

**L PRESS RELEASE****Safran reports first quarter 2024 revenue  
Solid momentum continues: guidance confirmed**

Paris, April 26, 2024

- *2-digit revenue growth in all businesses*
- *Full-year 2024 outlook reaffirmed*

**Q1 2024 adjusted data**

- *Revenue €6,220 million, up 18.1% (19.1% organic)*

**Q1 2024 consolidated data**

- *Revenue: €6,280 million*

**Foreword**

- All figures in this press release represent adjusted data, except where noted. Please refer to the definitions and reconciliation between Q1 2024 consolidated revenue and adjusted revenue contained in the footnotes and in the Notes on page 6 of this press statement.
- Organic variations exclude changes in scope and currency impacts for the period.

CEO Olivier Andriès said: “*Safran had another strong start of the year, with double-digit revenue growth in all businesses and civil aftermarket benefitting from the continued good dynamics in air traffic and an increasing contribution of CFM flight hour contracts. LEAP engines delivery volumes reflect the soft start of aircraft production. We remain focused on meeting our customer commitments and mitigating short term challenges and are confident to deliver our financial performance for the year.*”

## Q1 2024 revenue

At €6,220 million, Q1 2024 revenue increased by 18.1% compared to Q1 2023. Changes in scope during the quarter<sup>1</sup> balance each other out, resulting in no impact at Group level. Currency impact of €(51) million reflects a negative translation impact of USD revenues, with an average €/€ spot rate of 1.09 in Q1 2024 (1.07 in Q1 2023). €/€ hedge rate in Q1 2024 stood at 1.12 (1.13 in Q1 2023).

On an organic basis, revenue increased by 19.1%, of which:

- **Propulsion** revenue increased by 15.4% thanks to strong civil aftermarket activity (+27.3% in \$). This strong growth came in particular from LTSA<sup>2</sup> for CFM56 and LEAP engines, a trend that should subside from the second quarter onward. Revenue from spare parts for CFM56 and high-thrust engines was in line with expectations. This quarter's performance has no impact on full-year expectations.  
LEAP deliveries were stable at 367 units, compared to 366 units in Q1 2023 reflecting the soft start of the year of aircraft production.  
Military activities were down compared to Q1 2023 with notably fewer M88 deliveries related to contract phasing.  
Helicopter turbine activities grew slightly thanks to OE and to a lesser extent to services, both still penalized by supply chain difficulties.
- **Equipment & Defense** posted significant growth (+22.7%) coming from all activities. OE sales registered a 26.7% increase year over year supported by both narrowbody and widebody programs and a low comparison basis in Q1 2023. Volumes were up for landing gears (A320neo, A350, 787), power and wiring (A320neo, 787), avionics (FADEC for LEAP) as well as nacelles (A330neo). Electrical systems deliveries were impacted by lower 737MAX shipsets. Revenue in Defense were up significantly, led by guidance systems, JIM multifunction infrared binoculars and optronics activities.  
Services sales, driven by a continuing positive trend in air traffic, grew in all businesses, in particular landing gears and nacelles.
- **Aircraft Interiors** revenue increased by 23.8% but still remains 10% below 2019 level. Growth was mainly driven by services from all activities, notably in Seats.  
OE sales improved thanks to Cabin (Custom Cabin and galleys) and, to a lesser extent, to Seats. Business class seat deliveries were down to 242 units from 324 in Q1 2023.

## Currency hedges

The hedge book amounts to \$51.7 billion in March 2024, compared to \$54 billion in December 2023.

- 2024 is hedged: targeted hedge rate is \$1.12, for an estimated net exposure of \$12.0 billion.
- 2025 to 2027 are hedged: targeted hedge rate between \$1.12 and \$1.14, for an estimated net annual exposure of \$13.0 billion.
- 2028 is partially hedged: \$3.2 billion hedged out of an estimated net exposure of \$13.0 billion.

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<sup>1</sup> Divestment of Cargo & Catering in May 2023 and acquisition of Thales Aeronautical Electrical Systems activities in October 2023.

<sup>2</sup> Long Term Service Agreement

## Share repurchase programs

In 2024, Safran launched a new share buyback tranche to complete the hedging of the potential dilution related to the 2028 convertible bonds and for long term incentive plans. As such, Safran bought back approximately €141 million worth of its own shares. The execution of this tranche was interrupted as the maximum repurchase price (€175) authorized by the general meeting of May 25, 2023 has been exceeded. If market conditions permit and if resolution no. 16 proposing to shareholders to set the maximum repurchase price at €300 per share is approved at the general meeting of May 23, 2024, Safran plans to complete this tranche in 2024.

As announced in July 2023, Safran will then launch a €1 billion share buyback for cancellation; this buyback is expected to be carried out during 2024 and 2025.

As of March 31, 2024, Safran held 14 million of treasury shares.

## Portfolio management

On February 29, 2024, Safran closed the acquisition of Air Liquide aeronautical oxygen and nitrogen activities (to be consolidated within Equipment & Defense).

## Full-year 2024 outlook

**Safran confirms its full-year 2024 outlook** (at constant scope of consolidation, adjusted data):

- Revenue **around €27.4 billion**;
- Recurring operating income **close to €4.0 billion**;
- Free cash flow **around €3.0 billion**, subject to payment schedule of some advance payments.

**This outlook is based notably, but not exclusively, on the following assumptions:**

- LEAP engine deliveries: **up by 10%-15%** (previously 20-25%);
- Civil aftermarket revenue (in USD): up by around 20%;
- €/ \$ spot rate of 1.10;
- €/ \$ hedge rate of 1.12.

The main risk factor remains the supply chain production capabilities.

\* \* \* \*

## Agenda

Annual General Meeting	May 23, 2024
H1 2024 results	July 31, 2024
Q3 2024 revenue	October 25, 2024
Capital Markets Day in Paris	December 5, 2024
FY 2024 results	February 14, 2025

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Safran will host today a webcast for analysts and investors at 8.15 am CEST.

- 1) If you only want to follow the webcast and listen the conference call**, please register using the following link: <https://edge.media-server.com/mmc/p/243s7te5>  
⇒ Use this same link for the **replay** which will be available 2 hours after the event concludes and remains accessible for 90 days.
- 2) If you want to participate in the Q&A session at the end of the conference**, please pre-register using the link below in order to receive by email the connection details (dial-in numbers and personal passcode):  
<https://register.vevent.com/register/BI281d8d1d3af14e0db4c45e2161d428ba>

Registration links are also available on Safran's website under the Finance home page as well as in the "Publications and Results" and "Calendar" sub-sections.

Press release and presentation are available on Safran's website at [www.safran-group.com](http://www.safran-group.com) (Finance section).

## Key figures

### 1. Segment breakdown

<i>Segment breakdown of adjusted revenue (In Euro million)</i>	Q1 2023	Q1 2024	% change	% change in scope	% change currency	% change organic
Propulsion	2,714	3,097	14.1%	-	(1.3)%	15.4%
Equipment & Defense	1,966	2,444	24.3%	2.1%	(0.5)%	22.7%
Aircraft Interiors	584	676	15.8%	(7.0)%	(1.0)%	23.8%
Holding company & Others	2	3	n/s	-	-	n/s
<b>Total Group</b>	<b>5,266</b>	<b>6,220</b>	<b>18.1%</b>	<b>-</b>	<b>(1.0)%</b>	<b>19.1%</b>

<i>OE / Services adjusted revenue breakdown (In Euro million)</i>	Q1 2023		Q1 2024	
	OE	Services	OE	Services
<b>Propulsion</b>	<b>1,106</b>	<b>1,608</b>	<b>1,198</b>	<b>1,899</b>
% of revenue	40.8%	59.2%	38.7%	61.3%
<b>Equipment &amp; Defense</b>	<b>1,144</b>	<b>822</b>	<b>1,470</b>	<b>974</b>
% of revenue	58.2%	41.8%	60.1%	39.9%
<b>Aircraft Interiors<sup>3</sup></b>	<b>395</b>	<b>189</b>	<b>417</b>	<b>259</b>
% of revenue	67.6%	32.4%	61.7%	38.3%

<i>2023 revenue by quarter (In Euro million)</i>	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY2023
Propulsion	2,714	2,963	3,083	3,116	11,876
Equipment & Defense	1,966	2,134	2,134	2,601	8,835
Aircraft Interiors	584	579	605	709	2,477
Holding company & Others	2	3	3	3	11
<b>Total Group</b>	<b>5,266</b>	<b>5,679</b>	<b>5,825</b>	<b>6,429</b>	<b>23,199</b>

<i>Euro/USD rate</i>	Q1 2023	Q1 2024
Average spot rate	1.07	1.09
Spot rate (end of period)	1.09	1.08
Hedge rate	1.13	1.12

### 2. Number of products delivered on major aerospace programs

<i>Number of units delivered</i>	Q1 2023	Q1 2024	Change in units	% change
LEAP engines	366	367	1	0%
CFM56 engines	15	12	(3)	(20)%
High thrust engines	37	56	19	51%
Helicopter turbines	136	136	-	-
M88 engines	17	8	(9)	(53)%
A320neo nacelles	135	135	0	-
A320 landing gears sets	123	167	44	36%
A320 emergency slides	779	1,080	301	39%
A330neo nacelles	8	16	8	100%
A350 landing gears sets	12	15	3	25%
A350 lavatories	106	81	(25)	(24)%
787 landing gears sets	-	11	11	n/a
787 primary power distribution systems	61	88	27	44%
Small nacelles (biz & regional jets)	134	121	(13)	(10)%
Business class seats	324	242	(82)	(25)%

<sup>3</sup> Retrofit is included in OE

## Notes

Adjusted revenue:

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.

Safran's consolidated revenue has been adjusted for the impact of:

- the mark-to-market of foreign currency derivatives, in order to better reflect the economic substance of the Group's overall foreign currency risk hedging strategy:
  - revenue net of purchases denominated in foreign currencies is measured using the effective hedged rate, i.e., including the costs of the hedging strategy,
  - all mark-to-market changes on instruments hedging future cash flows are neutralized.

The resulting changes in deferred tax have also been adjusted.

First-quarter 2024 reconciliation between consolidated revenue and adjusted revenue:

Q1 2024	Consolidated revenue	Hedge accounting		Business combinations		Adjusted revenue
		Remeasurement of revenue	Deferred hedging gain (loss)	Amortization intangible assets - Sagem-Snecma	PPA impacts - other business combinations	
<i>(In Euro million)</i>						
<b>Revenue</b>	<b>6,280</b>	(60)	-	-	-	<b>6,220</b>

**Safran** is an international high-technology group, operating in the aviation (propulsion, equipment and interiors), defense and space markets. Its core purpose is to contribute to a safer, more sustainable world, where air transport is more environmentally friendly, comfortable and accessible. Safran has a global presence, with 92 000 employees and sales of 23.2 billion euros in 2023, and holds, alone or in partnership, world or regional leadership positions in its core markets. Safran undertakes research and development programs to maintain the environmental priorities of its R&T and Innovation roadmap.

Safran is listed on the Euronext Paris stock exchange and is part of the CAC 40 and Euro Stoxx 50 indices.

For more information : [www.safran-group.com](http://www.safran-group.com)



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*The foregoing list of factors is not exhaustive. Forward-looking statements speak only as of the date they are made. Safran does not assume any obligation to update any public information or forward-looking statement in this document to reflect events or circumstances after the date of this document, except as may be required by applicable laws.*

#### USE OF NON-GAAP FINANCIAL INFORMATION

*This document contains supplemental non-GAAP financial information. Readers are cautioned that these measures are unaudited and not directly reflected in the Group's financial statements as prepared under International Financial Reporting Standards and should not be considered as a substitute for GAAP financial measures. In addition, such non-GAAP financial measures may not be comparable to similarly titled information from other companies.*