

Exane BNP Paribas

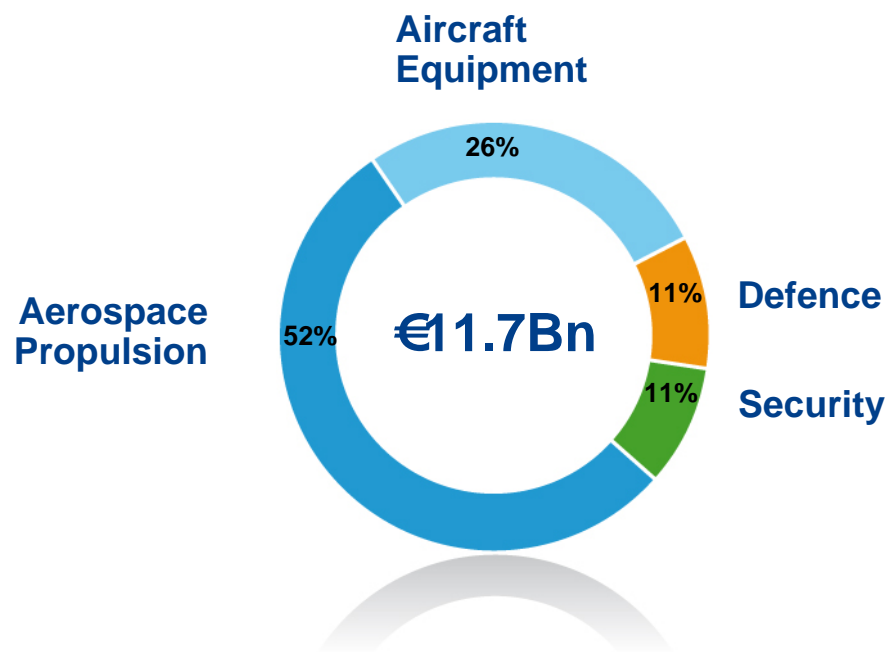
14th European CEO Seminar

Jean-Paul Herteman - Chairman & CEO

/ June 13, 2012 /

Tier 1 supplier in Aerospace - Defence - Security

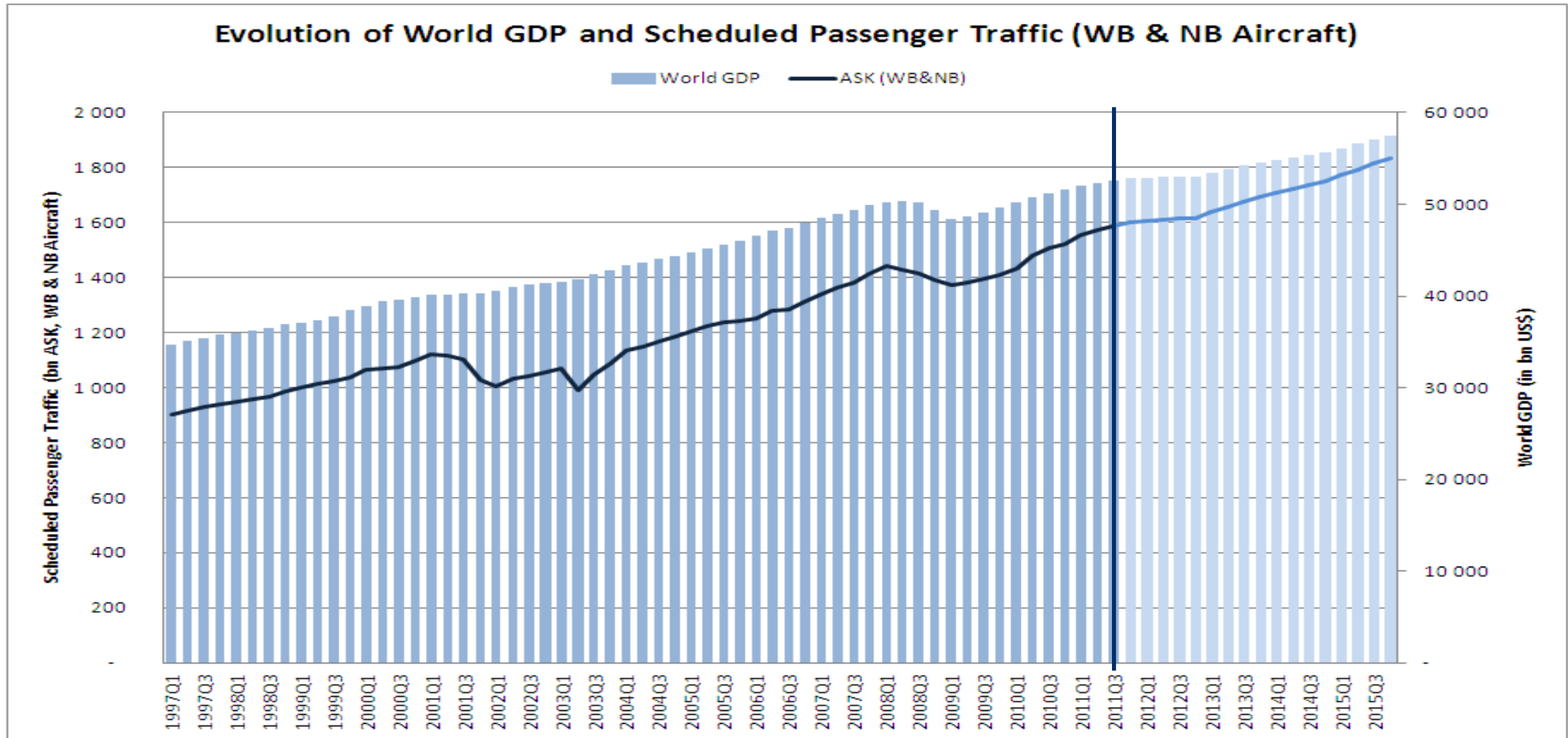
2011 revenue by activities



FY 2011

è Revenue	€11,736M
è Recurring op. income	€1,189M (10.1% of revenue)
è Net income - Group share	€644M (€1.59/share)
è Free Cash Flow	€532M
è Net debt position (Dec. 31)	€997M (20% gearing)

Passenger traffic to grow at ~ 1.5x GDP



Sources: actual GDP: IHS/Global Insight – actual ASK: OAG – GDP forecasts: IHS/Global Insight/Safran – ASK forecasts: Snecma

Increasing OE production rates



Boeing 737



Airbus A320

- è **Short-to medium-haul aircraft**
 - § 737: up to 42 aircraft per month
 - § A320: up to 42 aircraft per month

**Main drivers:
air traffic growth and
fleet replacement**



Airbus A330



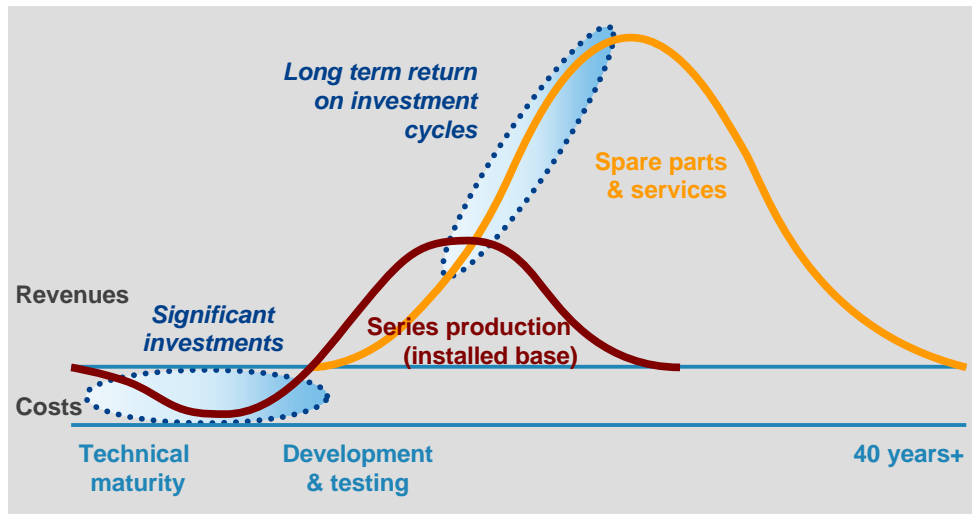
Boeing 787

- è **Long-haul aircraft**
 - § A330: up to 103 aircraft per year
 - § 787: up to 125 aircraft per year

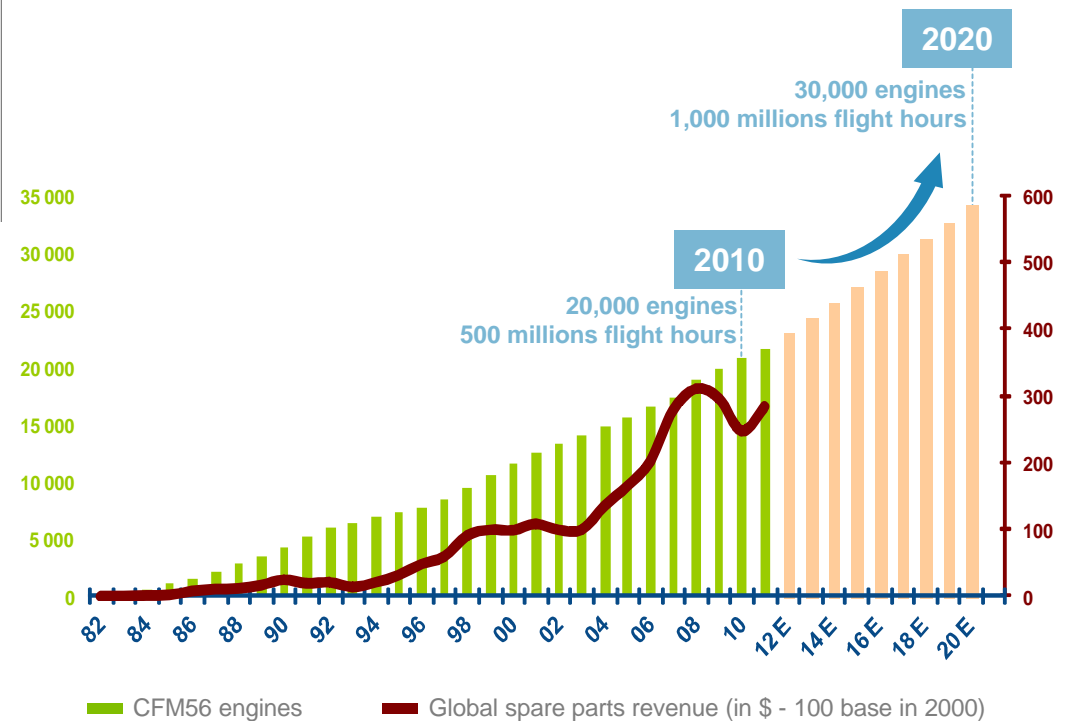
(by 2015)

Civil aircraft engine: a long term attractive business model

Economic life cycle of an aircraft engine



CFM56 spare parts revenue potentially to double by 2020



CFM: replacing a blockbuster by another blockbuster



A320
Dual source



737
Single source



A320neo
Dual source



737 MAX
Single source



C919
Single western source

CFM56

- è **More than 23,100 engines delivered;** (backlog 6,267 engines)
 - § 1,000 DC-8, KC135, A340 aircraft
 - § 3,000+ A320 aircraft
 - § 6,000+ 737 aircraft
- è **A CFM56-powered aircraft takes off every 2s**

1981



2016

...

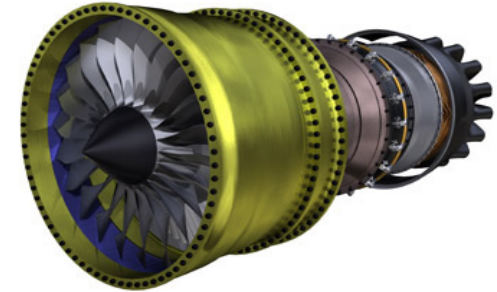
LEAP

- è **More than 3,500 engines orders and commitments to date**
- è **Potential market**
 - § 4,000+ A320neo aircraft
 - § 4,000+ 737MAX aircraft
 - § Up to 2,000 C919 aircraft

Successful portfolio extension to business jet engines

è **A 9,500- to 12,000-pound thrust turbofan designed to power super mid-size to large cabin business jets or 40 to 60-seat regional jets**

- § Reduces fuel consumption and CO2 emissions by 15%
- § Cuts NOx emissions and noise in half
- § Significantly decreases maintenance costs



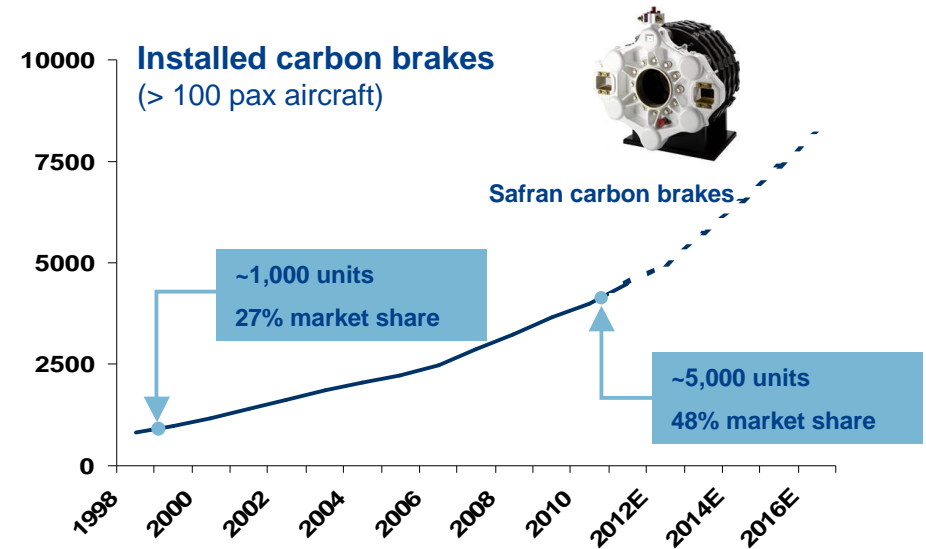
è **Silvercrest engines selected by Cessna on its Citation Longitude program as well as by another unannounced customer**

- § Entry into service in 2017



Leveraging through common technologies nose to tail

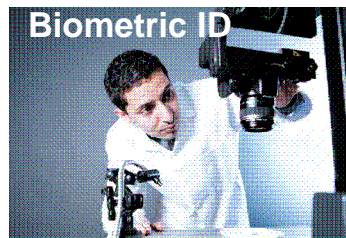
è **Grow services (carbon brakes, landing systems, nacelles) as fleet usage continues to pick-up and as installed base continues to grow**



- è **Nacelles to provide positive contribution in 2012**
- è **Continue to improve productivity and reduce cost base**
- è **Innovation focus on integrated electrical systems**

Confident to deliver improved operating margin in Aircraft Equipment by 2012-2013 and play leadership role in more electrical aircraft

A global, world-class high-tech and dynamic Security business



N°. 1 worldwide in Automated Fingerprint Identification Systems (AFIS) & iris/face recognition



**Over 600 million cards produced every year
Passports, ID cards, driving licenses**

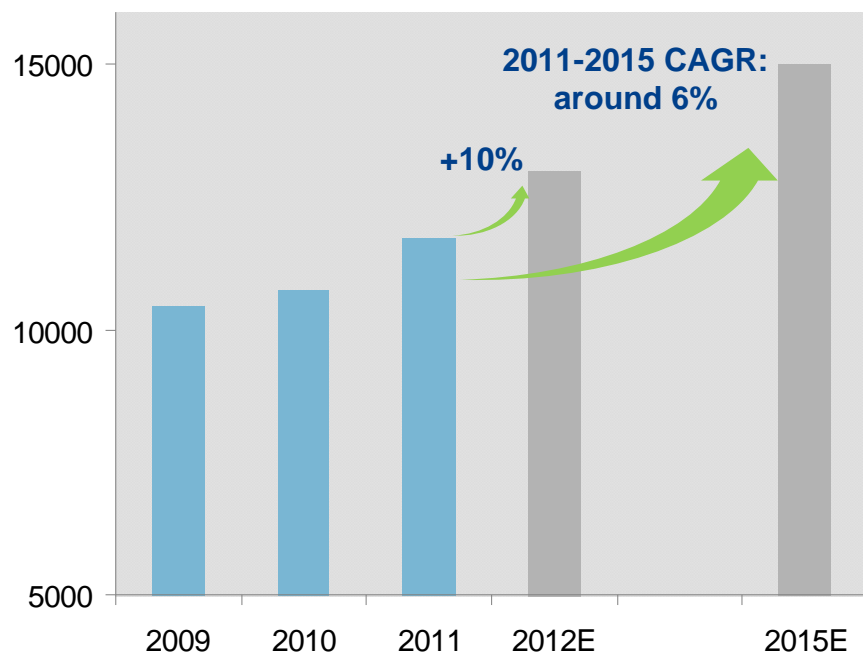


N°. 1 worldwide in Explosive Detection Systems (EDS) for Hold Baggage

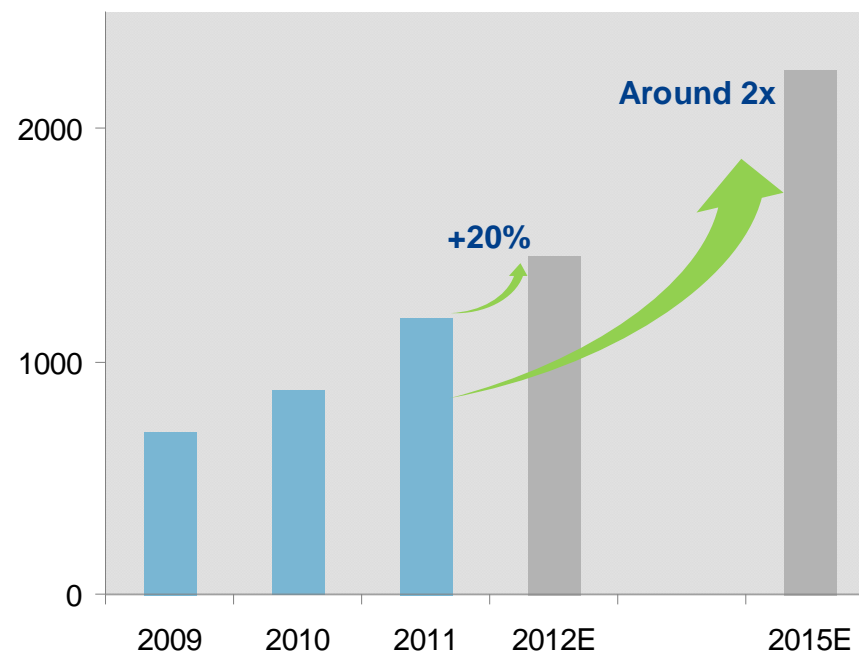
**2011 revenue of €1.2bn; 7,500 employees
Geared for strong revenue growth**

2012 outlook and 2015 view

Revenue (€M)



Recurring operating income (€M)



Conclusion

- è **Civil aviation & high tech security resilient growth**
- è **Sustaining growth through technological differentiation**
- è **Improving operating margin with 15% target through a leverage on sales and services**
- è **Replacing CFM by another blockbuster**

KEY MISSIONS, KEY TECHNOLOGIES, KEY TALENTS