135 and Article R.225-131 of the French Commercial Code, the Board of Directors may offer existing shareholders a priority right to subscribe for all or part of any issue(s) carried out under this authorization for a period of no less than three trading days. Such priority rights will not be transferable or tradable and will be exercisable in proportion to shareholders' existing interests.
4. Resolve that if an issue is not taken up in full (including by shareholders exercising their above-mentioned priority rights), the Board of Directors may take one or the other of the following courses of action, in accordance with the law and in the order of its choice:
 - limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
 - freely allocate all or some of the unsubscribed securities.
5. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.
6. Resolve that the issue price of the shares or securities carrying rights to shares will be at least equal to the minimum price provided for in the laws and regulations in force on the issue date (for information purposes, corresponding at the date of this meeting to a price at least equal to the weighted average of the prices quoted for the Company's shares over the three trading days preceding the pricing date, less a discount of no more than 5%).

The shareholders give full powers to the Board of Directors - or any representative duly empowered in accordance with the law - to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company;
- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to the Company's shares, in accordance with the applicable laws, regulations and contractual provisions;
- in the case of the issuance of debt securities, determine (i) whether the debt will be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this meeting and supersedes the authorization given to the Board of Directors for the same purpose in the 19th resolution of the Annual General Meeting held on April 23, 2015.

TEXT OF THE NINETEENTH RESOLUTION

Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129-2 to L.225-129-6, L.225-148 and L.228-91 *et seq.* of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to issue shares of the Company and/or securities carrying immediate or deferred rights to the Company's shares as payment for securities of another company tendered to a public exchange offer initiated by the Company. The shareholders further authorize the Board to cancel the pre-emptive rights of existing shareholders to subscribe for the shares and/or other securities issued under this authorization;

This authorization may be used in connection with any public exchange offer initiated by the Company, in France or abroad, for the securities of another company listed on one of the regulated markets referred to in Article L.225-148 of the French Commercial Code, or any other type of public offer that complies with the applicable laws and regulations, including notably any public exchange offer, any alternative public purchase or exchange offer, any stock-for-stock and stock-for-cash purchase or exchange offer, any public purchase or exchange offer combined with a secondary purchase or exchange offer, or any other type of public offer that complies with the applicable laws and regulations.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the third-party's offer, unless (i) the Company has already announced its own public offer prior to that period, and (ii) it obtains the prior approval of the shareholders in a General Meeting.

2. Note that, in accordance with Article L.225-132 of the French Commercial Code, in the event of an issue carried out under this authorization of securities carrying immediate or deferred rights to shares of the Company, existing shareholders will waive their pre-emptive rights to subscribe for the shares to be issued on the exercise of the rights attached to said securities.

3. Resolve that if the Board of Directors uses this authorization:

- the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization - either directly or on the exercise of rights to shares - is set at €8 million. This ceiling is included in the €8 million overall ceiling set in the 18th resolution above and the blanket ceiling set in the 17th resolution (or any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares;
- the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €1.8 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This ceiling is included in the €1.8 billion overall ceiling set in the 18th resolution above and the blanket ceiling set in the 17th resolution (or in any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However it is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

4. Resolve that the Board of Directors will have full powers to use this authorization, in particular to carry out issues of shares and/or securities carrying immediate or deferred rights to shares of the Company in connection with public offers that fall within the scope of this resolution, and notably to:

- set the exchange ratio as well as any balance to be paid in cash;
- place on record the number of securities tendered to the exchange;
- determine the timing and other terms and conditions of the issue(s) and notably the price and cum-rights date (which may be retroactive) of the securities issued in accordance with this resolution;
- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to the Company's shares, in accordance with the applicable laws, regulations and contractual provisions;
- credit the difference between the issue price of the new shares and their par value to a "contribution premium" account to which all shareholders will have equivalent rights;

- charge all the issuance costs against the contribution premium; and more generally
 - take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.
5. Authorize the Board of Directors, within the limits set in advance by the Board, to delegate to the Chief Executive Officer or, in agreement with him, to one or more Deputy Chief Executive Officers, the authorization given under this resolution.

This authorization is given for a period of 26 months from the date of this meeting and supersedes the authorization given to the Board of Directors for the same purpose in the 20th resolution of the Annual General Meeting held on April 23, 2015.

TEXT OF THE TWENTIETH RESOLUTION

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through a private placement governed by Article L.411-2-II of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129 *et seq.* of the French Commercial Code, notably Articles L.225-129-2, L.225-135 and L.225-136, as well as Articles L.228-91 *et seq.* of said Code and Article L.411-2-II of the French Monetary and Financial Code, the shareholders:

1. Authorize the Board of Directors - or any representative duly empowered in accordance with the law - to increase the Company's capital by issuing, on one or more occasions, ordinary shares and/or securities carrying immediate or deferred rights to new or existing ordinary shares of the Company (either with or without consideration) through a private placement that complies with the conditions set out in Article L.411-2-II of the French Monetary and Financial Code. The Board of Directors will have full discretionary powers to determine the amount and timing of said issue(s), which may be carried out in France or abroad and may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that if the Board of Directors uses this authorization:

- the maximum nominal amount of capital increases that may be issued pursuant to this authorization - either directly or on the exercise of rights to shares - will be €8 million. This ceiling is included in the €8 million overall ceiling set in the 18th resolution above and the blanket ceiling set in the 17th resolution (or in any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares;
- the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €1.8 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This ceiling is included in the €1.8 billion overall ceiling set in the 18th resolution above and the blanket ceiling set in the 17th resolution (or in any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve to waive shareholders' pre-emptive rights to subscribe for the shares and/or other securities to be issued under this authorization.
4. Resolve that if an issue is not fully subscribed, the Board of Directors may limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up.

5. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.
6. Resolve that the issue price of the shares or securities carrying rights to shares will be at least equal to the minimum price provided for in the laws and regulations in force on the issue date (for information purposes, corresponding at the date of this meeting to a price at least equal to the weighted average of the prices quoted for the Company's shares over the three trading days preceding the pricing date, less a discount of no more than 5%).

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company;
- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to the Company's shares, in accordance with the applicable laws, regulations and contractual provisions;
- in the case of the issuance of debt securities, determine (i) whether the debt will be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s) and private placement(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this meeting and supersedes the authorization given to the Board of Directors for the same purpose in the 21st resolution of the Annual General Meeting held on April 23, 2015.

PRESENTATION OF THE 21ST RESOLUTION

In the 21st resolution, the Board of Directors is seeking an authorization to increase the number of securities to be issued in the event that an issue carried out with or without pre-emptive subscription rights decided by the Board of Directors pursuant to the 17th, 18th, 19th or 20th resolution is oversubscribed.

The Board of Directors would be able use this authorization at any time except during, or in the run-up to, a public offer for the Company's shares.

The additional securities would be issued at the same price as for the original issue in accordance with the timeframes and ceilings specified in the applicable laws and regulations in force on the issue date (currently, the additional securities must be issued within 30 days of the close of the original subscription period and may not represent more than 15% of the original issue amount). The sub-ceilings and ceilings set in the 17th, 18th, 19th and 20th resolutions would apply if the 21st resolution is used. Any issues of additional securities carried out under this resolution may not result in the ceiling(s) set in the original resolution being exceeded.

This authorization would supersede, as from the date of the Meeting, the authorization granted to the Board of Directors for the same purpose in the 22nd resolution of the Annual General Meeting held on April 23, 2015.

TEXT OF THE TWENTY-FIRST RESOLUTION

Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights (pursuant to the 17th, 18th, 19th and 20th resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares

Having considered the report of the Board of Directors, in accordance with French company law, notably Articles L.225-135-1 and R.225-118 of the French Commercial Code, and subject to the adoption of the 17th, 18th, 19th and 20th resolutions, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights as decided by the Board of Directors pursuant to the 17th, 18th, 19th or 20th resolutions, notably in order to grant an overallotment option in accordance with standard market practices. The additional securities will be issued at the same price as for the original issue in accordance with the conditions and ceilings specified in the applicable laws and regulations (as at the date of this meeting, they must be issued within 30 days of the

close of the original subscription period and may not represent more than 15% of the original issue amount). In the case of an issue carried out with pre-emptive subscription rights, any additional securities issued pursuant to this resolution may only be offered to shareholders in proportion to their existing holdings.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve that the nominal amount of any capital increases carried out as a result of the shares or other securities issued pursuant to this resolution will be included in the ceiling(s) provided for in the resolution under which the original issue is decided (or in any ceiling(s) set in any resolution with the same purpose that could supersede the resolution concerned during the validity period of this authorization).

This authorization is given for a period of 26 months from the date of this meeting and supersedes the authorization given to the Board of Directors for the same purpose in the 22nd resolution of the Annual General Meeting held on April 23, 2015.

PRESENTATION OF THE 22nd RESOLUTION

Capitalization of reserves, retained earnings or additional-paid in capital

The purpose of the 22nd resolution is to authorize the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings or additional paid-in capital brought forward from prior years.

The maximum aggregate nominal amount of any capital increases carried out pursuant to this resolution would be set at €12.5 million, which would be included in the €20 million blanket ceiling set in the 17th resolution.

The Board of Directors would be able to use this authorization at any time except during, or in the run-up to, a public offer for the Company's shares.

This authorization would supersede, as from the date of the Meeting, the authorization granted to the Board of Directors for the same purpose in the 23rd resolution of the Annual General Meeting held on April 23, 2015.

TEXT OF THE TWENTY-SECOND RESOLUTION

Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings or additional paid-in capital, which may not be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in extraordinary session but in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, and having considered the report of the Board of Directors, in accordance with the applicable laws and regulations and in particular with Articles L.225-129-2 and L.225-130 of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors - or any representative duly empowered in accordance with the law - to increase the Company's capital on one or more occasions, to be paid up by capitalizing reserves, retained earnings, additional paid-in capital and/or other items that may be capitalized in accordance with the applicable laws and the Company's bylaws, by issuing bonus shares and/or raising the par value of existing shares. The amounts and timing of such issues will be determined at the Board's discretion.

However, if a third party launches a public offer for the Company's shares, the Board may not use this authorization during, or in the run-up to, the offer, unless it obtains the prior approval of the shareholders in a General Meeting.

2. Resolve to set the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization at €12.5 million. This ceiling is included in the blanket ceiling set in the 17th resolution (or in any ceiling set in any resolution with the same purpose that could supersede the 17th resolution during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares.
3. Resolve that rights to fractions of shares will not be transferable or tradable and that the corresponding shares will be sold, with the proceeds allocated to the holders of the rights in accordance with the applicable laws.

The shareholders give full powers to the Board of Directors - or any representative duly empowered in accordance with the law - to use this authorization and to take any and all measures and carry out any and all formalities required to successfully complete the capital increase(s), as well as to place on record the capital increase(s) and amend the Company's bylaws to reflect the new capital.

This authorization is given for a period of 26 months from the date of this meeting and supersedes the authorization given to the Board of Directors for the same purpose in the 23rd resolution of the Annual General Meeting held on April 23, 2015.

Authorizations which may only be used during, or in the run-up to, a public offer for the Company's shares

PRESENTATION OF THE 23rd RESOLUTION

Issue of various shares and/or other securities with pre-emptive subscription rights

The purpose of this resolution is the same as for the 17th resolution but may only be used during, or in the run-up to, a public offer launched by a third party for the Company's shares.

The maximum aggregate nominal amount of any capital increases carried out pursuant to this resolution – either immediately or on the exercise of rights to shares of the Company – would be set at €8 million (representing approximately 9.6% of the Company's capital). This amount would be included in the blanket ceiling set in the 17th resolution.

The maximum principal amount of any debt securities issued would be set at €2 billion, which would be included in the €2 billion blanket ceiling set in the 17th resolution. The nominal amount of any capital increases resulting from the exercise of rights attached to debt securities carrying rights to shares of the Company would be included in the €8 million ceiling for capital increases set in this resolution (and therefore in the blanket ceiling set for capital increases set in the 17th resolution).

TEXT OF THE TWENTY-THIRD RESOLUTION

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may only be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129-2, L.225-132 and L.228-91 *et seq.* of the French Commercial Code, and having noted that the share capital has been fully paid up, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions, ordinary shares and/or securities carrying immediate or deferred rights to new or existing ordinary shares of the Company (either with or without consideration), with pre-emptive subscription rights for existing shareholders. The Board will have full discretionary powers to determine the amount and timing of said issue(s), which may be carried out in France or abroad and may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies.

This authorization may only be used during, or in the run-up to, a public offer launched by a third party for the Company's shares.

2. Resolve that if the Board of Directors uses this authorization:
 - the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either directly or on the exercise of rights to shares – is set at €8 million. This €8 million ceiling (i) represents an overall ceiling on the nominal amount of the capital increases that may be carried out under this authorization and the authorizations granted in the 24th, 25th, 26th, 27th and 28th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), and (ii) is included in the €20 million blanket ceiling set in the 17th resolution (or in any ceiling set in a resolution with the same purpose that could supersede the 17th resolution during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares;
 - the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €2 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This €2 billion ceiling (i) represents an overall ceiling on the principal amount of debt securities that may be issued under this authorization and the authorizations granted in the 24th, 25th, 26th and 27th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), and (ii) is included in the €2 billion blanket ceiling set in the 17th resolution (or in any ceiling set in a resolution with the same purpose that could supersede the 17th resolution during the validity period of this authorization). However, it is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve that existing shareholders will have pre-emptive rights to subscribe for the securities issued pursuant to this authorization, in proportion to their existing holdings.
4. Note that in accordance with the law, the Board of Directors may grant shareholders additional pre-emptive rights to subscribe for any securities not taken up by other shareholders exercising their pre-emptive subscription rights. Such additional rights will also be exercisable in proportion to shareholders' existing holdings and within the limits of their requests.
5. Resolve that if an issue is not taken up in full by shareholders exercising their pre-emptive rights as described above, the Board of Directors may take one or more of the following courses of action, in accordance with the law and in the order of its choice:
 - limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
 - freely allocate all or some of the unsubscribed securities;
 - offer some or all of the unsubscribed securities on the open market, either in France or abroad.
6. Resolve that Safran stock warrants may be offered for subscription on the above basis or allocated without consideration to existing shareholders. In the latter case, the Board of Directors will have full powers to decide that rights to fractions of warrants will not be transferable or tradable and that the corresponding warrants will be sold.
7. Resolve that the Board of Directors may suspend the exercise of rights to shares of the Company for a maximum period of three months, and make any adjustments in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares.
8. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.

The shareholders give full powers to the Board of Directors - or any representative duly empowered in accordance with the law - to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level;
- in the case of the issuance of debt securities, determine (i) whether the debt will be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this meeting.

PRESENTATION OF THE 24th TO 28th RESOLUTIONS

Issue of shares and/or other securities without pre-emptive subscription rights, and capital increases carried out by capitalizing reserves, retained earnings or additional paid-in capital

These resolutions are similar to the 18th to 22nd resolutions but may only be used during, or in the run-up to, a public offer launched by a third party for the Company's shares.

The maximum aggregate nominal amount of any capital increases carried out pursuant to the 24th to 26th resolutions - either immediately or on the exercise of rights to shares of the Company - would be set (both per authorization and cumulatively) at €8 million, representing approximately 9.6% of the Company's capital. The amounts used under these authorizations would be included in (i) the ceilings set in the 23rd and 18th resolutions and (ii) the blanket ceiling set in the 17th resolution. The maximum aggregate nominal amount of all capital increases that may be carried out, either with or without pre-emptive subscription rights, during, or in the run-up to, a public offer for the Company's shares (pursuant to the 23rd to 28th resolutions) would be set at €8 million (i.e., less than 10% of the Company's capital).

The maximum principal amount of any debt securities issued under the 24th to 26th resolutions would be set (both per authorization and cumulatively) at €1.8 billion. The amounts used under these authorizations would be included in (i) the €1.8 billion ceiling set in

the 18th resolution, (ii) the €2 billion ceiling set in the 23rd resolution, and (iii) the €2 billion blanket ceiling set in the 17th resolution. The nominal amount of any capital increases resulting from the exercise of rights attached to debt securities carrying rights to shares of the Company would be included in the €8 million individual and cumulative ceiling set in the 24th to 26th resolutions (and therefore in the ceilings on capital increases set in the 23rd and 17th resolutions).

Any issues carried out under the 27th resolution (increase in the number of securities to be issued in the event of an oversubscribed issue) and any capital increase carried out under the 28th resolution (by capitalizing reserves, retained earnings or additional paid-in capital) would be subject to the same terms and conditions as in the 21st and 22nd resolutions above.

TEXT OF THE TWENTY-FOURTH RESOLUTION

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer, which may only be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129 *et seq.* of the French Commercial Code, notably Articles L.225-129-2, L.225-135 and L.225-136 as well as Articles L.228-91 *et seq.* of said Code and having noted that the share capital has been fully paid up, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions and through a public offer, ordinary shares of the Company and/or securities carrying immediate or deferred rights to new or existing ordinary shares of the Company (either with or without consideration). The Board will have full discretionary powers to determine the amount and timing of said issue(s), which may be carried out in France or abroad and may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies.

This authorization may only be used during, or in the run-up to, a public offer launched by a third party for the Company's shares.

2. Resolve that if the Board of Directors uses this authorization:

- the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either directly or on the exercise of rights to shares – is set at €8 million. This €8 million ceiling (i) represents an overall ceiling on the nominal amount of the capital increases that may be carried out under this authorization and the authorizations granted in the 25th, 26th and 27th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), and (ii) is included in the €8 million ceilings set in the 23rd and 18th resolutions and the blanket ceiling set in the 17th resolution (or in any ceiling set in a resolution with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares;
- the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €1.8 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This €1.8 billion ceiling (i) represents an overall ceiling on the principal amount of debt securities that may be issued under this authorization and the authorizations granted in the 25th, 26th and 27th resolutions of this Annual General Meeting (as well as any authorizations granted in resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization), and (ii) is included in the €2 billion ceiling set in the 23rd resolution, the €1.8 billion ceiling set in the 18th resolution, and the blanket ceiling set in the 17th resolution (or in any ceiling set in a resolution with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve to waive shareholders' pre-emptive rights to subscribe for the shares and/or other securities to be issued under this authorization. However, in accordance with paragraph 5 of Article L.225-135 and Article R.225-131 of the French Commercial Code, the Board of Directors may offer existing shareholders a priority right to subscribe for all or part of any issue(s) carried out under this authorization for a period of no less than three trading days. Such priority rights will not be transferable or tradable and will be exercisable in proportion to shareholders' existing interests.

4. Resolve that if an issue is not taken up in full (including by shareholders exercising their above-mentioned priority rights), the Board of Directors may take one or the other of the following courses of action, in accordance with the law and in the order of its choice:
 - limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up;
 - freely allocate all or some of the unsubscribed securities.
5. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.
6. Resolve that the issue price of the shares or securities carrying rights to shares will be at least equal to the minimum price provided for in the laws and regulations in force on the issue date (for information purposes, corresponding at the date of this meeting to a price at least equal to the weighted average of the prices quoted for the Company's shares over the three trading days preceding the pricing date, less a discount of no more than 5%).

The shareholders give full powers to the Board of Directors - or any representative duly empowered in accordance with the law - to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company;
- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to the Company's shares, in accordance with the applicable laws, regulations and contractual provisions;
- in the case of the issuance of debt securities, determine (i) whether the debt will be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this meeting.

TEXT OF THE TWENTY-FIFTH RESOLUTION

Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may only be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129-2 to L.225-129-6, L.225-148 and L.228-91 *et seq.* of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to issue shares of the Company and/or securities carrying immediate or deferred rights to the Company's shares as payment for securities of another company tendered to a public exchange offer initiated by the Company. The shareholders further authorize the Board to cancel the pre-emptive rights of existing shareholders to subscribe for the shares and/or other securities issued under this authorization.

This authorization may be used in connection with any public exchange offer initiated by the Company, in France or abroad, for the securities of another company listed on one of the regulated markets referred to in Article L.225-148 of the French Commercial Code, or any other type of public offer that complies with the applicable laws and regulations, including notably any public exchange offer, any alternative public purchase or exchange offer, any stock-for-stock and stock-for-cash purchase or exchange offer, any public purchase or exchange offer combined with a secondary purchase or exchange offer, or any other type of public offer that complies with the applicable laws and regulations.

This authorization may only be used during, or in the run-up to, a public offer launched by a third party for the Company's shares.

2. Note that, in accordance with Article L.225-132 of the French Commercial Code, in the event of an issue carried out under this authorization of securities carrying immediate or deferred rights to shares of the Company, existing shareholders will waive their pre-emptive rights to subscribe for the shares to be issued on the exercise of the rights attached to said securities.
3. Resolve that if the Board of Directors uses this authorization:
 - the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either directly or on the exercise of rights to shares – is set at €8 million. This ceiling is included in the €8 million ceiling set in the 24th resolution, the 23rd resolution and the 18th resolution and the blanket ceiling set in the 17th resolution (or any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares;
 - the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €1.8 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This ceiling is included in the €1.8 billion ceiling set in the 24th resolution, the €2 billion ceiling set in the 23rd resolution, the €1.8 billion ceiling set in the 18th resolution and the blanket ceiling set in the 17th resolution (or in any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.
4. Resolve that the Board of Directors will have full powers to use this authorization, in particular to carry out issues of shares and/or securities carrying immediate or deferred rights to shares of the Company in connection with public offers that fall within the scope of this resolution, and notably to:
 - set the exchange ratio as well as any balance to be paid in cash;
 - place on record the number of securities tendered to the exchange;
 - determine the timing and other terms and conditions of the issue(s) and notably the price and cum-rights date (which may be retroactive) of the securities issued in accordance with this resolution;
 - suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to the Company's shares, in accordance with the applicable laws, regulations and contractual provisions;
 - credit the difference between the issue price of the new shares and their par value to a "contribution premium" account to which all shareholders will have equivalent rights;
 - charge all the issuance costs against the contribution premium; and more generally
 - take all appropriate measures and enter into any and all agreements to successfully complete the issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for listing the securities issued.
5. Authorize the Board of Directors, within the limits set in advance by the Board, to delegate to the Chief Executive Officer or, in agreement with him and where applicable, to one or more Deputy Chief Executive Officers, the authorization given under this resolution.

This authorization is given for a period of 26 months from the date of this meeting.

TEXT OF THE TWENTY-SIXTH RESOLUTION

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through a private placement governed by Article L.411-2-II of the French Monetary and Financial Code, which may only be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with the applicable laws and regulations and in particular Articles L.225-129 *et seq.* of the French Commercial Code, notably Articles L.225-129-2, L.225-135 and L.225-136, as well as Articles L.228-91 *et seq.* of said Code and Article L.411-2-II of the French Monetary and Financial Code, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions, ordinary shares and/or securities carrying immediate or deferred rights to new or existing ordinary shares of the Company (either with or without consideration) through a private placement that complies with the conditions set out in Article L.411-2-II of the French Monetary and Financial Code. The Board of Directors will have full discretionary powers to determine the amount and timing of said issue(s), which may be carried out in France or abroad and may be denominated in euros, foreign currency or a monetary unit determined by reference to a basket of currencies.

This authorization may only be used during, or in the run-up to, a public offer launched by a third party for the Company's shares.

2. Resolve that if the Board of Directors uses this authorization:
 - the maximum nominal amount of the capital increases that may be carried out pursuant to this authorization – either directly or on the exercise of rights to shares – is €8 million. This ceiling is included in the €8 million ceilings set in the 24th, 23rd and 18th resolutions and the blanket ceiling set in the 17th resolution (or in any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares;
 - the maximum principal amount of debt securities that may be issued pursuant to this authorization is set at €1.8 billion (or the euro-equivalent of this amount at the issue date for issues in foreign currency or a monetary unit determined by reference to a basket of currencies). This ceiling is included in the €1.8 billion ceiling set in the 24th resolution, the €2 billion ceiling set in the 23rd resolution, the €1.8 billion ceiling set in the 18th resolution and the blanket ceiling set in the 17th resolution (or in any ceilings set in any resolutions with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it is separate from and does not include the amount of any debt securities whose issue may be decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

For the purpose of calculating the above ceilings for debt securities, the euro-equivalent of the principal amount of any debt securities issued in foreign currency will be measured at the issue date.

3. Resolve to waive shareholders' pre-emptive rights to subscribe for the shares and/or other securities to be issued under this authorization.
4. Resolve that if an issue is not fully subscribed, the Board of Directors may limit the amount of the issue to the subscriptions received, provided that at least three-quarters of the issue is taken up.
5. Note that in the event of an issue of securities carrying rights to shares of the Company, this authorization automatically entails the waiver by shareholders of their pre-emptive rights to subscribe for any shares to be issued on the exercise of the rights attached to said securities.
6. Resolve that the issue price of the shares or securities carrying rights to shares will be at least equal to the minimum price provided for in the laws and regulations in force on the issue date (for information purposes, corresponding at the date of this meeting, to a price at least equal to the weighted average of the prices quoted for the Company's shares over the three trading days preceding the pricing date, less a discount of no more than 5%).

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to:

- use this authorization and notably to determine the timing, characteristics and other terms and conditions of any issues carried out, including the type and form of securities to be issued, the start and end dates of the subscription period, the issue price and cum-rights date of the issued securities, the method by which the securities will be paid up, and the terms and conditions for exercising the rights attached to securities carrying rights to shares of the Company;

- suspend, where appropriate, the exercise of any rights attached to new or existing securities in accordance with the applicable laws and regulations, and make any adjustments in order to take into account the impact of any issues on the Company's capital and set the terms and conditions for protecting the rights of holders of securities carrying rights to the Company's shares, in accordance with the applicable laws, regulations and contractual provisions;
- in the case of the issuance of debt securities, determine (i) whether the debt should be subordinated or unsubordinated (and the ranking of any subordinated debt), (ii) the interest rate, (iii) the life of the securities (i.e., dated or undated), (iv) their redemption price (which may be fixed or variable and with or without a premium) and repayment terms, depending on market conditions, (v) the terms of their exercise for shares of the Company, and (vi) any other terms and conditions of the issue, including any collateral or other form of guarantee, as well as to amend any of said terms and conditions during the life of the securities concerned;
- charge the issuance costs against the related premiums and deduct from the premiums the amounts necessary to raise the legal reserve to the required level; and more generally
- take all appropriate measures and enter into any and all agreements to successfully complete the issue(s) and private placement(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the securities issued.

This authorization is given for a period of 26 months from the date of this meeting.

TEXT OF THE TWENTY-SEVENTH RESOLUTION

Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights (pursuant to the 23rd, 24th, 25th or 26th resolutions), which may only be used during, or in the run-up to, a public offer for the Company's shares

Having considered the report of the Board of Directors, in accordance with French company law, notably Articles L.225-135-1 and R.225-118 of the French Commercial Code, and subject to the adoption of the 23rd, 24th, 25th and 26th resolutions, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights as decided by the Board of Directors pursuant to the 23rd, 24th, 25th or 26th resolutions, notably in order to grant an overallotment option in accordance with standard market practices. The additional securities will be issued at the same price as for the original issue in accordance with the conditions and ceilings specified in the applicable laws and regulations (as at the date of this meeting, they must be issued within 30 days of the close of the original subscription period and may not represent more than 15% of the original issue amount). In the case of an issue carried out with pre-emptive subscription rights, any additional securities issued pursuant to this resolution may only be offered to shareholders in proportion to their existing holdings.

This authorization may only be used during, or in the run-up to, a public offer launched by a third party for the Company's shares.

2. Resolve that the nominal amount of any capital increases carried out as a result of the shares or other securities issued pursuant to this resolution will be included in the ceiling(s) provided for in the resolution under which the original issue is decided (or in any ceiling(s) set in any resolution with the same purpose that could supersede the resolution concerned during the validity period of this authorization).

This authorization is given for a period of 26 months from the date of this meeting.

TEXT OF THE TWENTY-EIGHTH RESOLUTION

Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings or additional paid-in capital, which may only be used during, or in the run-up to, a public offer for the Company's shares

Deliberating in extraordinary session but in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, and having considered the report of the Board of Directors, in accordance with the applicable laws and regulations and in particular with Articles L.225-129-2 and L.225-130 of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital on one or more occasions, to be paid up by capitalizing reserves, retained earnings, additional paid-in capital and/or other items that may be capitalized in accordance with the applicable laws and the Company's bylaws, by issuing bonus shares and/or raising the par value of existing shares. The amounts and timing of such issues will be determined at the Board's discretion.

This authorization may only be used during, or in the run-up to, a public offer launched by a third party for the Company's shares.

2. Resolve to set the maximum aggregate nominal amount of the capital increases that may be carried out pursuant to this authorization at €8 million. This ceiling is included in the €8 million ceiling set in the 23rd resolution and the blanket ceiling set in the 17th resolution (or in any ceiling set in any resolution with the same purpose that could supersede the aforementioned resolutions during the validity period of this authorization). However, it does not include the nominal amount of any additional shares that may be issued in accordance

with the applicable laws and regulations and any contractual provisions to protect the rights of holders of securities carrying rights to the Company's shares.

3. Resolve that rights to fractions of shares will not be transferable or tradable and that the corresponding shares will be sold, with the proceeds allocated to the holders of the rights in accordance with the applicable laws.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to use this authorization and to take any and all measures and carry out any and all formalities required to successfully complete the capital increase(s), as well as to place on record the capital increase(s) and amend the Company's bylaws to reflect the new capital.

This authorization is given for a period of 26 months from the date of this meeting.

Employee share issues

PRESENTATION OF THE 29th RESOLUTION

In the 29th resolution, shareholders are invited to authorize the Board of Directors to offer employees who are members of a Safran group employee savings plan the possibility to subscribe for the Company's shares with a view to involving them more closely in the Group's development.

This resolution is being submitted in accordance with paragraph 1 of Article L.225-129-6 of the French Commercial Code which states that whenever companies seek authorizations to issue shares to be paid up in cash, they must also submit a resolution on employee share issues.

If this authorization is approved it will necessarily entail the waiver of existing shareholders' pre-emptive rights to subscribe for the shares covered by the employee shares issue(s) concerned.

Employee shareholdings (within the meaning of Article L.225-102 of the French Commercial Code) represented 7.96% of the Company's capital at March 31, 2017.

Shares issued under this resolution would not be able to represent over 1% of the Company's capital and would be included in the €20 million blanket ceiling on capital increases set in the 17th resolution.

In accordance with Article L.3332-19 of the French Labor Code, the purchase price of the shares offered to employees may not be lower than the average of the closing prices quoted for the Company's shares over the 20 trading days preceding the Board of Directors' decision setting the opening date for the subscription period, less the maximum discount provided for by law as at the date of the Board's decision.

This authorization would supersede, as from the date of this meeting, the authorization granted to the Board of Directors for the same purpose in the 24th resolution of the Annual General Meeting held on April 23, 2015.

TEXT OF THE TWENTY-NINTH RESOLUTION

Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Safran group employee savings plan, without pre-emptive subscription rights for existing shareholders

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with Articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code, and Articles L.3332-18 *et seq.* of the French Labor Code, the shareholders:

1. Authorize the Board of Directors – or any representative duly empowered in accordance with the law – to increase the Company's capital by issuing, on one or more occasions, ordinary shares of the Company to employees of the Company and of any French or foreign companies affiliated to it within the meaning of Article L.225-180 of the French Commercial Code, who are members of the Group employee savings plan or any company employee savings plan in place within the Safran group. The amounts and timing of such issues will be determined at the Board's discretion.
2. Resolve that the maximum nominal amount of any capital increases carried out pursuant to this authorization may not represent over 1% of the Company's capital at the date of the Board of Directors' decision to carry out the issue. This ceiling is included in the blanket ceiling applicable to capital increases set in the 17th resolution of this meeting (or in any ceiling set in any resolution with the same purpose that could supersede the 17th resolution during the validity period of this authorization).
3. Resolve that the purchase price of the shares offered to employees under this authorization may not be lower than the average of the closing prices quoted for the Company's shares over the 20 trading days preceding the Board of Directors' decision setting the opening date for the subscription period, less the maximum discount provided by law at the date of the Board's decision.
4. Resolve that the Board of Directors will have full powers to grant to the above beneficiaries, free of consideration and in addition to the shares to be subscribed for in cash, new or existing shares in replacement of all or some of the discount compared with the above reference price and/or the employer's top-up contribution, it being specified that the benefits resulting from such grants may not exceed the legal or regulatory limits as provided for in Articles L.3332-1 to L.3332-21 of the French Labor Code.

5. Note that this authorization automatically entails the waiver by existing shareholders of their pre-emptive rights to subscribe for the shares offered to employees under the issue(s) carried out under this resolution.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to use this authorization, and in particular to (i) set the terms and conditions of the capital increase(s), (ii) draw up the list of companies whose employees will be eligible for the share issue(s), (iii) set the conditions, particularly concerning length of service, that the beneficiaries will have to meet in order to subscribe, on an individual basis or through a corporate mutual fund, for the shares issued pursuant to this authorization, (iv) set the dates and terms and conditions of the issue(s), (v) set the start and end dates of the subscription period(s), (vi) determine the price and the cum-rights date of the shares issued, (vii) determine the method by which the shares will be paid up, (viii) charge the issuance costs against the related premium and deduct from the premium the amounts necessary to raise the legal reserve to the required level, and (ix) more generally, take all appropriate measures and enter into any agreements to successfully complete the share issue(s), place on record the capital increase(s), amend the Company's bylaws to reflect the new capital and carry out all the formalities required for the admission to trading of the shares issued.

This authorization is given for a period of 26 months from the date of this meeting and supersedes the authorization given to the Board of Directors for the same purpose in the 24th resolution of the Annual General Meeting held on April 23, 2015.

Capital reduction by canceling treasury shares

PRESENTATION OF THE 30th RESOLUTION

In the 30th resolution, the Board of Directors is seeking an authorization to reduce the Company's capital by canceling all or some of the treasury shares purchased under share buyback programs previously authorized by shareholders as well as the new program proposed in the 15th resolution.

The Company may choose to cancel treasury shares in order to achieve certain financial objectives, such as actively managing its capital, optimizing its balance sheet structure or offsetting the dilutive impact of capital increases.

In compliance with the applicable law, the number of shares canceled in any 24-month period would not be able to exceed 10% of the Company's capital.

This authorization would be given for a period of 24 months and would supersede the unused authorization given for the same purpose in the 22nd resolution of the Annual General Meeting held on May 19, 2016.

TEXT OF THE THIRTIETH RESOLUTION

Authorization for the Board of Directors to reduce the Company's capital by canceling treasury shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with Article L.225-209 of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to reduce the Company's capital on one or more occasions, in the proportions and on the dates it deems appropriate, by canceling all or some of the treasury shares held by the Company as a result of implementing a share buyback program. The number of treasury shares that may be canceled within any 24-month period may not exceed 10% of the Company's capital. This 10% ceiling will apply to the amount of the Company's capital as adjusted, where applicable, to take into consideration any corporate actions that may be carried out after this Annual General Meeting.
2. Resolve that the Board of Directors will have full powers – which may be delegated in accordance with the law – to implement this resolution and in particular to:
 - set the definitive amount of the capital reduction;
 - set the terms and conditions of the capital reduction and carry it out;
 - charge the difference between the carrying amount of the canceled shares and their par value against any available reserves and additional paid-in capital accounts;
 - place on record the completion of the capital reduction and amend the Company's bylaws accordingly; and
 - carry out any formalities and other measures and generally do everything necessary to complete the capital reduction.

This authorization is given for a period of 24 months from the date of this meeting and supersedes the authorization given to the Board of Directors for the same purpose in the 22nd resolution of the Annual General Meeting held on May 19, 2016.

Grant of performance shares free of consideration

PRESENTATION OF THE 31st RESOLUTION

In the 31st resolution, shareholders are invited to authorize the Board of Directors to grant performance shares to (i) employees or certain categories of employees of the Company and/or of other entities in the Safran group, and/or (ii) executive corporate officers of the Company and/or other entities in the Safran group (except the Chairman of the Company's Board of Directors when the duties of Chairman of the Board and Chief Executive Officer are separated), provided said corporate officers are eligible for such grants under the applicable law.

Performance share grants are a common method used by companies in order to strengthen the motivation and teamwork of beneficiaries and foster their loyalty, while at the same time aligning their interests with those of the Company and its shareholders. They are also in line with the strategy of linking the incentives of executive managers to share performance - with the inherent risks and rewards that this involves - in order to encourage long-term reasoning in their actions.

The Board of Directors would determine the beneficiaries of the grants and set the terms and conditions thereof as well as the applicable eligibility criteria.

The shares granted could either be new shares or existing shares bought back by the Company under the terms and conditions provided for by law.

This authorization would entail the waiver by existing shareholders of their pre-emptive rights to subscribe for any shares issued pursuant to this resolution.

This authorization would supersede, as from the date of this meeting, the authorization granted to the Board of Directors for the same purpose in the 23rd resolution of the Annual General Meeting held on May 19, 2016.

The main characteristics of any performance share grants carried out using this authorization would be as follows:

Performance conditions

The vesting of all of the shares granted would be subject to the achievement of internal and external performance conditions, which would be similar for all beneficiaries and would be assessed over three full consecutive fiscal years, including the year during which the performance shares are granted.

- The two internal performance conditions would count for 70% of the total vested shares and would be based on:
 - ROI (adjusted recurring operating income as defined in section 2.1.2 of the 2016 Registration Document) - 35%;
 - FCF (free cash flow as defined in section 2.2.3 of the 2016 Registration Document) - 35%;
 - the achievement levels for these conditions would be measured by reference to the average of the targets for ROI and FCF set for the fiscal year in which the grant takes place and for the following two fiscal years, as contained in the most recent medium-term plan (MTP) approved by the Board of Directors before the grant date. The following achievement levels would be set for these conditions:
 - lowest achievement level: if 80% of the MTP target is achieved, 40% of the shares contingent on that target will vest,
 - target achievement level: if 100% of the MTP target is achieved, 80% of the shares contingent on that target will vest,
 - highest achievement level (cap): if 125% of the MTP target were achieved, 100% of the shares contingent on that target would vest,
 - between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that would vest would vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the internal performance condition concerned would vest.

The performance criteria would be measured by comparing results against a same-scope reference base. Consequently, for the first performance share grant carried out after a new entity has been consolidated, the reference base used for measuring the performance criteria will include the data in Safran's business plan for the acquired entity. Past grants will continue to be measured based on the previous scope of consolidation (i.e., not including the newly-consolidated entity). If an entity is deconsolidated, the reference bases used for past grants will be adjusted to exclude the amounts related to the deconsolidated entity for the years concerned.

- The external performance condition would count for 30% of the total vested shares and would be based on Safran's total shareholder return (TSR) performance as measured relative to a panel of peer companies operating in the same business sectors as Safran (Aerospace, Defense and Security). The composition of this panel of peer companies may change in order to factor in changes in the structure or operations of the Group or of the peer companies concerned. Currently, these companies comprise Airbus, BAe Systems, Boeing, Finmeccanica, MTU Aero Engines, Rolls-Royce and Thales.

The following achievement levels would be set for this condition:

- lowest achievement level: if Safran's TSR were equal to that of the peer companies, 40% of the shares contingent on the external performance condition would vest;
- target achievement level: if Safran's TSR were 8 points higher than that of the peer companies, 80% of the shares contingent on the external performance condition would vest;

- highest achievement level: if Safran's TSR were 12 points higher than that of the peer companies, 100% of the shares contingent on the external performance condition would vest;
- between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that would vest would vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the external performance condition would vest.

Ceilings

The total number of performance shares granted could not exceed (i) 0.40% of the Company's capital as at the date on which the Board of Directors decides to make the share grants (main ceiling), and (ii) 0.20% of the Company's capital in any given fiscal year (sub-ceiling).

In addition, for each grant of performance shares the maximum number of shares granted to each of the Company's corporate officers would be set at 5% of the total number of shares making up the grant (representing a sub-ceiling of 0.01% of the Company's capital per corporate officer and fiscal year).

Vesting and lock-up periods

The performance shares granted would be subject to a vesting period set by the Board of Directors, which may not be less than three years.

In addition, any shares granted to the Chief Executive Officer and members of Safran's Executive Committee would be subject to a lock-up period of at least one year following their vesting date.

In accordance with the Company's compensation policy, if any performance shares were granted to the Chief Executive Officer, he would be required to hold in registered form a proportion of his vested shares, as set by the Board of Directors, until his duties as Chief Executive Officer cease.

Each beneficiary would also be required to give a formal undertaking to refrain from hedging the risk related to their performance shares until they may freely transfer the shares granted (i.e., the end of the vesting period or, where applicable, the end of the lock-up period set by the Board of Directors, depending on the beneficiaries concerned).

The shares granted could either be new shares or existing shares bought back by the Company under the terms and conditions provided for by law.

This authorization would entail the waiver by existing shareholders of their pre-emptive rights to subscribe for any shares issued pursuant to this resolution.

Term

This authorization would be granted for a period of 26 months from the date of this meeting.

Anticipated use

If this authorization is approved by shareholders, in line with its long-term compensation policy, the Board of Directors intends to set up annual performance share plans which will have the characteristics and be subject to the performance conditions and ceilings described above.

TEXT OF THE THIRTY-FIRST RESOLUTION

Authorization for the Board of Directors to grant existing or new shares of the Company, free of consideration, to employees and corporate officers of the Company and other Safran group entities, with a waiver of shareholders' pre-emptive subscription rights

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with Articles L.225-197-1 *et seq.* of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to grant, on one or more occasions, existing or new Safran shares, free of consideration, to (i) employees or certain categories of employees of the Company and/or of companies or groups affiliated to it within the meaning of Article L.225-197-2 of the French Commercial Code, and/or (ii) corporate officers of the Company and/or of related companies or groups within the meaning of Article L.225-197-2 of the French Commercial Code (except for the Chairman of the Company's Board of Directors when the duties of Chairman of the Board and Chief Executive Officer are separated), provided said corporate officers are eligible for such grants under the applicable law. The amounts and timing of such grants will be determined at the Board's discretion.
2. Resolve that the total number of existing or new shares granted free of consideration pursuant to this authorization may not exceed (i) 0.40% of the Company's capital at the date of the Board of Directors' decision to grant free shares, or (ii) 0.20% of the Company's capital in any given fiscal year.
3. Resolve that the shares granted pursuant to this authorization will be subject to performance conditions set by the Board of Directors based on the recommendations of the Appointments and Compensation Committee and assessed over a minimum period of three consecutive fiscal years, including the year of grant.
4. Resolve that for each grant of free shares, any shares granted to the Company's corporate officers in accordance with the conditions provided for by law may not represent over 5% of the total number of shares making up the grant (per corporate officer).

5. Resolve that the shares granted will be subject to a vesting period which will be set by the Board of Directors but may not be less than three years, followed, in certain cases, by a lock-up period whose duration will also be set by the Board of Directors.
6. Resolve that any free shares granted to the Company's corporate officers and members of the Executive Committee will be subject to a lock-up period which will be set by the Board of Directors but may not be less than one year as from the vesting date.
7. Resolve that the shares will vest before the expiration of the above-mentioned vesting period and will be freely transferable before the expiration of the above-mentioned lock-up period in the event that the beneficiary becomes disabled, within the meaning of the definition set down in the second or third categories under Article L.341-4 of the French Social Security Code (or the equivalent in any foreign country).
8. Note that if new shares are issued for the purpose of allocating the free shares, this authorization will result in capital increases paid up by capitalizing reserves, retained earnings or additional paid-in capital as the shares vest, as well as a corresponding waiver by shareholders of their pre-emptive rights to subscribe for the shares issued as part of these capital increases.

The shareholders give full powers to the Board of Directors – or any representative duly empowered in accordance with the law – to use this authorization within the limits set by the applicable laws and regulations and in particular to:

- ▣ determine if the shares granted free of consideration will be new shares or existing shares, it being specified that the Board may change its choice before the vesting date;
- ▣ draw up the list or categories of eligible beneficiaries;
- ▣ set the applicable performance and vesting conditions, notably the duration of the vesting period and lock-up period, particularly concerning the Company's corporate officers and members of the Executive Committee;
- ▣ provide for the possibility to provisionally suspend the beneficiaries' rights to receive the shares;
- ▣ place on record the vesting dates of the shares granted and the dates from which the shares may be freely transferred or sold;
- ▣ make any adjustments required during the vesting period to the number of free shares granted in order to protect the rights of beneficiaries, it being specified that the shares granted in connection with any such adjustments will be deemed to have been granted on the same date as the initial grant;
- ▣ in the event of the issue of new shares, (i) deduct, where applicable, from reserves, retained earnings or additional paid-in capital, the amounts necessary to pay up the shares, (ii) place on record the capital increases carried out pursuant to this authorization, (iii) amend the Company's bylaws to reflect the new capital; and generally
- ▣ take all appropriate measures and enter into any and all agreements to successfully complete the share grants.

This authorization is given for a period of 26 months from the date of this meeting and supersedes the authorization given to the Board of Directors for the same purpose in the 23rd resolution of the Annual General Meeting held on May 19, 2016.

Resolution concerning powers to carry out formalities

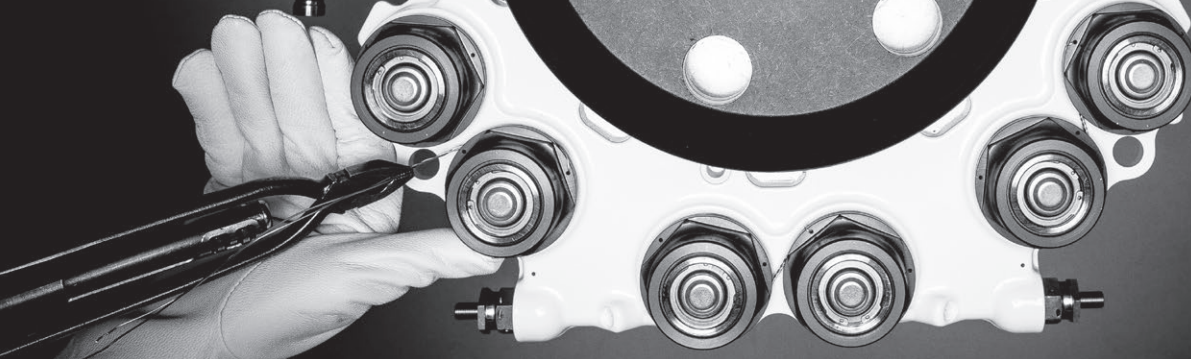
PRESENTATION OF THE 32nd RESOLUTION

The 32nd resolution concerns the powers that are necessary to carry out the filing and other legal formalities required for the resolutions adopted at the Meeting.

TEXT OF THE THIRTY-SECOND RESOLUTION

Powers to carry out formalities

The shareholders give full powers to the bearer of an original, extract or copy of the minutes of this meeting to carry out any and all filing, publication, declaration and other formalities required by the applicable laws and regulations.



GOVERNANCE



▣ Nominees to the Board of Directors



Re-appointment of a Director proposed by the Board of Directors

Shareholders are invited to re-appoint Odile Desforges as a Director (see profile below).



Odile Desforges

Independent Director

Member and Chair of the Audit and Risk Committee

3, rue Henri Heine - 75016 Paris, France

■ Number of Safran shares held: 500

Profile – Expertise and experience

Born in 1950, Odile Desforges is a graduate of the École Centrale Paris engineering school.

She began her career as a Research Analyst at the French Transport Research Institute (Institut de Recherche des Transports). In 1981, she joined the Renault group as planning officer for the Automobile Planning Department before becoming a product engineer on the R19 and then for the M1 range (1984-1986). In 1986, she moved to the Purchasing Department as Head of the Exterior Equipment Unit. She was later appointed Director of Body Hardware Purchasing for the joint Renault Volvo Car Purchasing Organization in 1992, and for Renault alone in 1994. In March 1999, she became Executive Vice-President of the Renault VI-Mack group, in charge of 3P (Product Planning, Product Development, Purchasing Project). In 2001, she was appointed President of AB Volvo's 3P Business Unit.

In 2003, Odile Desforges became Senior Vice-President, Renault Purchasing, Chair and CEO of the Renault Nissan Purchasing Organization (RNPO) and a member of the Renault Management Committee.

From 2009 to July 2012, she was Director of Engineering and Quality, and a member of Renault's Executive Committee.

She retired on August 1, 2012.

Odile Desforges brings to the Board her experience as a Director and former senior executive of international industrial groups, as well as performance and management control expertise and acknowledged experience in purchasing, R&D projects and innovation.

Offices and positions held in French and non-French companies

Current offices and positions

SAFRAN GROUP

■ Director of Safran

NON-GROUP

- Director and a member of the Audit Committee of:
 - Dassault Systèmes (listed company)
 - Faurecia (listed company) since June 2016
- Director and a member of the Audit Committee, the Nomination Committee and the Management Development and Remuneration Committee of Johnson Matthey plc (listed company) (UK)
- Director and a member of the Strategy Committee of Imerys (listed company) since May 2016

Offices and positions that expired in the last five years

SAFRAN GROUP

None

NON-GROUP

- Director and a member of the Nomination and Compensation Committee of Sequana (listed company) until May 2016
- Director of:
 - GIE REGIENOV until January 2013
 - Renault España SA (Spain) until December 2012
 - RNTBCI until June 2012
 - Renault Nissan BV (Netherlands) until June 2012

Appointment of a new Director proposed by the Board of Directors

Shareholders are invited to appoint H el ene Auriol Potier as a Director (see profile below).



H el ene Auriol Potier

Microsoft EMEA – 39, Quai du Pr esident-Roosevelt, 92130 Issy-les-Moulineaux, France

- Number of Safran shares held: pursuant to the Board of Directors' Internal Rules, each Director is required to own at least 500 registered shares of the Company

Profile – Expertise and experience

Born on November 26, 1962, H el ene Auriol Potier, a French national, graduated as an engineer from the  cole Nationale Sup erieure des T el ecommunications de Paris and completed an Executive Program MBA at INSEAD.

H el ene Auriol-Potier built her career in the digital technologies and telecommunications industry in the United States, Europe, Africa and Asia.

She started her career in New York at France Telecom in 1986.

In 1990, she joined the Canadian mobile technology company Nortel, where she spent 16 years and successively held several management positions including Vice-President Mobile Pre-Sale Division and Vice-President EMEA, Services & Operations.

In 2006, she joined Dell as Managing Director, in charge of the Africa and Mediterranean region and as member of the Executive Committee of Dell Emerging Markets.

She joined Microsoft in 2009 as General Manager – Enterprises, Public Sector and Partners – and as a member of the Executive Committee of Microsoft France. She was then appointed General Manager of Microsoft Singapore and member of the Executive Committee of Microsoft Asia-Pacific. In 2013, she was appointed General Manager of Microsoft Dynamics, Western Europe.

H el ene Auriol Potier has been General Manager of Microsoft Western Europe Public Sector since 2016.

Offices and positions held in French and non-French companies

Current offices and positions

SAFRAN GROUP

None

NON-GROUP

- Director, Chair of the Ethics Committee and member of the Compensation Committee of Ipsen (listed company)
- Member of the Supervisory Board of Oddo & Cie

Offices and positions that expired in the last five years

SAFRAN GROUP

None

NON-GROUP

- Director of Faiveley Transport (listed company)

Appointment of a new Director proposed by the Board of Directors

Shareholders are invited to appoint Patrick Pélata as a Director (see profile below).



Patrick Pélata

Meta Consulting LLC - 912 Geneva Avenue, San Francisco, CA 94122, United States

■ Number of Safran shares held: pursuant to the Board of Directors' Internal Rules, each Director is required to own at least 500 registered shares of the Company

Profile – Expertise and experience

Born in 1955, Patrick Pélata is a graduate of the École Polytechnique and of the École Nationale des Ponts et Chaussées engineering school, and holds a PhD in socioeconomics from the École des Hautes Études en Sciences Sociales.

He joined Renault in 1984 as a shop foreman at the Flins plant and from 1985 he contributed to the creation of the Renault Twingo and served in several engineering positions at Vehicle Engineering, where he became Senior Vice-President in 1998 and joined the Renault Management Committee. Following the signature of the Alliance between Renault and Nissan in 1999, he joined Nissan in Tokyo as Executive Vice-President in charge of Corporate and Product Planning, Design and Programs, sitting on the Executive Committee of Nissan and the Executive Board of the Alliance. In 2005, he returned to Renault as Executive Vice-President in charge of Corporate and Product Planning, Design and Programs, and joined the Executive Committee. Patrick Pélata served as Chief Operating Officer of the Renault group from October 2008 to April 2011, before his departure in August 2012.

From September 2012 to July 2015, he was Chief Automotive Officer and Executive Vice-President of Salesforce.com with responsibility for strategy execution and promoting social media, mobility and cloud computing technologies to the automotive industry.

In August 2015, he created Meta Consulting LLC, of which he is the President.

Offices and positions held in French and non-French companies

Current offices and positions

SAFRAN GROUP

None

NON-GROUP

■ President of Meta Consulting LLC (United States)

Offices and positions that expired in the last five years

SAFRAN GROUP

None

NON-GROUP

■ Chairman of the École Nationale des Ponts et Chaussées until July 2013

Appointment of a new Director proposed by the Board of Directors

Shareholders are invited to appoint Sophie Zurquiyah as a Director (see profile below).



Sophie Zurquiyah

CGG - 33, avenue du Maine, 75015 Paris, France

■ Number of Safran shares held: pursuant to the Board of Directors' Internal Rules, each Director is required to own at least 500 registered shares of the Company

Profile – Expertise and experience

Born in 1967, Sophie Zurquiyah has dual French and American nationality. She is a graduate of the École Centrale de Paris and holds a Master of Science in numerical analysis from the Pierre and Marie Curie University (Paris VI), as well as a Master of Science in aerospace engineering from the University of Colorado.

Having started her career with Schlumberger in 1991 as a geophysics engineer, she held a variety of positions in Engineering and Manufacturing in France and the United States, before being appointed as General Manager for the Schlumberger South Latin America Region, based in Rio de Janeiro in 2003. Between 2005 and 2007, she served as Human Resources Director for Oilfield Services at Schlumberger, and then as Chief Information Officer for the Schlumberger group at its headquarters in Paris until 2009. In 2009, she was appointed President of Schlumberger Data & Consulting Services in Houston, where she remained until 2012.

Sophie Zurquiyah joined CGG on February 4, 2013 as Senior Executive Vice-President of the Geology, Geophysics & Reservoir (GGR) business. On September 1, 2015, she was appointed Chief Operating Officer in charge of Technology and Global Operational Excellence, in addition to her operating responsibilities for product lines in the GGR segment. She is currently a member of the Executive Committee of the CGG group.

Offices and positions held in French and non-French companies

Current offices and positions

SAFRAN GROUP

None

NON-GROUP

- Corporate officer of CGG Services, Inc. (United States) since 2013
- Director of PetroEdge (United Kingdom) since 2016

Offices and positions that expired in the last five years

SAFRAN GROUP

None

NON-GROUP

- Corporate officer of Schlumberger Technology Corporation (United States) from 2000 to 2013
- Director of Magnitude Microseismic, LLC (United States) from 2013 to 2015

■ Compensation policy for corporate officers

This section constitutes the report on the principles and criteria used to determine, allocate and award the fixed, variable and exceptional components of the total compensation and benefits packages of corporate officers, as required under Article L.225-37-2 of the French Commercial Code⁽¹⁾. See also section 6.6.1 of the 2016 Registration Document.

In accordance with the above Article, at the Annual General Meeting on June 15, 2017, the shareholders will be asked to approve, based on this report, the principles and criteria used to determine, allocate and award the fixed, variable and exceptional components of the total compensation and benefits packages of corporate officers, which together constitute the “Compensation and benefits” policies (also hereinafter referred to as the “Policy(ies)”) relating to each corporate officer concerned.

Payment of the variable and exceptional components of the corporate officers’ compensation for 2017 will be contingent upon shareholder approval at the Annual General Meeting to be held to approve the 2017 financial statements.

The following are described in this report:

- the principles and rules for determining the compensation and benefits packages of corporate officers;
- the Policy concerning the Chairman of the Board of Directors; and
- the Policy concerning the Chief Executive Officer, which may be adapted and applied to any Deputy Chief Executive Officer(s).

PRINCIPLES AND RULES FOR DETERMINING THE COMPENSATION AND BENEFITS OF CORPORATE OFFICERS

In the interests of the Company as well as its shareholders, employees and other stakeholders, the Policies must be competitive in order to attract, motivate and retain the best profiles and talent (which may come from within or outside the Group) for key positions.

The Policies are determined by the Board of Directors and are reviewed annually based on recommendations issued by the Appointments and Compensation Committee. The main principles applied are described below.

Compliance

The Policies are drawn up by reference to the AFEP-MEDEF Code, which recommends applying the principles of comprehensiveness, balance, comparability, consistency, transparency and proportionality.

Comprehensiveness – Balance

All components of compensation and benefits should be exhaustively analyzed on a component-by-component basis and an overall consistency analysis should then be performed in order to ensure that the best balance is achieved between these components.

Alignment of interests – Transparency

Compensation and benefits packages need to take into account the necessity for companies to attract, motivate and retain talent but also the interests of shareholders and other stakeholders, notably in relation to transparency and performance criteria.

Proportionality, comparability and competitiveness

Compensation levels should be set in line with the duties and responsibilities assigned to the officer concerned as well as the work performed and the results achieved.

Market practices should also be taken into account.

Safran regularly carries out benchmark surveys, assisted by consulting firms, in order to measure the levels and structures of its compensation packages compared with panels of peer companies selected for their size and international scope. The surveys are performed both for the French market, in which case the peer companies comprise large industrial groups, and for the international market (the Aerospace, Technology and Defense sectors). The composition of these panels is regularly reviewed and may change in order to factor in changes in the structure or operations of the Group or of the peer companies concerned.

The benchmark surveys are used as the basis for analyzing, and making any changes to, the components of the compensation and benefits of each corporate officer.

⁽¹⁾ As amended by French Act 2016-1691 of December 9, 2016 relating to transparency, anti-corruption measures and modernization of the economy.

Governance

The Appointments and Compensation Committee verifies that all of the principles described above are properly applied, both for the purpose of the Committee's work in general and for the recommendations it makes to the Board in relation to drawing up the Policies and implementing them for setting the amounts or values of compensation and benefits packages.

Compensation policy for the Chairman of the Board of Directors

At the date of this Notice of Meeting, this policy solely concerns Ross McInnes in his role as Chairman of the Board of Directors.

COMPENSATION PACKAGE STRUCTURE

The structure of the compensation package of the Chairman of the Board of Directors (who is a non-executive Director) comprises, on a recurring basis, annual fixed compensation (cash-settled) and attendance fees. This structure is in line with the policy put in place for and applied in 2016.

The Chairman of the Board of Directors does not receive any annual or multi-year variable compensation and he is not a beneficiary under any long-term compensation plans (performance share plans).

The compensation and benefits awarded to the Chairman of the Board of Directors or for which he is eligible are described below.

ANNUAL FIXED COMPENSATION

The Chairman of the Board's annual fixed compensation takes into account the responsibilities required for this type of corporate office as well as the individual qualities of the holder of the position and the benchmark surveys carried out by the Company.

Consequently it is set based on the following:

- ▣ the Chairman of the Board's roles and responsibilities, which are provided for by law, Safran's bylaws and the Board of Directors' Internal Rules, and are aimed at ensuring that the Company is governed effectively and that its various governing bodies (Board of Directors and the Board Committees and Shareholders' Meetings) operate properly;
- ▣ any specific assignments allocated by the Board of Directors and which the Chairman of the Board carries out in cooperation with Executive Management;
- ▣ the Chairman of the Board's individual skills, experience, expertise and background;
- ▣ benchmark surveys related to compensation payable for comparable duties and companies.

The Board of Directors has decided that, as a general rule, the Chairman of the Board's annual fixed compensation may only be revised on the expiration of his term of office.

However, as an exception to this rule, his compensation may be revised during his term and before his re-appointment if the scope of his duties as Chairman of the Board changes significantly – which could be related to changes within the Company itself – or if a major difference is identified compared with market practices. Any adjustments made to his annual fixed compensation as a result of any specific circumstances would be publicly disclosed.

For information purposes, the current Chairman of the Board of Directors' fixed compensation is set out in section 6.6.2.1 of the 2016 Registration Document.

ATTENDANCE FEES

The attendance fees received by the Chairman of the Board of Directors are allocated in accordance with the rules applicable to all Directors, as determined by the Board and set out in its Internal Rules (see sections 6.6.3.1 and 6.6.2.1 of the 2016 Registration Document). These allocation rules provide for a higher amount of variable fees per meeting for the Chairman than for the other Board members.

NO ANNUAL VARIABLE COMPENSATION, MULTI-YEAR VARIABLE COMPENSATION OR LONG-TERM INCENTIVE PLAN

In line with his position as a non-executive Director, the Chairman of the Board of Directors does not receive any annual short-term variable compensation (cash-settled) or any multi-year variable compensation, and he is not a beneficiary under any long-term compensation plans (performance share plans).

EXCEPTIONAL COMPENSATION

The Board has decided that, if it tasks the Chairman of the Board of Directors with any special assignments (carried out in coordination with Executive Management), he may be paid exceptional compensation, but only if such assignments relate to strategic transactions that are structurally significant for the Group and, as a result of their specific characteristics and scale, do not fall within the scope of its routine operations. If the Board decides to allocate its Chairman any exceptional compensation:

- its amount will be set on a case-by-case basis by the Board, based on the recommendation of the Appointments and Compensation Committee and taking into account the circumstances underlying the reasons for its allocation and the particular involvement of the Chairman, and it may not be paid until it is approved by shareholders at an Ordinary General Meeting;
- the Board's decision will be publicly disclosed immediately after it has been made;
- the Board will be required to disclose the circumstances of and reasons for its allocation.

BENEFITS-IN-KIND

The Chairman of the Board of Directors has the use of a company car.

He is also entitled to be reimbursed for expenses incurred in connection with his role as Chairman and he is provided with the material resources required for performing his duties.

OTHER BENEFITS SUBJECT TO THE PROCEDURE FOR RELATED-PARTY COMMITMENTS

In accordance with the applicable law, the benefits described below for which the Chairman of the Board of Directors is currently eligible – and for which he was also eligible prior to his appointment as Chairman – have been approved by shareholders in a General Meeting by way of the special vote required for related-party commitments.

For information purposes, Ross McInnes' employment contract with Safran has been suspended since April 21, 2011 rather than being terminated (see section 6.4 of the 2016 Registration Document). The Board opted for this solution as it enables in-house executives who have extensive experience (often associated with their length of service with the Group) to move into corporate officer positions without losing the rights and entitlements they have gradually built up over the years. If their employment contract were terminated they would lose such rights and entitlements, which would deter them from taking up such a position.

Supplementary pension plan

No specific supplementary pension plan has been set up for the Chairman of the Board of Directors. However, he may be a beneficiary under such a plan if the Board of Directors:

- authorizes the Chairman to join the plan; or
- authorizes him to continue to be a beneficiary if he was already a beneficiary prior to his appointment as Chairman.

Any such authorization must be submitted to a shareholder vote in a General Meeting in accordance with the procedure applicable for related-party commitments (Article L.225-42-1 of the French Commercial Code).

For information purposes, when the current Chairman of the Board was appointed on April 23, 2015, the Board decided to authorize him to continue to be a beneficiary under the defined benefit supplementary pension plan (Article 39) and the defined contribution supplementary pension plan (Article 83) set up within the Group in France (subject to the same terms and conditions as the other plan members). The commitments given by the Company to enable Mr. McInnes to continue to be a beneficiary under these plans were approved at the Annual General Meeting of May 19, 2016, pursuant to the provisions of Article L.225-40 of the French Commercial Code (see section 6.6.2.1 of the 2016 Registration Document).

Changes to supplementary pension plans in 2017

The Board of Directors considers it necessary to supplement the statutory basic and top-up pension plans of its senior managers.

The benchmark surveys carried out in relation to comparable groups in France showed that this component of Safran's compensation policy is not sufficiently competitive to attract and retain the best talent. This is particularly important because:

- as a result of its demographic profile, in the coming years the Group will need to recruit senior managers in the international market, which is highly competitive; and
- like other groups, Safran will probably have to deal with higher turnover of managerial-grade staff in the future than is currently the case.

Consequently, the Board decided to modify its supplementary pension plans in order to align them with future needs, bring them more into line with market practices and enhance the Group's appeal.

The underlying aim of these changes is to increase the replacement rate of the managerial-grade staff concerned (when they take their pension after 20 years' worth of contributions) as compared with what they would potentially have received under other existing plans (statutory and supplementary). This will be achieved by putting in place new defined contribution plans (without a guaranteed replacement rate).

The new pension system comprises three stages (see section 6.6.2.1 of the 2016 Registration Document):

- closing the current defined benefit plan (Article 39) to new entrants and freezing existing beneficiaries' entitlements as at December 31, 2016;
- putting in place an additional component of the current defined contribution plan (Article 83), effective from January 1, 2017, in order to improve the returns from this plan; and
- setting up a new defined contribution plan (Article 82), effective from January 1, 2017.

For information purposes, at its meeting on March 23, 2017, the Board decided that the current Chairman of the Board could be a beneficiary under this new system (see section 6.6.2.1 of the 2016 Registration Document). This commitment will be submitted to a shareholder vote at the June 15, 2017 Annual General Meeting.

Personal risk insurance plan

The Chairman of the Board of Directors is a beneficiary under the personal risk insurance plan set up in France for all Group managerial-grade staff, subject to the same terms and conditions as the other plan members.

Indemnities or benefits payable for termination of office, change in duties, or non-compete agreements

The Chairman of the Board of Directors is not eligible for any indemnities or benefits if his office is terminated or if there is a change in his duties. Similarly, he is not entitled to any non-compete indemnity.

Compensation policy for the Chief Executive Officer

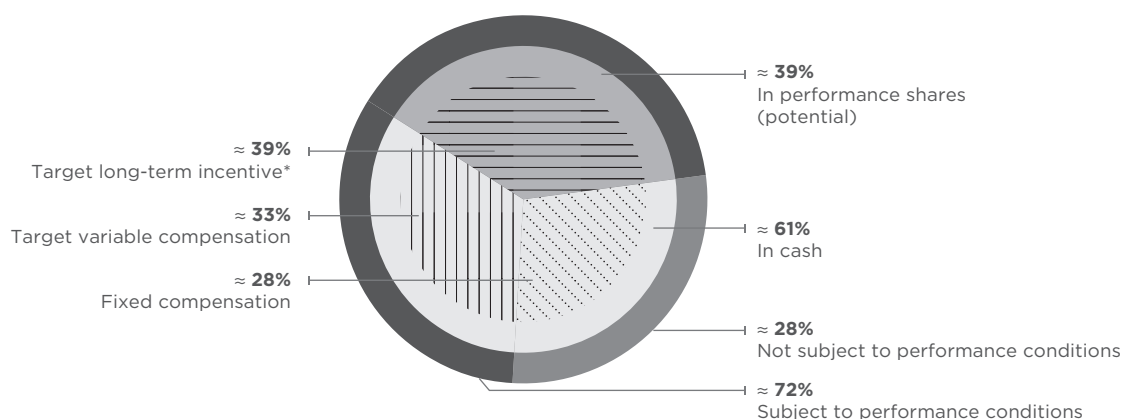
At the date of this Notice of Meeting, this policy solely concerns Philippe Petitcolin in his role as Safran's Chief Executive Officer.

COMPENSATION PACKAGE STRUCTURE

The structure of the Chief Executive Officer's compensation package comprises, on a recurring basis, annual fixed compensation (cash-settled), as well as annual variable compensation and performance shares awarded under a long-term incentive plan. This structure reflects the policy set up and implemented in 2016 and which is applied to all of the Company's senior managers as adapted to each individual.

The underlying aim is to closely align the Company's interests with those of its shareholders by achieving a balance between short-term and long-term performance, as assessed by the Board of Directors. Compensation subject to performance conditions accounts for the largest proportion of the Chief Executive Officer's overall compensation package.

PRESENTATION OF THE CHIEF EXECUTIVE OFFICER'S RECURRING COMPENSATION STRUCTURE



* Value at grant date measured in accordance with IFRS

The compensation and benefits awarded to the Chief Executive Officer or for which he is eligible are described below.

ANNUAL FIXED COMPENSATION

The Chief Executive Officer's annual fixed compensation takes into account the responsibilities required for this type of corporate office as well as the individual qualities of the holder of the position and the benchmark surveys carried out by the Company.

Consequently it is set based on the following:

- the level and complexity of the assignments and responsibilities related to the position, in view of the fact that the Chief Executive Officer has the broadest powers to act in all circumstances in the Company's name and to represent the Company in its dealings with third parties;
- the Chief Executive Officer's individual skills, experience, expertise and background;
- benchmark surveys related to compensation payable for comparable duties and companies.

The Board of Directors has decided that, as a general rule, the Chief Executive Officer's annual fixed compensation may only be revised on the expiration of his term of office. However, as an exception to this rule, his compensation may be revised during his term and before his re-appointment if the scope of his duties as Chief Executive Officer changes significantly - which could be related to changes within the Company itself - or if a major difference is identified compared with market practices. Any adjustments made to his annual fixed compensation as a result of any specific circumstances would be publicly disclosed.

The Chief Executive Officer's annual fixed compensation is used as a reference for determining the target and maximum percentages of his annual variable compensation and the valuation of his compensation under the long-term incentive plan.

For information purposes, the current Chief Executive Officer's fixed compensation is set out in section 6.6.2.2 of the 2016 Registration Document.

ANNUAL VARIABLE COMPENSATION

Objectives of and principles used to determine the Chief Executive Officer's annual variable compensation

The principle of annual variable compensation is used to incentivize the Chief Executive Officer to achieve the annual performance targets that are set for him by the Board of Directors in line with Safran's overall business strategy.

The potential amount of this variable compensation is determined taking into account market practices and it corresponds to a percentage of his fixed compensation, as recommended in the AFEP-MEDEF Code. It is contingent on achieving pre-defined performance levels based on a number of objectives which are collective and individual, financial and non-financial, and quantitative and qualitative. The objectives relate to key indicators that reflect the Group's overall performance as well as the contribution expected from the Chief Executive Officer, in line with Safran's overall business strategy.

During the first quarter of each year, acting on the recommendations of the Committee responsible for compensation, the Board of Directors either confirms or sets these objectives as well as their weighting and the applicable performance levels, i.e.:

- the lowest performance level, under which no variable compensation is paid;
- the target level, corresponding to when an objective is reached; and
- the maximum level applicable if an objective is exceeded.

The quantitative financial performance objectives - which are based on financial indicators - are set precisely, by reference to the budget approved in advance by the Board of Directors, and are subject to the performance thresholds set out above. The achievement rates for these objectives are disclosed once the related performance levels have been assessed.

Detailed description of the Chief Executive Officer's annual variable compensation

The Board of Directors has decided that the Chief Executive Officer's variable compensation will be based on the following:

Target annual variable compensation and maximum amount ("Cap")

The Chief Executive Officer's "target" variable compensation, i.e., the amount payable if the achievement rate is 100% for all of the financial and individual performance objectives set out below, corresponds to 117% of his annual fixed compensation (the "Target").

If the Chief Executive Officer outperforms his objectives, his "maximum" variable compensation (i.e., the amount payable if the achievement rate is 130% for all of the financial and individual performance objectives set out below) will correspond to 130% of the Target, representing 152% of his annual fixed compensation (the "Cap").

Structure

The Chief Executive Officer's annual variable compensation is determined as follows:

- two-thirds is contingent on quantitative financial performance objectives based on recurring operating income (ROI)⁽¹⁾⁽²⁾, free cash flow (FCF)⁽³⁾ and working capital, calculated by reference to operating assets (Inventories)⁽⁴⁾ and unpaid receivables (Doubtful Debts)⁽⁵⁾;
- one-third is contingent on quantitative and qualitative individual objectives.

This annual variable compensation structure is also used for the Group's senior managers, adapted to each individual.

Quantitative financial performance objectives

The following parameters apply:

- Weightings:
 - ROI: 60%,
 - FCF: 30%, and
 - working capital: 10%, with 5% based on Inventories and 5% based on Doubtful Debts;
- Triggering thresholds (Thresholds) based on the objectives in the annual budget (Objective(s)):
 - 80% of the ROI Objective,
 - 65% of the FCF Objective,
 - 135% of each of the working capital Objectives, i.e., Inventories and Doubtful Debts (if the level is higher than 135% for either of these Objectives, no variable compensation will be due as anything over 135% for these two metrics corresponds to under-performance);
- Calculation methods for the Thresholds and Caps:
 - the Threshold for each performance metric triggers the entitlement to variable compensation (starting at 0 from the Threshold to 100% if the budget Objective is achieved);
 - if an Objective is exceeded, the variable compensation allocated in respect of that Objective will be increased beyond 100% in proportion to the extent to which the Objective is exceeded, but capped at a maximum of 130% irrespective of the extent to which the Objective is exceeded. Consequently:
 - if 130% (or more) of the ROI Objective is achieved, 130% of the Target will be payable, corresponding to the Cap for this metric,
 - if 130% (or more) of the FCF Objective is achieved, 130% of the Target will be payable, corresponding to the Cap for this metric,
 - if 70% (or less) of each of the working capital Objectives is achieved (Inventories and Doubtful Debts), 130% of the Target will be payable, corresponding to the Cap for each of these metrics.

Based on these indicators, an overall percentage achievement level of the financial objectives is obtained which is then applied for determining the amount due.

The applicable indicators are set by the Board of Directors in the first quarter of the year concerned and they may be changed from one year to the next.

Individual objectives (qualitative and quantitative)

These objectives are set by the Board of Directors and relate to strategic, business and managerial areas that are specific to the coming year. For example, they can be based on the implementation of strategic decisions validated by the Board of Directors, major industrial and commercial developments and programs, organizational and management measures or initiatives that factor in the Group's CSR and sustainable development policy.

These objectives are not related to routine tasks but to specific actions for which the Board of Directors expects a particular level of performance.

One-third of the Chief Executive Officer's individual objectives must be quantitative.

For information purposes, the current Chief Executive Officer's individual objectives for 2017 are set out in section 6.6.2.2 of the 2016 Registration Document.

Payment condition

In accordance with the law, as from the amount due for 2017 and payable in 2018, the payment of the Chief Executive Officer's annual variable compensation will be subject to approval by the shareholders in an Ordinary General Meeting.

(1) Adjusted recurring operating income (see section 2.1.2 of the 2016 Registration Document).

(2) Operating income before capital gains or losses on disposals/impact of changes in control, impairment charges, transaction and integration costs and other items.

(3) Free cash flow (see section 2.2.3 of the 2016 Registration Document) is equal to cash flow from operating activities less changes in working capital and acquisitions of property, plant and equipment and intangible assets.

(4) Inventories and work in progress, as described in Note 1.n. in section 3.1 and broken down in Note 15 in section 3.1 of the 2016 Registration Document.

(5) Receivables unpaid at their due date, as measured at the end of the reference period.

Appointment or termination of duties

If the Chief Executive Officer is appointed or his duties are terminated during the course of a year, the above principles will apply on a proportionate basis for the period during which he performs his duties. However, if an appointment takes place during the second half of the year, the assessment of the Chief Executive Officer's performance will be carried out by the Board of Directors on a discretionary basis, on the recommendation of the Committee responsible for compensation.

LONG-TERM INCENTIVE PLAN (PERFORMANCE SHARE GRANTS)

Objective

The Board of Directors considers that the long-term incentive system – which also applies to other key positions within the Company – is particularly suited to the position of Chief Executive Officer in view of the direct contribution expected from him to the Group's long-term performance. In addition, the system is based on performance share grants which strengthen the motivation and teamwork of beneficiaries and foster their loyalty, while at the same time aligning their interests with those of the Company and its shareholders. These share grants are also in line with the Board's strategy of linking the incentives of senior managers to Safran's share performance – with the inherent risks and rewards that this involves – in order to encourage long-term reasoning in their actions.

The Board of Directors may only grant performance shares if it has been given the necessary authorizations by way of a two-thirds majority vote of shareholders in an Extraordinary General Meeting.

Detailed description of performance share grants

Performance share grants made to the Chief Executive Officer are subject to the following principles and criteria:

Cap

The number of performance shares granted to the Chief Executive Officer may not:

- represent more than the equivalent of 140% of his annual fixed compensation, based on the accounting value, in accordance with IFRS 2⁽¹⁾, estimated prior to the grant;
- exceed 5% of the total performance shares making up each grant. In addition, the resolutions submitted to shareholders in an Extraordinary General Meeting for the purpose of authorizing such grants will set a maximum percentage of the Company's capital that the performance shares may represent.

Performance conditions

Performance shares granted to the Chief Executive Officer will only vest if the relevant internal and external performance conditions are met. The achievement of these conditions will be assessed over three full consecutive fiscal years, including the year in which the performance shares are granted.

The **two internal performance conditions** count for 70% of the total vested shares and are based on:

- ROI, for 35%;
- FCF, for 35%;
- the achievement levels for these conditions are measured by reference to the average of the targets for ROI and FCF set for the fiscal year in which the grant takes place and for the following two fiscal years, as contained in the most recent medium-term plan (MTP) approved by the Board of Directors before the grant date. The following achievement levels have been set for these conditions:
 - lowest achievement level: if 80% of the MTP target is achieved, 40% of the shares contingent on that target will vest,
 - target achievement level: if 100% of the MTP target is achieved, 80% of the shares contingent on that target will vest,
 - highest achievement level (cap): if 125% of the MTP target is achieved, 100% of the shares contingent on that target will vest,
 - between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the internal performance condition concerned will vest.

The **external performance condition** counts for 30% of the total vested shares and is based on Safran's total shareholder return (TSR) performance as measured relative to a panel of peer companies operating in the same business sectors as Safran. The composition of this panel of peer companies may change in order to factor in changes in the structure or operations of the Group or of the peer companies concerned.

The following achievement levels have been set for this condition:

- lowest achievement level: if Safran's TSR is equal to that of the peer companies, 40% of the shares contingent on the external performance condition will vest;
- target achievement level: if Safran's TSR is 8 points higher than that of the peer companies, 80% of the shares contingent on the external performance condition will vest;

(1) See Note 1.q. in section 3.1 of the 2016 Registration Document.

- highest achievement level: if Safran's TSR is 12 points higher than that of the peer companies, 100% of the shares contingent on the external performance condition will vest;
- between the lowest achievement level and the target level, and between the target level and the highest achievement level, the number of shares that will vest will vary in linear fashion. Below the lowest achievement level, none of the shares contingent on the external performance condition will vest.

Under the rules of the performance share plan, the shares will only vest if the beneficiary still forms part of the Group on the vesting date, apart from in a limited number of cases (death, disability, retirement of the beneficiary or a specific decision by the Board of Directors).

Vesting and lock-up periods

The shares granted to the Chief Executive Officer are subject to a vesting period set by the Board of Directors, which may not be less than three years.

In addition, any shares granted to the Chief Executive Officer will be subject to a lock-up period of at least one year following their vesting date.

Other conditions

The Chief Executive Officer:

- is required to hold in registered form a proportion of his vested shares, as set by the Board of Directors, until his term of office as Chief Executive Officer ends.

The Board has decided that following the lock-up period and until his term of office ends, the Chief Executive Officer will be required to hold in registered form 40% of the vested performance shares granted to him under performance share plans, until the number of shares he holds represents the equivalent of one year of his most recent annual fixed compensation;

- must give a formal undertaking to refrain from using instruments to hedge the risks related to these shares until after the end of the lock-up period.

For information purposes, information on performance share grants made to the Chief Executive Officer during the year is provided in section 6.6.2.2 of the 2016 Registration Document.

MULTI-YEAR VARIABLE COMPENSATION

The Board of Directors has decided not to put in place a multi-year variable compensation plan as it considers that share-based payments such as performance share grants are more in line with shareholders' interests (see the long-term incentive plan above).

EXCEPTIONAL COMPENSATION

The Board has decided that the Chief Executive Officer may be paid exceptional compensation if he carries out strategic transactions that are structurally significant for the Group and, as a result of their specific characteristics and scale, do not fall within the scope of the business objectives for which the Chief Executive Officer is remunerated by way of his annual variable compensation. If the Board decides to allocate the Chief Executive Officer any exceptional compensation:

- its amount will be set on a case-by-case basis by the Board, based on the recommendation of the Appointments and Compensation Committee and taking into account the circumstances underlying the reasons for its allocation and the particular involvement of the Chief Executive Officer, and it may not be paid until it is approved by shareholders at an Ordinary General Meeting;
- the Board's decision will be publicly disclosed immediately after it has been made;
- the Board will be required to disclose the circumstances of and reasons for its allocation.

ATTENDANCE FEES

As the Chief Executive Officer is a Director, he receives attendance fees based on the allocation rules defined by the Board of Directors and set out in the Board's Internal Rules. These rules apply to all of the Company's Directors and are presented in sections 6.6.3.1 and 6.6.2.2 of the 2016 Registration Document.

BENEFITS-IN-KIND

The Chief Executive Officer has the use of a company car.

He is also entitled to be reimbursed for expenses incurred in connection with his role as Chief Executive Officer and he is provided with the material resources required for performing his duties.

OTHER BENEFITS SUBJECT TO THE PROCEDURE FOR RELATED-PARTY COMMITMENTS

In accordance with the applicable law, the benefits described below for which the Chief Executive Officer is currently eligible – and for which he was eligible prior to his appointment as Chief Executive Officer – have been approved by shareholders in a General Meeting by way of the special vote required for related-party commitments.

For information purposes, Philippe Petitcolin's employment contract with Safran has been suspended since April 23, 2015 rather than being terminated (see section 6.4 of the 2016 Registration Document). The Board opted for this solution as it enables in-house executives who have extensive experience (often associated with their length of service with the Group) to move into corporate officer positions without losing the rights and entitlements they have gradually built up over the years. If their employment contract were terminated they would lose such rights and entitlements, which would deter them from taking up such a position.

Supplementary pension plan

No specific supplementary pension plan has been set up for the Chief Executive Officer.

However, he may be a beneficiary under such a plan if the Board of Directors:

- authorizes the Chief Executive Officer to join the plan; or
- authorizes him to continue to be a beneficiary if he was already a beneficiary prior to his appointment as Chief Executive Officer.

Any such authorization must be submitted to a shareholder vote in a General Meeting in accordance with the procedure applicable for related-party commitments (Article L.225-42-1 of the French Commercial Code).

For information purposes, when the current Chief Executive Officer was appointed on April 23, 2015, the Board decided to authorize him to continue to be a beneficiary under the defined benefit supplementary pension plan (Article 39) and the defined contribution supplementary pension plan (Article 83) set up within the Group in France (subject to the same terms and conditions as the other plan members). The commitments given by the Company to enable Mr. Petitcolin to continue to be a beneficiary under these plans were approved at the Annual General Meeting of May 19, 2016, pursuant to the provisions of Article L.225-40 of the French Commercial Code (see section 6.6.2.1 of the 2016 Registration Document).

Changes to supplementary pension plans in 2017

The Board of Directors considers it necessary to supplement the statutory basic and top-up pension plans of its senior managers and has therefore decided to modify its supplementary pension system, as described in section 6.6.1.1 of the 2016 Registration Document.

For information purposes, at its meeting on March 23, 2017, the Board decided that the current Chief Executive Officer could be a beneficiary under this new system (see section 6.6.2.2 of the 2016 Registration Document). This commitment will be submitted to a shareholder vote at the June 15, 2017 Annual General Meeting.

Personal risk insurance plan

The Chief Executive Officer is a beneficiary under the personal risk insurance plan set up in France for all Group managerial-grade staff, subject to the same terms and conditions as the other plan members.

Indemnities or benefits payable for termination of office, change in duties, or non-compete agreements

The Chief Executive Officer is not eligible for any indemnities or benefits if his office is terminated or if there is a change in his duties. Similarly, he is not entitled to any non-compete indemnity.

ADAPTATION OF THE POLICY FOR DEPUTY CHIEF EXECUTIVE OFFICERS

If the Company appoints any Deputy Chief Executive Officers, the compensation structure, principles and criteria set out in the "compensation and benefits" policy for the Chief Executive Officer would apply to them. The Board of Directors would then adapt this policy in line with the specific situation of the Deputy Chief Executive Officer concerned in order to set the objectives, performance levels, indicators, and structure of their compensation packages and the maximum that their variable compensation may represent as a proportion of their annual fixed compensation (it being specified that this proportion and the amount of their fixed annual compensation may not be higher than those set for the Chief Executive Officer).

Summary table of authorizations for the Board of Directors submitted for approval at the Annual General Meeting of June 15, 2017

The resolutions approved by the Board of Directors on April 19, 2017, which will be submitted for approval at the Annual General Meeting on June 15, 2017, provide for the authorizations summarized below to be granted to the Board of Directors.

Type of authorization	Date of authorization	Term	Ceiling (maximum nominal amount of capital increases and maximum principal amount of debt securities)
Authorization for the Board of Directors to carry out a share buyback program	June 15, 2017 AGM (15 th resolution)	18 months	€3.9 billion 10% of the Company's capital
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may not be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (17 th resolution)	26 months	€20 million €2 billion (debt securities)
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer, which may not be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (18 th resolution)	26 months	€8 million ⁽¹⁾ €1.8 billion (debt securities) ⁽²⁾
Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may not be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (19 th resolution)	26 months	€8 million ⁽¹⁾⁽³⁾ €1.8 billion (debt securities) ⁽²⁾⁽⁴⁾
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through a private placement governed by Article L.411-2-II of the French Monetary and Financial Code, which may not be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (20 th resolution)	26 months	€8 million ⁽¹⁾⁽³⁾ €1.8 billion (debt securities) ⁽²⁾⁽⁴⁾
Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 17 th , 18 th , 19 th and 20 th resolutions), which may not be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (21 st resolution)	26 months	15% of the original issue ⁽⁵⁾
Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings or additional paid-in capital, which may not be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (22 nd resolution)	26 months	€12.5 million ⁽¹⁾
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders, which may only be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (23 rd resolution)	26 months	€8 million ⁽¹⁾ €2 billion (debt securities) ⁽²⁾

Summary table of authorizations for the Board of Directors submitted for approval at the Annual General Meeting of June 15, 2017

Type of authorization	Date of authorization	Term	Ceiling (maximum nominal amount of capital increases and maximum principal amount of debt securities)
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer, which may only be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (24 th resolution)	26 months	€8 million ⁽¹⁾⁽³⁾⁽⁶⁾ €1.8 billion (debt securities) ⁽²⁾⁽⁴⁾⁽⁷⁾
Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company, which may only be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (25 th resolution)	26 months	€8 million ⁽¹⁾⁽³⁾⁽⁶⁾⁽⁸⁾ €1.8 billion (debt securities) ⁽²⁾⁽⁴⁾⁽⁹⁾
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through a private placement governed by Article L.411-2-II of the French Monetary and Financial Code, which may only be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (26 th resolution)	26 months	€8 million ⁽¹⁾⁽³⁾⁽⁶⁾⁽⁸⁾ €1.8 billion (debt securities) ⁽²⁾⁽⁴⁾⁽⁹⁾
Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights for existing shareholders (pursuant to the 23 rd , 24 th , 25 th or 26 th resolutions), which may only be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (27 th resolution)	26 months	15% of the original issue ⁽¹⁰⁾
Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings or additional paid-in capital, which may only be used during, or in the run-up to, a public offer for the Company's shares	June 15, 2017 AGM (28 th resolution)	26 months	€8 million ⁽¹⁾⁽⁶⁾
Authorization for the Board of Directors to increase the Company's capital by issuing ordinary shares to employees who are members of a Safran group employee savings plan, without pre-emptive subscription rights for existing shareholders	June 15, 2017 AGM (29 th resolution)	26 months	1% of the Company's capital ⁽¹¹⁾
Authorization for the Board of Directors to reduce the Company's capital by canceling treasury shares	June 15, 2017 AGM (30 th resolution)	24 months	10% of the Company's capital
Authorization for the Board of Directors to grant existing or new shares of the Company, free of consideration, to employees and corporate officers of the Company and other Safran group entities, with a waiver of shareholders' pre-emptive subscription rights	June 15, 2017 AGM (31 st resolution)	26 months	0.40% of the Company's capital at the grant date

(1) This amount is included in the €20 million ceiling for capital increases set in the 17th resolution.

(2) This amount is included in the €2 billion ceiling for issues of debt securities set in the 17th resolution.

(3) This amount is included in the €8 million ceiling for capital increases set in the 18th resolution.

(4) This amount is included in the €1.8 billion ceiling for issues of debt securities set in the 18th resolution.

(5) The ceilings applicable to the 17th, 18th, 19th and 20th resolutions of the June 15, 2017 AGM still apply if the option provided for in the 21st resolution is used.

(6) This amount is included in the €8 million ceiling for capital increases set in the 23rd resolution.

(7) This amount is included in the €2 billion ceiling for issues of debt securities set in the 23rd resolution.

(8) This amount is included in the €8 million ceiling for capital increases set in the 24th resolution.

(9) This amount is included in the €1.8 billion ceiling for issues of debt securities set in the 24th resolution.

(10) The ceilings applicable to the 23rd, 24th, 25th and 26th resolutions of the June 15, 2017 AGM will still apply if the option provided for in the 27th resolution is used.

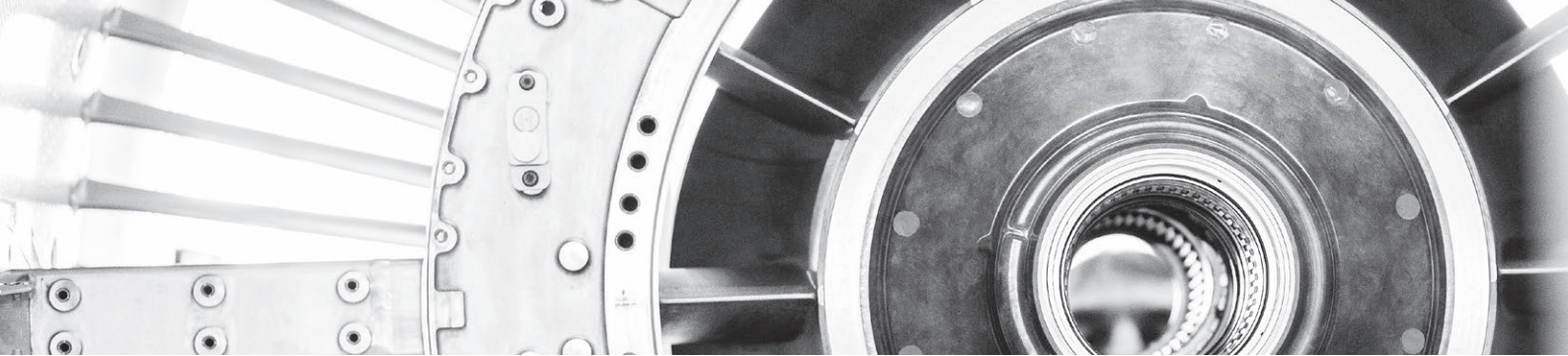
Summary table of authorizations in force already granted to the Board of Directors

The financial authorizations in force, already granted by shareholders to the Board of Directors, are summarized below.

Type of authorization	Date of the authorization, term and expiration	Ceiling (maximum nominal amount of capital increases and maximum principal amount of debt securities)	Amount used at Dec. 31, 2016
Authorization for the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, with pre-emptive subscription rights for existing shareholders	April 23, 2015 AGM (18 th resolution) 26 months, i.e., until June 22, 2017	€20 million ⁽¹⁾⁽³⁾ €2 billion (debt securities) ⁽²⁾	None
Authorization for the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, by way of a public offer	April 23, 2015 AGM (19 th resolution) 26 months, i.e., until June 22, 2017	€8 million ⁽¹⁾⁽³⁾ €1.3 billion (debt securities) ⁽²⁾	None
Authorization for the Board of Directors to issue shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, in the event of a public exchange offer initiated by the Company	April 23, 2015 AGM (20 th resolution) 26 months, i.e., until June 22, 2017	€8 million ⁽¹⁾⁽³⁾⁽⁴⁾ €1.3 billion (debt securities) ⁽²⁾⁽⁵⁾	None
Authorization for the Board of Directors to issue ordinary shares and/or securities carrying rights to shares of the Company, without pre-emptive subscription rights for existing shareholders, through a private placement governed by Article L.411-2-II of the French Monetary and Financial Code	April 23, 2015 AGM (21 st resolution) 26 months, i.e., until June 22, 2017	€8 million ⁽¹⁾⁽³⁾⁽⁴⁾ €1.3 billion (debt securities) ⁽²⁾⁽⁵⁾	Amount used (debt securities): €650 million (see section 7.2.3.2 of the 2016 Registration Document) Amount remaining (debt securities): €650 million
Authorization for the Board of Directors to increase the number of securities included in an issue carried out with or without pre-emptive subscription rights	April 23, 2015 AGM (22 nd resolution) 26 months, i.e., until June 22, 2017	15% of the original issue ⁽⁶⁾	None
Authorization for the Board of Directors to increase the Company's capital by capitalizing reserves, retained earnings or additional paid-in capital	April 23, 2015 AGM (23 rd resolution) 26 months, i.e., until June 22, 2017	€12.5 million ⁽³⁾	None
Authorization for the Board of Directors to issue ordinary shares to employees who are members of a Safran group employee savings plan, without pre-emptive subscription rights for existing shareholders	April 23, 2015 AGM (24 th resolution) 26 months, i.e., until June 22, 2017	1% of the Company's capital ⁽³⁾	None

Type of authorization	Date of the authorization, term and expiration	Ceiling (maximum nominal amount of capital increases and maximum principal amount of debt securities)	Amount used at Dec. 31, 2016
Blanket ceilings on authorizations to issue shares and/or other securities	April 23, 2015 AGM (25 th resolution)	Sub-ceiling: €25 million for the 18 th , 19 th , 20 th and 21 st resolutions of the April 23, 2015 AGM. Sub-ceiling: €2 billion (debt securities) for the 18 th , 19 th , 20 th and 21 st resolutions of the April 23, 2015 AGM. Blanket ceiling of €30 million for the 18 th , 19 th , 20 th , 21 st , 23 rd and 24 th resolutions of the April 23, 2015 AGM	None
Authorization for the Board of Directors to grant existing or new shares of the Company, free of consideration, to employees and corporate officers of the Company and other Safran group entities, with a waiver of shareholders' pre-emptive subscription rights	May 19, 2016 AGM (23 rd resolution) 14 months, i.e., until July 18, 2017	0.35% of the Company's capital at the grant date	Amount used at Dec. 31, 2016: 0.13% of the capital Amount remaining at Dec. 31, 2016: 0.21% of the capital Amount used at March 30, 2017: 0.27% of the capital Amount remaining at March 30, 2017: 0.08% of the capital (see section 7.3.7.1 of the 2016 Registration Document)

- (1) This amount is included in the €25 million sub-ceiling for capital increases set at the April 23, 2015 AGM (25th resolution).
- (2) This amount is included in the €2 billion sub-ceiling for issues of debt securities set at the April 23, 2015 AGM (25th resolution).
- (3) This amount is included in the €30 million blanket ceiling for capital increases set at the April 23, 2015 AGM (25th resolution).
- (4) This amount is included in the €8 million sub-ceiling for capital increases without pre-emptive subscription rights set at the April 23, 2015 AGM (19th resolution).
- (5) This amount is included in the €1.3 billion sub-ceiling for issues of debt securities without pre-emptive subscription rights set at the April 23, 2015 AGM (19th resolution).
- (6) The ceilings applicable to the 18th, 19th, 20th and 21st resolutions of the April 23, 2015 AGM still apply if the option provided for in the 22nd resolution is used.



SAFRAN IN 2016

▣ Definitions

Adjusted data

To reflect the Group's actual economic performance and enable it to be monitored and benchmarked against competitors, Safran prepares an adjusted income statement in addition to its consolidated financial statements.

Readers are reminded that Safran:

- ▣ is the result of the May 11, 2005 merger of Sagem and Snecma, accounted for in accordance with IFRS 3, "Business Combinations", in its consolidated financial statements;
- ▣ recognizes, as of July 1, 2005, all changes in the fair value of its foreign currency derivatives in "Financial income (loss)", in accordance with the provisions of IAS 39 applicable to transactions not qualifying for hedge accounting (see section 3.1, "Accounting policies", Note 1.f of the 2016 Registration Document).

Accordingly, Safran's consolidated income statement has been adjusted for the impact of:

- ▣ purchase price allocations with respect to business combinations. Since 2005, this restatement concerns the amortization charged against intangible assets relating to aircraft programs revalued at the time of the Sagem/Snecma merger. With effect from the first-half 2010 interim financial statements, the Group decided to restate:
 - the impact of purchase price allocations for business combinations, particularly amortization charged against intangible assets recognized at the time of the acquisition and amortized over extended periods due to the length of the Group's business cycles, as well as,
 - gains on remeasuring any previously held equity interest in the event of step acquisitions or transfers made to joint ventures;
- ▣ 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 instruments hedging future cash flows are neutralized.

The resulting changes in deferred tax have also been adjusted.

Recurring operating income

In order to better reflect the current economic performance, this subtotal named "recurring operating income" excludes income and expenses which are largely unpredictable because of their unusual, infrequent and/or material nature such as: impairment losses/reversals, capital gains/losses on disposals of operations and other unusual and/or material non-operational items.

2016 business review

All 2015 figures have been restated to reflect the reclassification of the Security businesses in “assets held for sale”, in accordance with IFRS 5.

Adjusted income statement (in € millions)	FY 2015	FY 2016
Revenue	15,536	15,781
Recurring operating income	2,281	2,404
% of revenue	14.7%	15.2%
Profit from operations	1,601	2,386
PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	1,482	1,804
From continuing operations	1,386	1,689
From discontinued operations	96	115
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT (basic in €)	3.56⁽¹⁾	4.34⁽²⁾
From continuing operations	3.33	4.06
From discontinued operations	0.23	0.28

(1) Based on the weighted average number of shares of 416,428,144 as of December 31, 2015.

(2) Based on the weighted average number of shares of 416,325,118 as of December 31, 2016.

Safran met or exceeded guidance across the Board in 2016.

Safran's adjusted revenue was €15,781 million, up 1.6%, compared to €15,536 million in 2015. This €245 million increase reflects growth in Aerospace (Propulsion and Equipment). As expected, from July 1, 2016, the space launcher business no longer contributes to revenues whereas it had done so in 2015 (€410 million in H2 2015). On an organic basis, Group revenue increased by 3.9%, or €603 million, driven by Aerospace (Propulsion and Equipment). Organic revenue was determined by applying constant exchange rates and by excluding the effects of changes in scope of consolidation. Currency variations favorably impacted revenue in the amount of €48 million. The average USD/EUR spot rate during 2016 was 1.11 to the Euro, stable compared to 2015. The Group's hedge rate improved to USD 1.24 to the Euro in 2016 from USD 1.25 a year ago.

Safran's adjusted recurring operating income was €2,404 million, up €123 million, or 5.4%, compared to €2,281 million in the full-year 2015. On an organic basis, the improvement was €92 million as the impact of currency amounted to €33 million and that of changes in the scope of consolidation was €(2) million. The improvement in recurring operating income was primarily driven by Aircraft Equipment where growth in aftermarket activities, particularly wheels and brakes, was strong. Defense also contributed to growth.

Group share was €1,804 million (€4.34 per share) compared with €1,482 million (€3.56 per share) in 2015. Adjusted net income – Group share for continuing operations was €1,689 million (€4.06 per share) compared with €1,386 million (€3.33 per share) in 2015.

In addition to the rise in profit from operations, this improved performance includes:

- net financial expense of €(144) million, including cost of debt of €(51) million;
- tax expense of €(498) million (22.2% apparent tax rate). The fall in the apparent tax rate is due to a drop in the applicable corporate tax rate in France in 2016 and by the reduction of deferred taxes reflecting continuing falls in future corporate tax rates enacted in legislation in 2017.

Operations generated €1,091 million of free cash flow. The net debt position was €1,383 million as of December 31, 2016 compared to a net debt position of €748 million as of December 31, 2015. Free cash flow generation was driven by cash from operations of €2,651 million, devoted principally to capital expenditures (stable at €704 million) and to a controlled increase in working capital needs of €168 million. Outflows included notably the subscription to capital increases at ASL amounting to €750 million with respect to the finalization of Airbus Safran Launchers and dividend payments of €642 million, including the distribution of the 2015 final dividend (€0.78 per share) and a 2016 interim dividend (€0.69 per share). As of December 31, 2016, Safran had cash and cash equivalents of €1.9 billion and €2.5 billion of secured and undrawn facilities available.

Revenue and results by activity *(adjusted data)*

Segment breakdown of adjusted revenue <i>(in € millions)</i>	FY 2015	FY 2016
Aerospace Propulsion	9,319	9,391
Aircraft Equipment	4,943	5,145
Defense	1,266	1,238
Holding company and other	8	7
TOTAL GROUP	15,536	15,781

Segment breakdown of recurring operating income <i>(in € millions)</i>	FY 2015	FY 2016
Aerospace Propulsion	1,833	1,786
Aircraft Equipment	466	567
Defense	64	76
Holding company and other	(82)	(25)
TOTAL GROUP	2,281	2,404

Aerospace Propulsion

During 2016, orders and commitments were received for 1,801 LEAP engines. As of February 2017, the LEAP engine has now surpassed 12,200 total engine orders and commitments (excluding options). Demand for CFM56 engines continues to be robust: orders were placed for 876 engines in 2016 and the backlog stood at 2,273 engines at end-2016.

Revenue was €9,391 million, up 0.8% compared to €9,319 million in 2015. Excluding the scope effect related to the equity accounting of Safran's 50% share of Airbus Safran Launchers (space propulsion had contributed €410 million to OE propulsion revenue in H2 2015), growth would have been 5.4%. On an organic basis, Propulsion revenue rose 4.9%, driven by civil OE and service business for both civil and military programs.

OE revenues from civil engines grew organically in the mid-single digits as revenue was recognized on 77 LEAP engines and CFM56 deliveries reached record level (1,693 units, 5% more than in 2015). Military OE revenues also increased due to higher shipments of TP400 engines. Eleven M88 deliveries were recognized in 2016, including seven for Egypt. OE sales of helicopter turbines declined in the high-single digit range, affected by a decrease in volumes of heavy helicopter turbines, partially offset by increased shipments of lower-unit-value, light helicopter turbines.

Overall service revenue in Propulsion was up 7.3% in Euro terms and represents a 57% share of revenue in the year. Civil aftermarket revenue grew by 6.9% in USD terms compared to 2015, still driven by recent CFM56 and GE90 engine spares and services. Military aftermarket recorded strong growth. Helicopter turbines support declined in the mid-single digits, impacted by a fall in flight hours particularly at Oil and Gas customers and the grounding of part of the H225 Super Puma fleet.

Recurring operating income, at 19.0% of revenue, was €1,786 million compared to €1,833 million (19.7% of revenue) in 2015. Strong service activity and increased deliveries of CFM56 engines contributed positively. As expected, profitability was impacted by LEAP production costs, expensed through recognition of negative margin linked to LEAP engines delivered as well as through depreciation of inventory and work in progress related to LEAP engines in production. A higher level of R&D than in 2015 was a headwind as charges related to the LEAP-1A have been expensed since May 2016 and amortization of capitalized R&D has commenced. The improvement in the hedge rate had a positive impact on profitability.

In 2016, Safran initiated its plan to drive down LEAP production cost to achieve breakeven at gross margin level before the end of the decade, as previously indicated.

Aircraft Equipment

The Aircraft Equipment segment reported revenue of €5,145 million, up 4.1% compared to 2015. On an organic basis, revenue was up 3.5%. Service revenue represented 31.8% of sales, almost 2 percentage points more than in 2015.

Equipment OE sales increased by 1.4%. Revenue growth was driven by higher deliveries of A350 wiring and landing gear shipsets, LEAP nacelles for A320neo, wiring and landing gear for A320ceo and A320neo, as well as by increased contribution of A400M, notably in landing gear. Headwinds included lower A330 and A380 volumes. Shipments to Boeing on the 787 program were broadly stable compared to the prior year.

Services grew 10.5% thanks to continuing momentum in carbon brakes aftermarket business and higher nacelle service activity (including initial provisioning with A320neo-LEAP airline customers).

Recurring operating income was €567 million, an increase of 21.7% compared to €466 million in 2015. Return on sales increased by 160 basis points to 11.0%. Increased volume, notably in aftermarket activities, coupled with strong cost reduction and productivity actions drove broad-based profitability improvements. The improved hedged rate also contributed positively. The rise of expensed R&D had a slight negative impact on profitability.

Defense

Revenue was down 2.2% at €1,238 million compared to 1,266 in 2015. As expected, the decline is principally due to the run-off of a few optronics contracts, not yet fully offset by the increasing contribution of recently awarded contracts for France and export markets.

In Optronics, the end of the contribution of the FELIN program and lower sales of sighting systems were partially offset by higher volumes of infrared goggles and the start-up of the contribution of the Patroller tactical UAV program. Avionics revenue was impacted by a drop in volumes of helicopter flight control systems, partially compensated by increased shipments of guidance kits, notably for export. Higher sales in Electronics were driven by the ramp-up of FADEC volumes, notably for CFM56 and LEAP engines.

Commercial activity was particularly strong in 2016 with order intake of €1.8 billion for the year. Notable contracts include the Patroller tactical UAV program for the French army, LTLM II portable optronics equipment for the US armed forces and a further order for AASM guidance kits for the French defense procurement agency (DGA). The good book to bill for the year solidly supports growth prospects.

Recurring operating income was up at €76 million compared to €64 million in 2015. Return on sales increased 100 bps to 6.1% of sales in 2016. The investments made to improve industrial performance and the strong cost control measures put in place yielded their first benefits. The level of capitalized R&D rose compared to 2015. Self-funded R&D intensity was sustained, at 9.1% of sales, in order to maintain technological leadership and support the development of newly awarded contracts, including the Patroller program.

■ Outlook for 2017

All the businesses comprising the Security activities are classified as “discontinued operations”. As a result, 2017 guidance and the 2016 comparison are based on continuing operations: Propulsion, Aircraft Equipment, Defense, Holding Company and Other.

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 €312 million corresponding to the first half of 2016.

In its first-quarter 2017 revenue press release published on April 24, 2017, Safran confirmed the full-year 2017 outlook guidance initially set out in the 2016 results press release of February 2017:

- reported adjusted revenue to grow in the range 2% to 3%. 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⁽¹⁾;
- free cash flow representing above 45% of adjusted recurring operating income, an element of uncertainty being the rhythm of payments by state-clients.

The guidance is based notably on the following assumptions:

- 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 capitalization, rising amortization of capitalized 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 improvements.

⁽¹⁾ Operating income before capital gains or losses on disposals/impact of changes in control, impairment changes, transaction and integration costs and other items.



FIVE-YEAR FINANCIAL SUMMARY OF THE COMPANY

(in €)	2012	2013	2014	2015	2016
Capital at December 31					
Share capital	83,405,917	83,405,917	83,405,917	83,405,917	83,405,917
Number of ordinary shares outstanding	417,029,585	417,029,585	417,029,585	417,029,585	417,029,585
Financial results					
Profit before tax, statutory employee profit-sharing, depreciation, amortization and provisions	583,002,487	351,489,419	218,114,906	1,564,574,645	767,391,743
Income tax expense (benefit)	(190,424,330)	(49,857,914)	(135,606,853)	(102,700,757)	(52,805,019)
Statutory employee profit-sharing for the fiscal year	-	-	-	-	-
Profit after tax, statutory employee profit-sharing, depreciation, amortization and provisions	764,947,485	327,839,113	654,303,872	1,648,209,397	969,870,638
Dividend payment	400,348,402	467,073,135	500,435,502	575,500,827	633,884,969
Per share data					
Profit after tax, statutory employee profit-sharing, but before depreciation, amortization and provisions					
▣ divided by the number of shares outstanding	1.85	0.96	0.85	4.00	1.97
Profit after tax, statutory employee profit-sharing, depreciation, amortization and provisions					
▣ divided by the number of shares outstanding	1.83	0.79	1.57	3.95	2.33
Net dividend					
▣ per ordinary share outstanding	0.96	1.12	1.20	1.38	1.52 ⁽¹⁾
Employees					
Average number of employees during the fiscal year	1,085	1,211	1,370	1,519	1,577
Total payroll	99,864,352	109,929,617	124,923,990	133,628,961	140,807,877
Social security and other social welfare contributions	56,713,929	71,358,273 ⁽²⁾	75,609,338	88,424,113 ⁽³⁾	88,550,754 ⁽⁴⁾

(1) To be submitted for shareholder approval at the June 15, 2017 Annual General Meeting.

(2) Including €3.7 million in respect of the international free share plan, of which the full amount of €3.7 million was rebilled to the European subsidiaries employing the beneficiaries.

(3) Including €7.4 million in contributions paid to the insurer that manages the defined benefit pension plan.

(4) Including €5.0 million in contributions paid to the insurer that manages the defined benefit pension plan.

STATUTORY AUDITORS' REPORTS ON THE PROPOSED RESOLUTIONS PRESENTED TO THE ANNUAL GENERAL MEETING OF JUNE 15, 2017

This is a free translation into English of reports issued in French and it is provided solely for the convenience of English speaking users. These reports should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

- Statutory Auditors' report on the issue, with or without preferential subscription rights for existing shareholders, of ordinary shares and/or securities carrying rights to shares

Extraordinary General Meeting of June 15, 2017 Seventeenth, eighteenth, nineteenth, twentieth, twenty-third, twenty-fourth, twenty-fifth and twenty-sixth resolutions

To the Shareholders,

In our capacity as statutory auditors of your Company and in compliance with Articles L.228-92 and L.225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report on the proposed delegation to the Board of Directors of various issues of ordinary shares or securities carrying rights to shares, an operation on which you are called to vote.

Your Board of Directors proposes, on the basis of its report, delegating them with the ability to sub-delegate for a maximum period of 26 months starting on the date of this meeting, the ability to decide on the following transactions and set the final conditions for these issues and proposes, where necessary, to cancel your preferential subscription right:

- Outside the periods of pre offer and public offering for the shares of your Company:
 - issuing ordinary shares of your Company or securities carrying rights to ordinary shares already existing or to be issued of your Company, without cancellation of the preferential subscription right (seventeenth resolution),
 - issuing ordinary shares of your Company or securities carrying rights to ordinary shares already existing or to be issued of your Company, with cancellation of the preferential subscription right by way of public offering (eighteenth resolution),
 - issuing shares or securities carrying rights to shares of your Company, in the event of a public exchange offer initiated by your Company (nineteenth resolution),
 - issuing ordinary shares of your Company or securities carrying rights to ordinary shares already existing or to be issued of your Company, within the scope of an offering set out in section II of Article L.411-2 of the French Financial and Monetary Code (*Code monétaire et financier*), with cancellation of the preferential subscription right (twentieth resolution).
- During the periods of pre offer and public offering for the shares of your Company:
 - issuing ordinary shares of your Company or securities carrying rights to ordinary shares already existing or to be issued of your Company, without cancellation of the preferential subscription right (twenty-third resolution),

STATUTORY AUDITORS' REPORTS ON THE PROPOSED RESOLUTIONS PRESENTED TO THE ANNUAL GENERAL MEETING OF JUNE 15, 2017

- issuing ordinary shares of your Company or securities carrying rights to ordinary shares already existing or to be issued of your Company, with cancellation of the preferential subscription right by way of public offering (twenty-fourth resolution),
- issuing shares or securities carrying rights to shares of your Company, in the event of a public exchange offer initiated by your Company (twenty-fifth resolution),
- issuing ordinary shares of your Company or securities carrying rights to ordinary shares already existing or to be issued of your Company, within the scope of an offering set out in section II of Article L.411-2 of the French Financial and Monetary Code (*Code monétaire et financier*), with cancellation of the preferential subscription right (twenty-sixth resolution).

The maximum aggregate nominal amount of any capital increases likely to be realized immediately or forward may not, according to the seventeenth resolution, exceed €20 million under the seventeenth to twenty-ninth (or on the basis of the delegations granted by any similar resolution that may supersede such resolution during the period of validity of the present delegation), it being specified that:

- The maximum aggregate nominal amount of any capital increases likely to be realized, individually and cumulatively, may not exceed €8 million according to the eighteenth to twentieth resolutions,
- The maximum aggregate nominal amount of any capital increases likely to be realized, individually by authorization and cumulatively, may not exceed €8 million according to the twenty-fourth to twenty-sixth resolutions, this amount will count towards the sub-ceiling of €8 million set by the eighteenth resolution.

The maximum aggregate nominal amount of any debt securities likely to be issued immediately or forward may not, according to seventeenth resolution, exceed €2 billion under the seventeenth to twentieth resolutions and the twenty-third to the twenty-seventh resolutions (or on the basis of the delegations granted by any similar resolution that may supersede such resolution during the period of validity of the present delegation), it been specified that:

- The nominal amount of any debt securities likely to be issued, may not, individually and cumulatively, exceed €1.8 billion according to the eighteenth to twentieth resolutions,
- The nominal amount of any debt securities likely to be issued, individually by authorization and cumulatively, may not exceed €1.8 billion according to the twenty-fourth to the twenty-sixth resolutions, this amount will count towards the sub-ceiling of €1.8 billion set by the eighteenth resolution.

These caps take into account the number of shares to be created, in accordance with the legal and regulatory provisions governing commercial companies, notably those of Article L.225-135-1 of the French Commercial Code (*Code de commerce*), within the scope of the implementation of the delegations referred to in the seventeenth, eighteenth, nineteenth and twentieth resolutions if you vote in favor of the twenty-first resolution and within the scope of the implementation of the delegations referred in the twenty-third, twenty-fourth, twenty-fifth and twenty-sixth resolutions, if you vote in favor of the twenty-seventh resolution.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R.225-113 *et seq.* of the French Commercial Code (*Code de commerce*). Our role is to report on the fairness of the financial information taken from the financial statements, on the proposed cancellation of preferential subscription rights and on other information relating to the issues provided in the report.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this operation and the methods used to determine the issue price of the capital securities to be issued.

Subject to a subsequent examination of the conditions for the proposed issues, we have no matters to report as to the methods used to determine the issue price of the capital securities to be issued provided in the Board of Directors' report in respect of the eighteenth, twenty-first, twenty-fourth and twenty-sixth resolutions.

Furthermore, as this report does not specify the conditions for determining the issue price of the capital securities to be issued within the scope of the implementation of the seventeenth, nineteenth, twenty-third and twenty-fifth resolutions, we cannot report on the choice of constituent elements used to determine the issue price.

As the issue price of the capital securities has not yet been determined, we cannot report on the final conditions for the issue, and, consequently, on the cancellation of preferential subscription rights proposed in the eighteenth, twentieth, twenty-fourth and twenty-sixth resolutions.

In accordance with Article R.225-116 of the French Commercial Code (*Code de commerce*), we will issue a supplementary report if necessary when your Board of Directors has used the delegations in the event of issues of securities that are equity securities that give access to other equity securities or carry rights to the allocation of debt securities, in the event of issues of securities that give access to equity securities to be issued and in the event of issues of ordinary shares with cancellation of the preferential subscription right.

Courbevoie and Paris-La Défense, May 9, 2017

The Statutory Auditors

French original signed by:

MAZARS

ERNST & YOUNG et Autres

Gaël Lamant

Christophe Berrard

Jean-Roch Varon

Nicolas Macé

Statutory Auditors' report on the share capital increase reserved for employees who are members of the Safran Group employee savings plans

Extraordinary General Meeting of June 15, 2017 Twenty-ninth resolution

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Articles L.225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report on the proposed delegation of authority to the Board of Directors to decide an increase in capital by means of the issue of ordinary shares with cancellation of preferential subscription rights, reserved for employees of the Company - or of companies related to it within the meaning of Article L.225-180 of the French Commercial Code, who are members of the Group savings plan or of any company savings plan existing within the Group, an operation on which you are called to vote.

The maximum nominal amount of any capital increase(s) carried out under this authorization may not represent over 1% of the Company's capital at the date of the Board of Directors' decision to carry out the issue. This ceiling shall be included in the blanket ceiling applicable to capital increases as defined in the twenty-fifth resolution of this Annual General Meeting.

This increase in capital is submitted for your approval in accordance with Articles L.225-129-6 of the French Commercial Code (*Code de commerce*) and L.3332-18 *et seq.* of the French Labor Code (*Code du travail*).

Your Board of Directors proposes that, on the basis of its report, it be authorized, for a period of 26 months starting on the date of this meeting, to decide on whether to proceed to carry out one or more increases in capital and proposes to cancel your preferential subscription rights to ordinary shares to be issued. If necessary, the Board of Directors will determine the final conditions of this operation.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R.225-113 and R.225-114 of the French Commercial Code (*Code de commerce*). Our role is to report on the fairness of the financial information taken from the financial statements, on the proposed cancellation of preferential subscription rights and on other information relating to the share issue contained in this report.

We have performed the procedures that we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this operation and the methods used to determine the issue price.

Subject to a subsequent examination of the conditions for the increase in capital that would be decided, we have no matters to report as to the methods used to determine the issue price for the ordinary shares to be issued provided in the Board of Directors' report.

As the final conditions of the capital increase have not yet been determined, we cannot report on the final conditions and, consequently, on the proposed cancellation of preferential subscription rights.

In accordance with Article R.225-116 of the French Commercial Code (*Code de commerce*), we will issue a supplementary report, if necessary, when your Board of Directors has exercised this authorization.

Courbevoie and Paris-La Défense, May 9, 2017

The Statutory Auditors

French original signed by:

MAZARS

ERNST & YOUNG et Autres

Gaël Lamant

Christophe Berrard

Jean-Roch Varon

Nicolas Macé

Statutory Auditors' report on the reduction in capital

Extraordinary General Meeting of June 15, 2017 Thirtieth resolution

To the Shareholders,

In our capacity as Statutory Auditors of Safran and in compliance with Article L.225-209 of the French Commercial Code (*Code de commerce*), in respect of the reduction in capital by the cancellation of repurchased shares, we hereby report on our assessment of the terms and conditions for the proposed reduction in capital.

Shareholders are asked to grant the Board of Directors full powers, for a period of 24 months as from this meeting, to cancel the shares purchased under the Company's share buyback program, pursuant to an authorization granted within the framework of the above-mentioned article, up to a maximum of 10% of the share capital per 24-month period.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying that the reasons for and the terms and conditions of the proposed share capital reduction, which is not considered to affect shareholders, comply with the applicable legal provisions.

We have no matters to report on the reasons for and terms and conditions of the proposed capital reduction.

Courbevoie and Paris-La Défense, May 9, 2017

The Statutory Auditors

French original signed by:

MAZARS

ERNST & YOUNG et Autres

Gaël Lamant

Christophe Berrard

Jean-Roch Varon

Nicolas Macé

Statutory auditors' special report on the authorization to grant new or existing shares, free of consideration

Extraordinary General Meeting of June 15, 2017 Thirty-first resolution

To the Shareholders,

In our capacity as statutory auditors of your company and in compliance with Article L. 225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report on the proposed authorization to grant new or existing shares of the Company, free of consideration to (i) employees or certain categories of employees of the Company or of related companies within the meaning of Article L.225-197-2 of the French Commercial Code, or (ii) corporate officers of the Company or of related companies within the meaning of Article L.225-197-2 of the French Commercial Code, provided said corporate officers are eligible for such grants under the applicable law.

This authorization may not grant entitlement to a total number of shares exceeding 0.4% of the number of shares making up the Company's share capital on the date of the grant decision by the Board of Directors.

Your Board of Directors proposes that, on the basis of its report, it be authorized for a period of 26 months starting on the date of this meeting to grant new or existing shares, free of consideration.

It is the responsibility of the Board of Directors to prepare a report on the proposed operation. Our role is to report on any matters relating to the information regarding the proposed operation.

We have performed the procedures that we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted mainly in verifying that the proposed methods described in the Board of Directors' report comply with the legal provisions governing such operations.

We have no matters to report as to the information provided in the Board of Directors' report relating to the proposed authorization to grant new or existing shares of the Company.

Courbevoie and Paris-La Défense, May 9, 2017

The Statutory Auditors

French original signed by:

MAZARS

ERNST & YOUNG et Autres

Gaël Lamant

Christophe Berrard

Jean-Roch Varon

Nicolas Macé

REQUEST FOR ADDITIONAL DOCUMENTS AND INFORMATION

Request to be sent to:



BNP Paribas Securities Services

CTS Émetteurs Assemblées
Grands Moulins de Pantin
9, rue du Débarcadère
93761 Pantin Cedex
FRANCE

Article R.225-83 of the French Commercial Code⁽¹⁾

Ordinary and Extraordinary Shareholders' Meeting to be held on June 15, 2017

I, the undersigned,

Name (or corporate name): _____

Address: _____

Owner of:

_____ registered shares

_____ bearer shares recorded in an account held with⁽²⁾ _____

hereby request the Company to send to the above address the documents and information referred to in Article R.225-83 of the French Commercial Code, for the purposes of Safran's Ordinary and Extraordinary Shareholders' Meeting to be held on June 15, 2017.

Signed in _____ on _____ 2017

Signature:

In accordance with Article R.225-88 of the French Commercial Code, holders of registered shares may make a one-time request for the Company to send the documents and information referred to in Articles R.225-81 and R.225-83 of said Code prior to all future Shareholders' Meetings.

Please check this box if you wish to lodge this request:

(1) The documents and information referred to in Article R.225-83 of the French Commercial Code include the parent company and consolidated financial statements, the management report drawn up by the Board of Directors and the Statutory Auditors' reports. These documents and information can also be downloaded from the Company's website at www.safran-group.com.

(2) For holders of bearer shares, please state the name and address of the authorized financial intermediary responsible for managing your shares.



SIGN UP FOR THE E-NOTICE OF MEETING

HELP OUR SUSTAINABLE DEVELOPMENT EFFORTS BY SIGNING UP FOR THE E-NOTICE OF MEETING

You can now choose to receive the Notice of Meeting by email, thereby helping us protect the environment and reduce our carbon footprint by cutting down on printing and mailing hard copies of the Notice.

Opting for the e-Notice of Meeting is also a fast, easy and secure way to obtain all the information you need.

To sign up for the e-Notice of Meeting (effective for meetings after June 15, 2017), all you need to do is:

- fill out the reply slip below (also available on www.safran-group.com) by clearly writing your name, date of birth and email address and returning it in the enclosed prepaid envelope at your earliest convenience; or
- log on directly to the "e-Notice" page at <https://planetshares.bnpparibas.com> by **3.00 p.m. on June 14, 2017**.

If you have already signed up for the e-Notice but continue to receive a hard copy, please resend us the reply slip below.



E-NOTICE REPLY SLIP

I would like to sign up for electronic information concerning my share account and receive by email a copy of:

My Notice of Meeting as well as all documentation pertaining to Safran's **Annual General Meetings held after June 15, 2017**.

I hereby provide the following information (all fields must be completed; please write in capital letters only):

Mrs. / Ms. / Mr.

Last name (or corporate name): _____

First name: _____

Date of birth (mm/dd/yyyy): _____ / _____ / _____

Email: _____ @ _____

Signed in: _____, on: _____ 2017

Signature:

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