

NOTICE OF MEETING

Shareholders' Meeting (Ordinary and Extraordinary)

Thursday May 27, 2010 at 10.30 a.m.

CNIT Paris La Défense

Amphithéâtre Léonard-de-Vinci – Porte A – Niveau D
2 place de la Défense – 92090 Paris La Défense – France



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HOW TO PARTICIPATE IN THE MEETING

You will need to provide evidence of share ownership

All shareholders are entitled to take part in this Meeting, in person, by proxy or by casting a postal vote, whatever the number of shares held.

In accordance with French law, for shareholders to be eligible to vote at the Meeting, their shares must be recorded no later than midnight (CET) on the third business day preceding the Meeting(*) as follows:

- for registered shares: in the Company's share register managed by BNP Paribas;
- for bearer shares: in a securities account managed by an authorized financial intermediary.

If your shares are registered in the Company's share register managed by BNP Paribas they are automatically recorded and no further evidence of share ownership is required.

If your shares are held in bearer form you should ask your financial intermediary to issue a certificate stating that the shares are duly recorded in your account. This certificate should be attached to your admittance card request, or the proxy/postal voting form.

If you plan to attend the Meeting in person

Holders of registered shares

If you hold registered shares and plan to attend the Meeting in person you should request an admittance card from BNP Paribas by filling out the attached proxy/postal voting form as follows:

- check box A in the upper section of the form;
- date and sign the form in the section at the bottom;
- send the form in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, GCT 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.

Holders of bearer shares

If you hold bearer shares and plan to attend the Meeting in person you should request an admittance card from the financial intermediary that manages your securities account who will forward your request to BNP Paribas Securities Services, GCT Assemblées, Grands Moulins de Pantin, 9 rue du Débarcadère, 93761 Pantin Cedex, together with the above-described certificate stating that the shares are duly recorded in your account.

If you do not receive your admittance card by midnight (CET) on the third business day preceding the Meeting(*) you should ask your financial intermediary to issue you with a certificate proving that you own the shares and are therefore entitled to attend the Meeting.

If you wish to give proxy to the Chairman of the Meeting

If you wish to give proxy to the Chairman of the Meeting you should fill out the attached proxy/postal voting form as follows:

- check box B in the upper section of the form;
- check the "I hereby give my proxy to the Chairman of the Meeting" box;
- date and sign the form in the section at the bottom;

- send the form in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, GCT Assemblées, Grands Moulins de Pantin, 9 rue du Débarcadère, 93761 Pantin Cedex, France.

NB: If you hold bearer shares you must attach to your proxy/postal voting form the above-described certificate issued by your financial intermediary.

(*) As the Meeting is due to be held on Thursday May 27, 2010, the applicable record date is midnight CET on Monday May 24, 2010.

HOW TO PARTICIPATE IN THE MEETING

If you wish to give proxy to another shareholder or your spouse

If you wish to give proxy to another shareholder or your spouse you should fill out the attached proxy/postal voting form as follows:

- check box B in the upper section of the form;
- check the “I hereby appoint” box and state the name and address of your spouse or the shareholder who will represent you at the Meeting;
- date and sign the form in the section at the bottom;

- send the form in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, GCT Emetteurs, Service Assemblées, Grands Moulins de Pantin, 9 rue du Débarcadère, 93761 Pantin Cedex, France.

NB: If you hold bearer shares you must attach to your proxy/postal voting form the above-described certificate issued by your financial intermediary.

If you wish to cast a postal vote

If you wish to cast a postal vote you should fill out the attached proxy/postal voting form as follows:

- check box B in the upper section of the form;
- check the box “I vote by post”;
- complete the postal voting section in accordance with the instructions on the form;
- date and sign the form in the section at the bottom;
- send the form in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, GCT Emetteurs, Service Assemblées, Grands Moulins de Pantin, 9 rue du Débarcadère, 93761 Pantin Cedex, France.

Duly completed and signed postal voting forms must reach BNP Paribas Securities Services at least three days before the Meeting. For holders of bearer shares the above-described certificate issued by your financial intermediary must be attached to your proxy/postal voting form.

NB: If you hold bearer shares you must attach to your proxy/postal voting form the above-described certificate issued by your financial intermediary.

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

HOW TO PARTICIPATE IN THE MEETING

To fill out the attached 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 financial intermediary

IMPORTANT - avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / Before selecting, please see instructions on reverse side.
QUELLE QUE SOIT L'OPTION CHOISIE, DATER ET SIGNER AU BAS DU FORMULAIRE / WHICHEVER OPTION IS USED, 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 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 Directeur et Conseil de Surveillance
Au capital de 83 405 917 €
Siège social : 2, boulevard du Général Martial Valin
75015 PARIS
362 082 909 R.C.S. PARIS

ASSEMBLÉE GÉNÉRALE MIXTE convoquée le jeudi 27 mai 2010 à 10 heures 30, au CNIT, 2 place de la Défense, 92090 PARIS LA DÉFENSE.
COMBINED GENERAL MEETING to be held on Thursday, May 27, 2010 at 10.30 am, at CNIT, 2 place de la Défense, 92090 PARIS LA DÉFENSE.

CADRE RESERVE / For Company's use only
Identifiant / Account
Nominatif Registered VS / single vote
Porteur / Bearer VD / double vote
Nombre d'actions Number of shares
Nombre de voix / Number of voting rights

JE VOTE PAR CORRESPONDANCE / I VOTE BY POST
Cf. au verso renvoi (3) - See reverse (3)

Je vote **OUI** à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en noirissant comme ceci ■ la case correspondante et pour lesquels je vote **NON** ou je m'abstiens.
I vote **FOR** all the draft resolutions approved by the Board of Directors EXCEPT those indicated by a shaded box - like this ■, for which I vote against or I abstain.

Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en noirissant comme ceci ■ la case correspondante à mon choix.
On the draft resolutions not approved by the Board of directors, I cast my vote by shading the box of my choice - like this ■.

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

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée / In case amendments or new resolutions are proposed during the meeting:
- Je donne pouvoir au Président de l'A.G. de voter en mon nom. // I appoint the Chairman of the meeting to vote on my behalf...
- Je m'abstiens (l'abstention équivaut à un vote contre). // I abstain from voting (its equivalent to a vote against).....
- Je donne procuration (cf. au verso renvoi 2) à M, Mme ou Mlle
pour voter en mon nom // I appoint (see reverse (2)) Mr, Mrs or Miss to vote on my behalf

JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE
Dater et signer au bas du formulaire, sans rien remplir
I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE MEETING
date and sign the bottom of the form without completing it
cf. au verso renvoi (2) - See reverse (2)

JE DONNE POUVOIR A : (soit le conjoint, soit un autre actionnaire - cf. renvoi (2) au verso) **pour me représenter à l'assemblée**
I HEREBY APPOINT you may give your PROXY either to your spouse or to another shareholder - see reverse (2)) **to represent me at the above mentioned meeting.**
M, Mme ou Mlle / Mr, Mrs or Miss
Adresse / Address

ATTENTION : S'il s'agit de titres au porteur, les présentes instructions ne seront valides que si elles sont accompagnées de l'attestation de participation délivrée par votre banquier teneur de vos titres.
CAUTION: If you're voting on bearer securities, the present instructions will only be valid if they are enclosed with an investment certificate issued by your custodian bank.

Nom, Prénom, Adresse de l'actionnaire (si ces informations figurent déjà, les vérifier et les rectifier éventuellement)
- Surname, first name, address of the shareholder (if this information is already supplied, please verify and correct if necessary)
Cf. au verso renvoi (1) - See reverse (1)

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

Pour être prise en considération, toute formule doit parvenir au plus tard :
In order to be considered, this completed form must be returned at the latest:

sur 1^{re} convocation / on 1st notice
24/05/2010 / May 24, 2010

sur 2^e convocation / on 2nd notice

à / at BNP PARIBAS SECURITIES SERVICES, GCT Assemblées, Grands Moulins de Pantin,
9 rue du débarcadère, 93761 PANTIN Cedex.

Date & Signature

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

Please date and sign here
whatever your chosen method of voting

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

If you wish to give proxy to another shareholder or your spouse
Check this box and state the name and address of your representative

For any further information please contact:
Safran – Investor Relations
2, boulevard du Général-Martial-Valin
75724 Paris Cedex 15, France
Toll free number (France only): 0 800 17 17 17
Fax: +33 (0)1 40 60 84 36
www.safran-group.com/Finance

AGENDA

Ordinary meeting

- Approval of the parent company financial statements for the year ended December 31, 2009. Discharge to the members of the Executive Board and the Supervisory Board for the performance of their duties.
- Approval of the consolidated financial statements for the year ended December 31, 2009.
- Appropriation of net profit and approval of the recommended dividend.
- Approval of related-party agreements and commitments governed by Article L.225-86 of the French Commercial Code.
- Re-appointment of Mazars as a Statutory Auditor.
- Appointment of Ernst & Young et Autres as a Statutory Auditor.
- Appointment of Gilles Rainaut as an Alternate Auditor.
- Appointment of Auditex as an Alternate Auditor.
- Authorization for the Executive Board to implement a share buyback program.

Extraordinary meeting

- Authorization for the Executive Board to increase the Company's capital by capitalizing reserves, profits, additional paid-in capital or other eligible items.
- Authorization for the Executive Board to reduce the Company's capital by cancelling treasury shares.
- Powers to carry out formalities.

REPORT ON THE PROPOSED RESOLUTIONS

Report of the executive board on the proposed resolutions. Ordinary resolutions

Approval of the 2009 parent company and consolidated financial statements

The purpose of the **first resolution** is for shareholders to approve the parent company financial statements of Safran for the year ended December 31, 2009, which show net profit of €249.5 million, compared with €151.2 million for the previous year.

The expenses recorded during the year that are not deductible from Safran's profit for tax purposes correspond to (i) depreciation on personal vehicles concerning the portion of their price or lease payments that exceed a certain ceiling and (ii) a portion of Supervisory Board attendance fees.

In the **second resolution**, shareholders are invited to approve Safran's consolidated financial statements for the year ended December 31, 2009.

Detailed information on the 2009 financial statements and the Group's operations during that year and early 2010 is provided in the Executive Board's management report contained in the 2009 Registration Document that has been filed with the Autorité des Marchés Financiers can be consulted by shareholders on Safran's website (www.safran-group.com) or obtained by sending the attached form "Request for additional documents and information".

Appropriation of net profit and approval of the recommended dividend

The purpose of the **third resolution** is for shareholders to appropriate the parent company's net profit for 2009 which amounts to €249.5 million plus €4.1 million in retained earnings, giving a total net profit available for distribution of €253.6 million.

The Executive Board recommends increasing the dividend by 52% for 2009 to €0.38 per share, representing a total cash payout of €158.5 million.

If approved by shareholders, the dividend would be paid on June 4, 2010 following an ex-dividend date of June 1, 2010.

Shareholders domiciled for tax purposes in France will be eligible for the 40% tax relief on the dividend, as provided for under Article 158.3.2 of the French Tax Code, unless they have elected to pay the 18% dividend withholding tax provided for under Article 117 quater of said Code.

Out of the remaining balance of net profit available for distribution, the Executive Board recommends allocating €94 million to available reserves and €1.1 million to retained earnings.

Related-party agreements and commitments

In the **fourth resolution** shareholders are invited to approve the related-party agreements and commitments entered into during 2009 or which remained in force during the year, as described in the Statutory Auditors' special report.

The Statutory Auditors' special report on related-party agreements and commitments is provided in section 7.4.1 of the 2009 Registration Document.

Agreements governed by Article L.225-86 of the French Commercial Code

Related-party agreements include non-routine agreements entered into between the Company and (i) entities which have executives in common with the Company or (ii) a shareholder owning more than 10% of the Company's voting rights. These agreements require prior authorization by the Supervisory Board and are described in a special report drawn up by the Statutory Auditors.

No new agreements meeting the above definition were entered into during 2009.

Two agreements that were authorized and entered into in prior periods remained in force during the year:

- an agreement signed on January 18, 2008 concerning a credit facility granted by a pool of five banks including Crédit Mutuel-CIC;
- a three-way agreement signed on December 21, 2004 between the French government, Sagem SA and Snecma that led to the formation of Safran.

These agreements are described in the Statutory Auditors' special report.

Commitments governed by Article L.225-90-1 of the French Commercial Code

Commitments given by the Company – or entities over which it exercises control – to members of their Executive Boards concerning benefits due or payable as a result of their duties being terminated or changed are subject to the same procedures as those applicable to related-party agreements.

No new commitments meeting this definition were given during 2009.

Commitments given by the Supervisory Board on October 18, 2007 – approved at the Annual Shareholders' Meeting held on May 28, 2008 – to the Chairman of the Executive Board concerning any termination of his term of office remained in force during 2009.

These commitments are described in the Statutory Auditors' special report.

REPORT ON THE PROPOSED RESOLUTIONS

Appointment of Statutory and Alternate Auditors for fiscal years 2010 to 2015

The terms of office of the Company's Statutory and Alternate Auditors are due to expire at the close of this Meeting.

In the **fifth to eight resolutions** shareholders are therefore invited to approve the Supervisory Board's proposal to (i) renew the term of office of Mazars as a Statutory Auditor and appoint Ernst & Young et Autres as a new Statutory Auditor and (ii) appoint Gilles Rainaut and Auditex as Alternate Auditors. These proposals are based on recommendations issued by the Audit Committee following a bid-based selection process.

The terms of office of these Statutory Auditors and Alternate Auditors would run for a period of six years, expiring at the close of the Annual Shareholders' Meeting to be called to approve the financial statements for the year ending December 31, 2015.

Authorization for the Executive Board to implement a share buyback program

The purpose of the **ninth resolution** is for shareholders to renew the authorization for the Executive Board to buy back Safran shares.

At the Annual Shareholders' Meeting of May 28, 2009, the Company's shareholders gave the Executive Board an eighteen-month authorization to implement a share buyback program. The maximum purchase price under the program was set at €20 per share, the total authorized investment in the program was €834 million, and the maximum number of shares bought back could not result in the Company holding more than 10% of its total capital.

During 2009 the Executive Board used this authorization as well as the previous authorization granted by the Annual Shareholders' Meeting of May 28, 2008 for the same purpose, to buy back 1,036,775 shares and sell 1,433,424 shares under a liquidity agreement that complies with the code of ethics approved by the *Autorité des Marchés Financiers*. No shares previously acquired under a buyback program were canceled in 2009.

A detailed breakdown of these transactions is provided in section 6.2.7.1 of Safran's 2009 Registration Document.

At March 31, 2010, the Company directly and indirectly held 17,475,868 Safran shares, representing 4.19% of the total capital, breaking down as follows:

- 14,216,761 shares owned directly (3.41% of the capital);
- 3,259,107 shares held indirectly through two subsidiaries (0.78% of the capital).

The 14,216,761 directly owned shares are held for the purpose of:

- granting shares free of consideration to employees of the Company or the Group (4,199,400 shares);
- maintaining a liquid market in the Company's shares under the liquidity contract (20,000 shares);
- holding shares in treasury for subsequent delivery as payment or exchange for external growth transactions (7,751,443 shares);
- for allocation on exercise of options held under Sagem group stock option plans, the last of which expired on April 21, 2009 (2,245,918 shares).

Under the new share buyback program that shareholders are being invited to approve, the maximum purchase price would be set at €25 per share and the maximum amount that could be invested in the program would be €1,040 million.

In accordance with the applicable laws, the number of shares that could be bought back under this authorization would not exceed 10% of the Company's total outstanding shares and the use of this authorization could not have the effect of increasing the number of shares held by the Company, either directly or indirectly, to more than 10% of its total capital.

The Executive Board may use this authorization during a public tender offer for the Company's shares subject to the conditions set out in the General Regulations of the *Autorité des Marchés Financiers*.

The objectives of this new program are unchanged from those in the previous program and are set out in the ninth resolution.

The authorization would be given for a maximum period of eighteen months as allowed by law, and would cancel, with immediate effect, the unused portion of the previous share buyback authorization.

A detailed description of the share buyback program submitted for shareholder approval is provided in section 6.2.7.2 of Safran's 2009 Registration Document.

Extraordinary resolutions

Authorization for the Executive Board to increase the Company's capital by capitalizing reserves, profits, additional paid-in capital or other eligible items

At the Annual Shareholders' Meeting of May 28, 2008, shareholders gave the Executive Board a twenty-six month authorization to increase the Company's capital by a maximum of €100 million through capitalizing reserves, profits, additional paid-in capital or other eligible items.

The Executive Board has not used this authorization, which expires in July 2010.

In the **tenth resolution**, shareholders are invited to renew this authorization for a period of fourteen months, expiring on July 27, 2011. The maximum amount by which the Company's capital may be increased pursuant to this authorization would be set at the same amount of €100 million, which would be included in the €110 million blanket ceiling set at the Annual Shareholders' Meeting of May 28, 2009 for capital increases that may be carried out by the Executive Board either directly and/or on conversion, exchange, redemption or exercise of securities carrying rights to shares.

Authorization for the Executive Board to reduce the Company's capital by cancelling treasury shares

At the Annual Shareholders' Meeting of May 28, 2008, the Company's shareholders gave the Executive Board a twenty-four month authorization to reduce the Company's capital by cancelling Safran shares previously purchased by the Company under shareholder-approved buyback programs.

The Executive Board has not used this authorization, which expires on May 28, 2010.

In the **eleventh resolution**, shareholders are therefore asked to renew this authorization for a maximum period of twenty-four months as allowed by law, expiring on May 27, 2012.

The Statutory Auditors' report on this authorization is provided in section 7.4.2 of Safran's 2009 Registration Document.

The English language version of these resolutions is a free translation from the original resolutions, which were prepared in French. All possible care has been taken to ensure that the translation is an accurate representation of the original resolutions. However, in all matters of interpretation the original French language version of the resolutions takes precedence over this translation.

DRAFT RESOLUTIONS

Ordinary resolutions

First resolution

Approval of the parent company financial statements for the year ended December 31, 2009 Discharge given to the members of the Executive Board and the Supervisory Board for the performance of their duties

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings, having considered the Management Report prepared by the Executive Board and the report of the Statutory Auditors on the parent company financial statements, and having noted that the Supervisory Board issued no observations concerning said Executive Board report or the parent company financial statements, the shareholders approve the financial statements of the parent company for the year ended December 31, 2009 as presented – showing net profit for the year of €249,519,111.96 – 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, the shareholders approve the non-deductible expenses governed by

Article 39-4 of said Code, which totaled €109,340 and gave rise to a tax charge of €37,646.

Consequently the shareholders give discharge to the members of the Executive Board and the Supervisory Board for the performance of their management duties during 2009.

Second resolution

Approval of the consolidated financial statements for the year ended December 31, 2009

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings, having considered the Management Report prepared by the Executive Board and the report of the Statutory Auditors on the consolidated financial statements, and having noted that the Supervisory Board issued no observations concerning said Executive Board report or the consolidated financial statements, the shareholders approve the consolidated financial statements for the year ended December 31, 2009 as presented, together with the transactions reflected in these financial statements and referred to in these reports.

Third resolution

Appropriation of net profit and approval of the recommended dividend

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings, the shareholders, voting on the proposal made by the Executive Board, resolve to appropriate net profit for the year ended December 31, 2009 as follows:

(in euros)

• Net profit for 2009	249,519,111.96
• Retained earnings ⁽¹⁾	4,115,005.95
• Net profit available for distribution	253,634,117.91

Appropriation (in euros)

• Dividend ⁽²⁾	158,471,242.30
• Ordinary reserves	94,000,000.00
• Retained earnings	1,162,875.61

(1) Including €3,647,235.66 corresponding to the 2008 dividend due on shares held in treasury at the payment date of the interim and final dividend.

(2) Including the dividend provided for in the Company's bylaws equal to 5% of the par value of shares.

Accordingly, the shareholders resolve to pay a dividend of €0.38 per share and set the dividend payment date at June 4, 2010 following an ex-dividend date of June 1, 2010.

Shareholders domiciled for tax purposes in France are eligible for the 40% tax relief on the dividend, as provided for under Article 158-3-2 of the French Tax Code, unless they have elected to pay

the 18% dividend withholding tax provided for under Article 117 quater of said Code.

The shareholders further resolve that shares held in treasury at the dividend payment date will not carry dividend rights and the amounts corresponding to the dividends due on these shares will be credited to retained earnings.

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

Year	Number of shares carrying dividend rights ⁽¹⁾	Net dividend per share (in euros)	Total payout (in euros) ⁽³⁾
2008	402,443,027 ⁽²⁾	0.25	100,610,160.59
2007	414,783,667	0.40	165,913,466.80
2006	414,356,567	0.22	91,158,444.74

(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 (€0.08) was paid on 402,435,575 shares and the final dividend (€0.17) was paid on 402,443,027 shares.

(3) Fully eligible for the 40% tax relief provided for under Article 158.3.2 of the French Tax Code.

Fourth resolution

Approval of related-party agreements and commitments governed by Article L.225-86 of the French Commercial Code

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 and commitments governed by Article L.225-86 of the French Commercial Code, the shareholders note that no such agreements or commitments were authorized during 2009 and approve the content of said report relating to agreements and commitments authorized in prior years.

Fifth resolution

Re-appointment of Mazars as a Statutory Auditor

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings, based on the recommendation of the Supervisory Board, the shareholders resolve to re-appoint Mazars as a Statutory Auditor for a six-year term expiring at the close of the Annual Shareholders' Meeting to be held to approve the financial statements for the year ending December 31, 2015.

Sixth resolution

Appointment of Ernst & Young et Autres as a Statutory Auditor

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings, the shareholders note that Constantin Associés' engagement as a Statutory Auditor is due to expire at the close of this Meeting and therefore approve the recommendation of the Supervisory Board to appoint Ernst & Young et Autres, whose registered office is located at 41 rue Ybry, 92200 Neuilly-sur-Seine, France, as Statutory Auditor, for a six-year term expiring at the close of the Annual Shareholders' Meeting to be held to approve the financial statements for the year ending December 31, 2015.

Seventh resolution

Appointment of Gilles Rainaut as an Alternate Auditor

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings, the shareholders note that Thierry Colin's engagement as an Alternate Auditor is due to expire at the close of this Meeting and therefore approve the recommendation of the Supervisory Board to appoint Gilles Rainaut, whose business address is 60 rue du Général Leclerc, 92100 Boulogne Billancourt, France, as an Alternate Auditor, for a six-year term expiring at the close of the Annual Shareholders' Meeting to be held to approve the financial statements for the year ending December 31, 2015.

Eighth resolution

Appointment of Auditex as an Alternate Auditor

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings, the shareholders note that Beas' engagement as an Alternate Auditor is due to expire at the close of this Meeting and therefore approve the recommendation of the Supervisory Board to appoint Auditex whose registered office is located at 11 allée de l'Arche, 92400 Courbevoie, France, as an Alternate Auditor, for a six-year term expiring at the close of the Annual Shareholders' Meeting to be held to approve the financial statements for the year ending December 31, 2015.

Ninth resolution

Authorization for the Executive Board to implement 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 Executive Board and the description of the share buyback program drawn up pursuant to Articles 241-1 et seq. of the General Regulations of the *Autorité des Marchés Financiers* (AMF), the shareholders authorize the Executive Board to purchase the Company's shares in accordance with the conditions set out in Articles L.225-209 et seq. of the French Commercial Code, EC Regulation 2273/2003 dated December 22, 2003, the AMF's General Regulations, and any other laws and regulations that may be applicable in the future.

DRAFT RESOLUTIONS

The authorization may be used for the following purposes:

- to purchase shares for allocation or sale to employees and/or officers of the Company or of other Group companies, in accordance with the law, notably in connection with a profit-sharing plan, share grant plan, stock option plan or an employee stock ownership plan;
- to purchase shares for cancellation subject to the approval of the eleventh resolution below;
- to maintain a liquid market in the Company's shares via a liquidity contract that complies with the code of ethics drawn up by the French Financial Markets Association (AMAFI) approved by the AMF, entered into with an investment services firm;
- to hold shares in treasury for subsequent delivery as payment or exchange for external growth transactions;
- to carry out any other transactions authorized by applicable current or future laws and regulations.

The shares may be purchased, sold, or transferred at any time and by any method allowed under the laws and regulations applicable at the transaction date, in one or several installments, including over-the-counter and through a block trade for all or part of the program, as well as via the use of derivative financial instruments.

The Executive Board may use this authorization at any time in accordance with the conditions provided for under the applicable regulations, including during a public tender offer for the Company's shares, subject to strict compliance with Article 232-15 of the AMF's General Regulations, and solely for the purpose of enabling the Company to respect commitments made prior to the launch of such a public tender offer.

The number of shares that may be bought back under this authorization may not exceed 10% of the Company's total outstanding shares (e.g. 41,702,958 shares based on the issued

capital at December 31, 2009). This ceiling is reduced to 5% for shares acquired for the purpose of being held in treasury for subsequent delivery as 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 under a liquidity contract, the number of shares included for the calculation of the 10% ceiling corresponds to the number of shares purchased less any shares sold during the authorization period.

Under no circumstances may the use of this authorization have the effect of increasing the number of Safran shares held by the Company, either directly or indirectly, to more than 10% of its capital.

The shares may not be purchased at a price of more than €25 per share and the maximum amount that may be invested in the program is €1,040 million.

The above maximum amounts and number of shares will be adjusted to reflect the impact of any corporate actions carried out by the Company.

The shareholders give the Executive Board full powers, which may be delegated, to implement this share buyback program, to 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 *Autorité des Marchés Financiers* and any other organizations, carry out all other formalities, and generally do everything necessary.

This authorization is given for a period of eighteen months from the date of this Meeting and supersedes the authorization given to the Executive Board for the same purpose in the eighth resolution of the Annual Shareholders' Meeting held on May 28, 2009.

Extraordinary Resolutions

Tenth resolution

Authorization for the Executive Board to increase the Company's capital by capitalizing reserves, profits, additional paid-in capital or other eligible items

Deliberating in accordance with the rules of quorum and majority applicable to extraordinary general meetings and having considered the report of the Executive Board, in accordance with Articles L.225-129-2 and L.225-130 of the French Commercial Code, the shareholders:

- 1/ Authorize the Executive Board to increase the Company's capital on one or several occasions, to be paid up by capitalizing reserves, profits, additional paid-in capital or other items that may be capitalized in accordance with the applicable laws and the Company's bylaws, through issuing bonus shares and/or raising the par value of existing shares. The amounts and timing of such transactions shall be determined at the Board's discretion.
- 2/ Resolve that the amount by which the Company's capital may be increased pursuant to this authorization may not exceed €100 million, and that the amount of any capital increase(s) carried out using this authorization will be included in the blanket ceiling applicable to capital increases set in the twelfth resolution of the Annual Shareholders' Meeting held on May 28, 2009.
- 3/ Resolve that in the event of a bonus share issue, rights to fractions of shares will not be transferrable 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 the Executive Board full powers, which may be delegated, to use this authorization and specifically to take any and all measures and carry out any and all formalities required for the capital increase(s) to be effective, 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 fourteen months from the date of this Meeting.

Eleventh resolution

Authorization for the Executive Board to reduce the Company's capital by cancelling treasury shares

Deliberating in accordance with the rules of quorum and majority applicable to extraordinary general meetings and having considered the report of the Executive Board and the Statutory Auditors' special report, in accordance with Article L.225-209 of the French Commercial Code, the shareholders authorize the Executive Board to reduce the Company's capital on one or more occasions by cancelling Safran shares held in treasury, provided the total number of shares cancelled under this authorization does not exceed the equivalent of 10% of the Company's share capital.

The shareholders give the Executive Board full powers, which may be delegated, to use this authorization and consequently to determine the amount and terms of the capital reduction(s), place on record the capital reduction(s), charge the difference between the carrying amount of the cancelled shares and their par value against additional paid-in capital or reserves, amend the Company's bylaws to reflect the new capital, carry out any necessary reporting and other formalities, and generally do whatever is necessary.

This authorization is given for a period of twenty-four months from the date of this Meeting.

Twelfth 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 and other formalities required by the applicable laws and regulations in relation to the resolutions set out above.

THE SAFRAN GROUP IN 2009

2009 key figures

<i>(in € millions)</i>	2008 restated	2009
Revenue	10,329	10,448
Recurring operating income	666	698
<i>% of revenue</i>	6.4%	6.7%
Profit from operations	812	663
Profit for the period attributable to owners of the parent	297	376
Earnings per share <i>(in euros)</i>	0.73	0.94

Adjusted data.

Definitions

2008 restated

The 2008 income statement has been restated to reflect:

- presentational changes relating to the financial component of the pension expense;
- new rules for recording adjustments relating to the recognition of changes in fair value of currency hedging instruments that were not unwound at the year-end.

Adjusted data

In order to reflect the actual economic performance of the Group and enable this performance to be monitored and compared, Safran's consolidated income statement has been adjusted for:

- the impact in financial income (loss) 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 hedging rate, i.e., including the costs of the hedging strategy;
 - the recognition of the mark-to-market of non-settled hedging instruments is neutralized until the date they are settled against commercial transactions.

- the amortization charged against intangible assets relating to aeronautical programs, remeasured at the time of the Snecma-Sagem merger in accordance with IFRS 3.

Recurring operating income

To make the Group's operating performance more transparent, Safran includes an intermediate operating indicator known as "Recurring operating income" in its reporting.

This sub-total excludes income and expenses which are largely unpredictable because of their unusual, infrequent and/or material nature, such as:

- impairment losses recognized against goodwill, impairment losses or reversals of impairment losses recognized against intangible assets relating to programs, projects or product families as a result of an event that substantially alters the economic profitability of such programs, projects or product families (e.g., negotiated sales agreements, or changes in production processes);
- capital gains and losses on disposals of operations;
- other unusual and/or material items not directly related to the Group's ordinary operations.

2009 business review

Safran delivered a solid operating performance in 2009, meeting or exceeding its targets for revenue and recurring operating margin. **Revenue** climbed 1.2% year on year from €10,329 million to €10,448 million, with the proportion of revenue generated by aircraft services increasing to 49% for Aerospace Propulsion and 32% for Aircraft Equipment. Recurring operating income came in at €698 million, representing 6.7% of revenue, outstripping the 6% target set for the year.

In late 2009, COMAC (Commercial Aircraft Corporation of China Ltd) selected the new-generation CFM engine – LEAP-X – for its new C919 aircraft as well as an integrated nacelle, marking a strategic contract win for Safran. Thanks to this program, the Group is now extremely well placed in the single-aisle jet market.

The Group has also expanded its high-technology portfolio in the Security branch, notably via the acquisition in September 2009 of GE HLP, a company specialized in the detection of explosives

and illicit substances. Safran will be able to use this investment to carve out its share of the growth in public investment in secure identity solutions, access control technology and more stringent baggage screening. At the same time, a number of important new orders in the optronics sector significantly boosted the order book of the Defense business.

At end-2009, the CFM56 order book corresponded to 6,000 engines, or over five years of production.

Profit for the period attributable to owners of the parent rose 27% year on year to €376 million, representing €0.94 in earnings per share.

Net debt amounted to €498 million at December 31, 2009 down from €635 million one year earlier, reflecting strong generation of free cash flow including sizeable reduction of Operating Working Capital mainly inventories.

Revenue and results by activity

Revenue (in € millions)	2008 restated	2009
Aerospace Propulsion	5,814	5,673
Aircraft Equipment	2,775	2,767
Defense	1,021	1,061
Security	695	904
Holding companies and other	24	43
TOTAL	10,329	10,448

Adjusted data.

Aerospace Propulsion

In 2009, adjusted consolidated **revenue** for Aerospace Propulsion totaled €5,673 million, down 2.4% on the restated figure for 2008, or 5.1% like-for-like (based on a constant Group structure and exchange rates).

Original equipment deliveries of engines for civil aircraft remained at the very high levels recorded in 2008. Deliveries of helicopter turbine engines declined by 10.6%, however. US dollar sales of spare parts for CFM civil aircraft engines came in 4.6% down for the year, hit by lower demand from fleets, especially for older models. Service revenue share increased once again in 2009, accounting for 49.2% of total Aerospace Propulsion revenue versus 46.9% one year earlier. This demonstrates both the potential of our in-service installed engine base (currently around 20,000 CFM56 engines) and the growing maturity of this fleet which generates substantial spare parts revenue.

The overall number of orders recorded during the year was well down on 2008.

Profit from operations came to €628 million (11.1% of revenue), up 5.7% on 2008. This sharp year-on-year improvement – achieved despite a volatile aeronautical market and slightly lower business volumes – reflects (i) strong business generated by spare parts for military engines, (ii) strict containment of fixed costs and purchases, (iii) significant productivity gains and (iv) a favorable currency effect.

Aircraft Equipment

The Aircraft Equipment branch reported full-year 2009 **revenue** of €2,767 million, down 0.3% on the restated figure for 2008, or 4.8% like-for-like.

Equipment deliveries kept pace with the programs of the major international aircraft manufacturers:

- business remained brisk in the single-aisle aircraft sector: deliveries of thrust inversers climbed 5.4%, while 411 units of landing gear for the A320 fleet were delivered during the year, against 394 in 2008;
- production under new programs was ramped up, notably the A380 program for which deliveries of nacelles rose to 84 units for the year, up from 59 units in 2008;
- sales volumes for regional operators and business jets fell sharply and deliveries of small nacelles slumped by 48%.

Service revenue share rose from 31.2% to 31.8% of total Aircraft Equipment revenue, reflecting the larger installed engine base as well as growth in maintenance and repair activities.

Recurring operating income amounted to €73 million (2.6% of revenue), representing an 18% increase on 2008. This upswing stems from (i) a favorable currency impact, (ii) a strong contribution from Messier Services for landing gear, and (iii) the ramp-up of large nacelles for Airbus. However, these positive effects were partially offset by a downswing in the regional and business jets segment, which notably impacted the nacelle business. Recurring operating income also included €15 million in losses to completion on B787 landing systems.

Profit from operations for 2009 included €(71) million in non-recurring impairment losses recorded on development costs for the B787 program.

Defense

The Defense activities reported **revenue** of €1,061 million, up 3.9% on the restated figure for 2008, or 3.0% like-for-like. Business was buoyant in the avionics sector, driven by higher deliveries of guidance systems (AASM weapon program and Mistral homing device) and a solid performance from services. Revenue from optronics was stable on a restated basis, with positive sales trends for infrared binoculars and land-based sight equipment.

Major new orders were received in 2009, especially in the optronics sector, swelling the backlog to the equivalent of two years of revenue at end-2009.

Recurring operating income came in at €9 million (0.8% of revenue) and included €35 million in losses to completion on the A400M navigation system, as well as the cost of setting up Safran Electronics. This dragged down the branch's profit by 77.5% compared with the €40 million restated figure for 2008 (equivalent to 3.9% of revenue).

Security

The Security activities made two key strategic acquisitions in 2009. The first of these was Motorola's biometrics business which was merged with Sagem Morpho Inc. and renamed MorphoTrak. The second corresponded to Safran's purchase of an 81% stake in a US-based business owned by General Electric that specializes in the detection of explosives and illicit substances (since renamed Morpho Detection). Both acquisitions are major investments in the development of Safran Security sector.

The Security branch generated total **revenue** of €904 million in 2009, up 30.1% on the restated figure for 2008, or 38.0% excluding the three-month contribution from Monetel (which was sold in April 2008). Like-for-like revenue growth was 11.4%, buoyed by identification solutions with the start-up of long-term government contracts in emerging countries, as well as by the roll-out of the biometric passport program in France.

Recurring operating income for the year was €55 million (6.1% of revenue), and included €31 million in amortization expense on intangible assets whose fair values were assigned as part of the purchase price allocation (PPA) for recent acquisitions. The recurring operating income figure for 2009 was 62% higher than the restated figure for 2008 which included an €8 million PPA amortization expense. The increase reflects a solid contribution from identification solutions in emerging countries as well as ongoing productivity gains, particularly for the manufacture of smart cards.

Recently-acquired entities (Sdu-I, Printrak and GE Homeland Protection) contributed an aggregate €204 million to revenue in 2009 as follows:

- twelve months of Sagem Identification revenue (formerly Sdu-I): €105 million;

- nine months of MorphoTrak revenue (formerly Printrak): €32 million;
- four months of Morpho Detection revenue (formerly GE Homeland Protection): €67 million.

These three entities added €21 million to recurring operating income for 2009, or €52 million before the PPA amortization expense.

In 2008, Sagem Identification, which was only consolidated for the last four months of the year, added €24 million to revenue and had a negative €1 million impact on recurring operating income.

Outlook for 2010

In 2010, we expect to generate revenue on a par with the 2009 figure despite a slightly less favorable impact of foreign currency hedging and are confident that we will achieve moderate growth in recurring operating income based on a target hedging rate of USD 1.46 for 1 euro. Free cash flow should come in at about half of recurring operating income.

The outlook for 2010 is based on the following assumptions:

- a target hedging rate of USD 1.46 for 1 euro (currently USD 1.47);
- a rise in worldwide air traffic of between 4% and 5%;
- stable, or slightly lower levels of business in original equipment in the commercial aviation sector;

- a slight increase in sales of services, especially in the second half of the year;
- high profitable growth for the Security branch;
- continued implementation of the Safran+ initiatives to enhance productivity and cut overheads.

Going forward from 2010, provided there is no further deterioration in the business environment, our operating profitability should be buoyed by a more favorable hedging position in 2011-2013, as well as by the significant potential for growth in service activities for our most recent aviation products and in our Security business.

FIVE-YEAR FINANCIAL SUMMARY

<i>(in euros)</i>	2005	2006	2007	2008	2009
Capital					
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	264,715,285	224,572,080	278,589,207	404,777,762	259,026,592
Income tax expense	(71,790,444)	(118,622,179)	(125,473,595)	(189,316,880)	(130,569,281)
Statutory employee profit-sharing for the fiscal year	0	5,288,647	1,467,529	0	0
Net profit after tax, statutory employee profit-sharing, depreciation, amortization and provisions	302,595,258	216,429,174	204,555,304	151,150,969	249,519,112
Dividend payment	150,130,650	91,746,509	166,811,834	100,087,100	158,471,242 ⁽¹⁾
Per share data					
Net profit after tax and statutory employee profit-sharing but before depreciation, amortization and provisions – divided by the number of shares outstanding	0.81	0.81	0.97	1.42	0.93
Net profit after tax, statutory employee profit-sharing, depreciation, amortization and provisions – divided by the number of shares outstanding	0.73	0.52	0.49	0.36	0.60
Net dividend per ordinary share outstanding	0.36	0.22	0.40	0.25	0.38 ⁽¹⁾
Employees					
Average number of employees during the fiscal year	334	374	391	403	426
Total payroll	41,110,233	46,674,831	50,594,640	51,314,080	52,628,948
Social security and other social welfare contributions	23,301,207	22,686,116	22,080,412	21,184,366	23,727,951

(1) Subject to approval by the General Assembly of Shareholders of May 27, 2010.

REQUEST FOR ADDITIONAL DOCUMENTS AND INFORMATION

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

Ordinary and Extraordinary Shareholders' Meeting
 May 27, 2010

Request to be sent to:

BNP Paribas Securities Services
 GCT Assemblées
 Grands Moulins de Pantin
 9, rue du Débarcadère
 93761 Pantin Cedex
 France

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 May 27, 2010.

Signed in....., on 2010

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 Executive Board 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.





Société Anonyme with an Executive Board and a Supervisory Board
Share capital: €83,405,917
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