



ORDINARY AND EXTRAORDINARY SHAREHOLDERS'

MEETING OF THURSDAY, JUNE 15, 2017

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ADDENDUM TO THE NOTICE OF MEETING

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On May 23, 2017, the Board of Directors decided to add two resolutions to the agenda of the Ordinary and Extraordinary Shareholders' Meeting of June 15, 2017, which become the 32nd and 33rd resolutions.

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On May 12, 2017, the Safran Investissement corporate mutual fund requested the addition of a resolution to the agenda of the Ordinary and Extraordinary Shareholders' Meeting of June 15, 2017. This proposed resolution ("Resolution A") is presented as an additional resolution to the 31st resolution proposed by the Board of Directors to the shareholders.

The text of the proposed resolution and the reasons for which it has been put forward, as well as the Board of Directors' recommendation are presented below.

The Board of Directors has decided not to recommend the proposed Resolution A and is therefore asking shareholders to vote "against" it.

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On May 11, 2017, TCI Fund Management Limited, acting in the name and on behalf of The Children's Investment Master Fund (hereinafter "TCI"), requested the addition of a resolution to the agenda of the Ordinary and Extraordinary Shareholders' Meeting of June 15, 2017. The proposed resolution concerns the principle of a merger of Zodiac Aerospace into Safran.

The text of the resolution proposed by TCI and the reasons for which it has been put forward, as well as the Board of Directors' position, are presented below.

The Board of Directors has decided not to include this proposed resolution on the agenda of the Shareholders' Meeting as it does not fall within the powers of said Meeting.

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The agenda of the Ordinary and Extraordinary Shareholders' Meeting is now as follows:

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 (*Code de commerce*), 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  l  ne Auriol Potier as a Director.
- Ninth resolution: Appointment of Patrick P  lata 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 (*Code mon  taire et financier*), 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.
- Thirty-second resolution: Approval of the creation of Class A Preference Shares convertible into ordinary shares and corresponding amendment of the bylaws.
- Thirty-third resolution: Authorization for the Board of Directors to issue Class A Preference Shares, 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.

Resolution concerning powers to carry out formalities

- Thirty-fourth resolution: Powers to carry out formalities.

Extraordinary resolution proposed by a shareholder

- Resolution A: Authorization for the Board of Directors to grant existing or new shares of the Company, free of consideration, to all employees of the Company and other Safran group entities, with a waiver of shareholders' pre-emptive subscription rights (**resolution not recommended by the Board of Directors**).

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Addition by the Board of Directors of two new resolutions to the agenda of the Ordinary and Extraordinary Shareholders' Meeting

Resolutions initially presented by the Board of Directors appear in the Notice of Meeting, as well as in the publication of the prior notice of meeting published in the French legal gazette (*Bulletin des Annonces Légales Obligatoires – BALO*) on April 24, 2017 (bulletin no. 49, publication no. 1701199).

The Board of Directors decided on May 23, 2017 to add two resolutions to the agenda of the Ordinary and Extraordinary Shareholders' Meeting of June 15, 2017, which become the 32nd and 33rd resolutions.

The resolution relating to the powers to carry out legal formalities (the 32nd resolution in the prior notice of meeting published in the BALO on April 24, 2017) therefore becomes the 34th resolution.

Presentation of the 32nd and 33rd resolutions

The purpose of the 32nd resolution is to authorize the creation of a new class of shares (Class A Preference Shares), subject to the use by the Board of Directors of the authorization granted by the shareholders under the terms of the 33rd resolution to issue Class A Preference Shares as payment for a public exchange offer. The Class A Preference Shares would benefit from the same rights as the Company's ordinary shares, but may not be transferred for a period of 36 months from their date of issue, except in connection with (i) an inheritance, settlement of marital property or donation, (ii) a universal asset transfer (*transmission universelle de patrimoine*), (iii) a contribution to a public offer on the Company's entire share capital, or (iv) the enforcement of a pledge. The Class A Preference Shares would be automatically converted into ordinary shares at the end of the non-transferability period, or in the event of the merger of the Company into another company not controlled by it within the meaning of Article L.233-3 of the French Commercial Code. The Company's bylaws would be amended accordingly, subject to the effective issue of Class A Preference Shares. It should be noted that the conversion of Class A Preference Shares into ordinary shares would have no impact on the double voting rights attached to the Class A Preference Shares or on the minimum holding period required to qualify for double voting rights provided for in Article 31.8 of the bylaws, under the conditions provided for by law.

The purpose of the 33rd resolution is to authorize the Board of Directors to issue Class A Preference Shares as payment for securities of another company that are tendered to a public exchange offer initiated by the Company in France or abroad. The maximum nominal amount of Class A Preference Shares to be issued would be set at €8 million. This ceiling would be included in (i) the €8 million ceiling for capital increases without pre-emptive subscription rights in the event of a public exchange offer initiated by the Company (19th resolution), (ii) the €8 million ceiling for capital increases without pre-emptive subscription rights in the event of a public offer (18th resolution) and (iii) the blanket ceiling of €20 million (17th resolution).

The 32nd and 33rd resolutions may be used within the scope of the planned combination of Safran and Zodiac Aerospace, without prejudice to the possibility for the Board of Directors to use the 19th resolution in the context of any other offer, to the extent that the common ceilings have not been reached. The tendering of Class A Preference Shares as payment of the securities contributed as part of the secondary offer of the public offer that may be initiated on Zodiac Aerospace will enable the Company to (i) offer shares to all Zodiac Aerospace shareholders willing to commit to holding their Safran shares in the medium term, (ii) minimize the dilution of the transaction for Safran shareholders, and (iii) ensure that the share buyback program proposed as part of the planned combination, designed to compensate for any dilution, does not concern the shares issued as payment of the public offer.

Text of the 32nd resolution (Approval of the creation of Class A Preference Shares convertible into ordinary shares and corresponding amendment of the bylaws)

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, notably the provisions of Articles L.228-11 *et seq.* of the French Commercial Code, the shareholders:

1. Resolve, subject to the use by the Board of Directors of the authorization granted by this Shareholders' Meeting under the terms of the 33rd resolution, to create a new class of shares ("Class A Preference Shares").
2. Resolve that the issue of Class A Preference Shares may only be decided in the context of an issue, without pre-emptive subscription rights, in the event of a public exchange offer initiated by the Company, in accordance with the authorization to that effect in the 33rd resolution of this Shareholders' Meeting.
3. Set the characteristics of the Class A Preference Shares as follows:

- Class A Preference Shares will benefit from the same rights as the Company's ordinary shares, subject to their cum-rights date, but may not be transferred for a period of thirty-six (36) months as from their date of issue.

During this period, they may not be transferred in any way except in connection with (i) an inheritance, settlement of marital property or donation, (ii) a universal asset transfer (*transmission universelle de patrimoine*), (iii) a contribution to a public offer on the Company's entire share capital, or (iv) the enforcement of a pledge;

- the par value of Class A Preference Shares will be equal to the par value of the Company's ordinary shares, i.e., €0.20 per share;
- Class A Preference Shares may only be held in registered form, and will not be admitted to trading on Euronext Paris;
- each Class A Preference Share will automatically become transferable, will rank *pari passu* with the Company's ordinary shares and will be converted into one ordinary share, at the first of the following two dates:
 - (i) the end of the non-transferability period;
 - (ii) the date at which the Company were to be merged into another company not controlled by it within the meaning of Article L.233-3 of the French Commercial Code.

They will then be admitted to trading on Euronext Paris;

- in the event of a capital increase by issue of ordinary shares with pre-emptive subscription rights, the holders of Class A Preference Shares will have, under the conditions set out in the applicable laws and regulations, a pre-emptive right to subscribe to ordinary shares in proportion to the number of Class A Preference Shares held, exercisable under the same conditions as the pre-emptive subscription rights attached to ordinary shares.
4. Resolve accordingly, subject to the use by the Board of Directors of the authorization granted by this Shareholders' Meeting under the terms of the 33rd resolution, to amend the bylaws as follows:
 - Article 6 of Chapter II – Share Capital – Shares is amended as follows:

Previous wording	New wording
The Company's share capital amounts to €83,405,917, divided into 417,029,585 shares with a par value of €0.20 each, all in the same class.	<i>The Company's share capital amounts to €[amount in figures], divided into [number in figures] shares with a par value of €0.20 each, including:</i> <i>- [number in figures] ordinary shares with a par value of €0.20 ("Ordinary Shares"); and</i> <i>- [number in figures] preference shares with a par value of €0.20 ("Class A Preference Shares").</i> <i>Under the terms of these bylaws, the Ordinary Shares and the Class A Preference Shares</i>

are together defined as the "shares", and the holders of said Ordinary Shares and Class A Preference Shares are together defined as the "shareholders".

- Article 7 of Chapter II – Share Capital – Shares is amended as follows:

Previous wording	New wording
7.1. The Company's share capital may be increased or reduced by way of a decision taken in a General Shareholders' Meeting in accordance with the applicable laws and regulations and these bylaws.	7.1. The Company's share capital may be increased or reduced by way of a decision taken in a General Shareholders' Meeting in accordance with the applicable laws and regulations and these bylaws.
7.2. The shareholders may grant the Board of Directors the necessary powers to carry out such a capital increase or reduction and may also authorize the Board to decide to carry out a capital increase at its own initiative.	7.2. <i>In the event of a capital increase by issue of Ordinary Shares with pre-emptive subscription rights, the shareholders have, under the conditions set out in the applicable laws and regulations, a pre-emptive right to subscribe to Ordinary Shares in proportion to the number of Class A Preference Shares held, it being specified that holders of Class A Preference Shares will exercise such right under the same conditions as holders of Ordinary Shares.</i>
	7.3. The shareholders may grant the Board of Directors the necessary powers to carry out such a capital increase or reduction and may also authorize the Board to decide to carry out a capital increase at its own initiative.

- Article 9 of Chapter II – Share Capital – Shares is amended as follows:

Previous wording	New wording
9.1. Fully paid-up shares may be held either in registered or bearer form, at the shareholder's discretion, subject to compliance with the provisions of the applicable laws and regulations and the Board of Directors' Internal Rules concerning the form of shares held by certain categories of shareholder.	9.1. Fully paid-up Ordinary Shares may be held either in registered or bearer form, at the shareholder's discretion, subject to compliance with the provisions of the applicable laws and regulations and the Board of Directors' Internal Rules concerning the form of shares held by certain categories of shareholder.
9.2. In accordance with the applicable laws and regulations the Company shall be entitled to request details of the identity of the holders of securities carrying immediate or deferred rights to vote at General Shareholders' Meetings, as well as the number of securities held.	9.2. <i>The Class A Preference Shares must be held in registered form.</i>
	9.3. In accordance with the applicable laws and regulations, the Company shall be entitled to request details of the identity of the holders of securities carrying immediate or deferred rights to vote at General Shareholders' Meetings, as well as the number of securities held.

- Article 11 of Chapter II – Share Capital – Shares is amended as follows:

Previous wording	New wording
11.1. The Company's shares shall be freely transferable, unless otherwise provided for under the applicable laws and regulations.	<i>Shares shall be recorded in securities accounts and ownership shall be transferred by way of inter-account transfers in accordance with the applicable laws and regulations.</i>
11.2. All shares shall be recorded in securities accounts and ownership shall be transferred by way of inter-account transfers in accordance with the applicable laws and regulations.	11.1. <i>Transfer of Ordinary Shares</i> The Company's Ordinary Shares shall be freely transferable, unless otherwise provided for under the applicable laws and regulations.
	11.2. <i>Transfer of Class A Preference Shares</i> <i>Class A Preference Shares may not be transferred for a period of thirty-six (36) months as from their date of issue (the "Non-transferability Period").</i> <i>During the Non-transferability Period, Class A Preference Shares may not be transferred in any way except in connection with (i) an inheritance, settlement of marital property or donation, (ii) a universal asset transfer (transmission universelle de patrimoine), (iii) a contribution to a public offer on the Company's entire share capital, or (iv) the enforcement of a pledge.</i>

- Article 12 of Chapter II – Share Capital – Shares is amended as follows:

Previous wording	New wording
12.1. Each share shall entitle its holder to a proportion of the Company's profits, net assets and any liquidation surplus equal to the proportion of capital represented by the share.	<i>I. Provisions common to all shares</i> 12.1. Each share shall entitle its holder to a proportion of the Company's profits, net assets and any liquidation surplus equal to the proportion of capital represented by the share.
12.2. Share ownership shall automatically entitle shareholders to participate in General Meetings and to vote on resolutions, in accordance with the applicable laws and regulations and these bylaws. In addition, all shareholders shall be entitled to be informed of the Company's performance and to obtain copies of certain corporate documents at the times and under the conditions provided for by the applicable laws and regulations.	12.2. Share ownership shall automatically entitle shareholders to participate in General Meetings and to vote on resolutions, in accordance with the applicable laws and regulations and these bylaws. In addition, all shareholders shall be entitled to be informed of the Company's performance and to obtain copies of certain corporate documents at the times and under the conditions provided for by the applicable laws and regulations.
12.3. Shareholders shall be liable for losses only up to the amount of their capital contributions.	12.3. Shareholders shall be liable for losses only up to the amount of their capital contributions.
12.4. Where a shareholder must own a specific number of shares to exercise a particular right, notably in the event of an exchange or allocation of shares, a stock split, reverse stock-split, a capital increase or reduction, a merger, demerger, partial asset transfer, dividend payment or any other corporate action, any shares held that fall below the required number shall not confer any	12.4. Where a shareholder must own a specific number of shares to exercise a particular right, notably in the event of an exchange or allocation of shares, a stock split, reverse stock-split, a capital increase or reduction, a merger, demerger, partial asset transfer, dividend payment or any other corporate action, any shares held that fall below the required number shall not confer any rights on their holders with respect to the Company, and the shareholders concerned shall be personally responsible for obtaining the necessary number of shares or rights, including through purchases or sales of shares or rights where required.
	12.5. Share ownership shall automatically require shareholders to comply with these bylaws and the decisions made at General Shareholders' Meetings.
	12.6. The rights and duties attached to Ordinary Shares and to Class A Preference Shares

<p>rights on their holders with respect to the Company, and the shareholders concerned shall be personally responsible for obtaining the necessary number of shares or rights, including through purchases or sales of shares or rights where required.</p> <p>12.5. Share ownership shall automatically require shareholders to comply with these bylaws and the decisions made at General Shareholders' Meetings.</p> <p>12.6. The rights and duties attached to shares shall be transferred with title to the shares.</p>	<p>shall be transferred with title to the shares.</p> <p>II. Rights and restrictions specific to Class A Preference Shares</p> <p>12.7. <i>Each Class A Preference Share automatically becomes transferable, ranks pari passu with the Company's Ordinary Shares and is converted into one Ordinary Share at the first of the following two dates:</i></p> <p>(i) <i>the end of the Non-transferability Period;</i></p> <p>(ii) <i>the date at which the Company were to be merged into another company not controlled by it within the meaning of Article L.233-3 of the French Commercial Code.</i></p> <p>12.8. <i>The Board of Directors places on record the conversion of Class A Preference Shares into Ordinary Shares and amends the bylaws accordingly. The shareholders will be informed of the conversions in the reports of the Board of Directors and of the Statutory Auditors in accordance with Article R.228-18 of the French Commercial Code. These complementary reports will be made available to shareholders at the Company's registered office no later than 60 days following the Board of Directors' meeting, and will be presented to the next General Shareholders' Meeting.</i></p>
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- A new Article 36 is inserted in the bylaws as follows:

"Article 36 – Special Shareholders' Meeting

36.1 Holders of Class A Preference Shares are consulted, under the conditions provided for by law, on matters falling specifically within their remit under the terms of the law. Special Shareholders' Meetings are called for holders of Class A Preference Shares to decide on any changes in the rights attached to this class of share.

36.2 A Special Shareholders' Meeting of holders of Class A Preference Shares held on first call shall only be validly constituted if the shareholders present or represented hold at least one-third of the voting rights and at least one-fifth of the voting rights on second call. Decisions shall be adopted by a two-thirds majority of the votes cast by shareholders present or represented."

5. Resolve that the amendment of the bylaws will only come into force on the date of issue of Class A Preference Shares in the event of the use by the Board of Directors of the authorization granted by this Shareholders' Meeting under the terms of the 33rd resolution.
6. Give full powers to the Board of Directors, which may delegate under the conditions set by law, to:
 - place on record the issuance of Class A Preference Shares and make the corresponding amendments to the Company's bylaws, in accordance with this resolution;
 - place on record the conversion of Class A Preference Shares into Ordinary Shares and the corresponding amendment of the bylaws;
 - more generally, take all appropriate measures, enter into any agreements, request any authorizations, carry out all formalities and do all that is necessary to implement this resolution.

Text of the 33rd resolution (Authorization for the Board of Directors to issue Class A Preference Shares, 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.228-15 of the French Commercial Code, the shareholders:

1. Authorize the Board of Directors to issue Class A Preference 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 Class A Preference Shares 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 it obtains the prior approval of the shareholders in a General Meeting or if the Company has already announced a public exchange offer prior to that period.

2. Note that, in accordance with Article L.225-132 of the French Commercial Code, in the event of an issue of Class A Preference Shares carried out under this authorization, existing shareholders will waive their pre-emptive rights to subscribe for the ordinary shares resulting from the conversion of said Class A Preference Shares.
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 is set at €8 million This ceiling is included in the €8 million overall ceiling set in the 19th resolution above, 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.

4. Resolve that the Board of Directors will have full powers to use this authorization, in particular to carry out issues of Class A Preference Shares 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 Class A Preference Shares 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 Class A Preference 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) and amend the Company's bylaws to reflect the new capital.
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.

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Draft resolution added to the agenda of the Ordinary and Extraordinary Shareholders' Meeting, not approved by the Board of Directors, which recommends that shareholders vote "against"

The text of the resolution proposed by the Safran Investissement corporate mutual fund added to the agenda of the Annual General Meeting of June 15, 2017 as "Resolution A", and the reasons for which it has been put forward, as well as the Board of Directors' recommendation, are presented below:

Text of the resolution proposed by the Safran Investissement corporate mutual fund

"Resolution A (Authorization for the Board of Directors to grant existing or new shares of the Company, free of consideration, to all employees 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. *Resolve that the Board of Directors, in the event that it uses the delegation of authority granted to it by the Annual General Meeting in the 31st resolution, shall grant, on one or more occasions and at the same times as those determined for the grants made pursuant to the 31st resolution, existing or new Safran shares, free of consideration, to all employees 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 to top executives (hors statut).*
2. *Resolve that the total number of existing or new shares granted free of consideration pursuant to this authorization will be equal to 1.5 times the number of shares granted free of consideration pursuant to the 31st resolution and may not exceed (i) 0.60% of the Company's capital at the date of the Board of Directors' decision to grant free shares or (ii) 0.30% of the Company's capital in any given fiscal year.*
3. *Resolve that the shares granted pursuant to this authorization will be subject to the same internal performance conditions as those applied to grants to top executives (hors statut) and corporate officers, 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 2017, in view of the fact that the Board of Directors used the delegation of authority granted to it by the Annual General Meeting of May 19, 2016 in the 23rd resolution to grant shares to a corporate officer and top executives (hors statut), the Board of Directors shall grant existing or new Safran shares, free of consideration, to all employees 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 to top executives (hors statut).*
5. *Resolve that for 2017, the grant described in paragraph 4 above will be equal to 1.5 times the number of shares already granted in 2017 to the corporate officer and top executives (hors statut) and will be deducted from the ceilings set out in paragraph 2 above.*

6. 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.
7. Resolve that the shares will vest before the expiry date of the above-mentioned vesting period and will be freely transferable before the expiry of the above-mentioned lock-up period in the event that the beneficiary becomes disabled, within the meaning of the definition set out 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 of eligible beneficiaries, in accordance with the legal provisions in force in each country where Safran has employees;
 - set the applicable vesting conditions, notably the duration of the vesting period;
 - 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.”

Reasons put forward by the Safran Investissement corporate mutual fund

“The 31st resolution concerns the grant of shares free of consideration to employees and corporate officers, but it does not indicate precisely the categories of these beneficiaries or the manner in which the shares would be allocated among these categories. The Board of Directors used the identical delegation of authority approved by the Annual General Meeting of May 19, 2016 in the 23rd resolution to grant shares free of consideration only to a corporate officer and top executives (hors statut) in 2016 and 2017.

In order to provide shareholders with the necessary visibility on the actual beneficiaries of the measures introduced to promote social cohesion, motivate all employees and thus positively impact the Group's performance, this resolution supplements the 31st resolution on share grants to corporate officers and top executives (hors statut) by proposing the allocation of shares to all employees. Therefore, it has no impact on the compensation policy for senior executives.

Although all employees and corporate officers benefit from employee profit-sharing and incentive schemes, the payments under such incentive schemes are capped and the sums allocated do not necessarily increase when profits increase. Granting performance shares free of consideration to all eligible employees (in accordance with the legal provisions in force in each country where Safran has employees) will (i) serve as a means of motivating all employees that counterbalances the advantage of the supplementary pension plan set up exclusively for top executives (hors statut) and corporate officers and (ii) help mitigate the sustained and significant decrease in the share of profits allocated to employees over the last five years (down from 33% to 23%).

As shares have already been granted to top executives (hors statut) and a corporate officer for 2017 pursuant to the delegation of authority granted to the Board of Directors by the Annual General Meeting of May 19, 2016 in the 23rd resolution, this resolution provides for shares to be granted to all employees in 2017.

Granting performance shares free of consideration to all employees will foster solidarity and motivation among the entire workforce and reward the contribution of each individual to the Group's effective operation at a time of major industrial challenge, as all the shares granted will be subject to performance conditions.

Sharing added value between shareholders, employees and investing in the future is a key component of the Company's business strategy and it is for this reason that this resolution has been submitted for the approval of the Annual General Meeting.”

Board of Directors' recommendation on the resolution proposed by the Safran Investissement corporate mutual fund

The Board of Directors has decided not to recommend the proposed Resolution A and is asking shareholders to vote against it.

The aim of the Group's compensation policy for senior executives is to attract the best talent to the most strategic positions, and to strengthen their motivation and loyalty by offering a competitive compensation package that factors in the Group's long-term performance objectives. To achieve this, a long-term incentive plan in the form of free share grants subject to demanding internal and external performance conditions was included in the package in 2016.

The purpose of the authorization provided for in the 31st resolution submitted to the Shareholders' Meeting is to enable the Board of Directors to continue implementing this compensation policy for senior executives.

The Safran Investissement corporate mutual fund has put forward an additional resolution ("Resolution A") in relation to the 31st resolution, which essentially aims to make it mandatory for the Board to grant performance shares to all other Group employees when it uses the 31st resolution as part of its compensation policy.

Performance share grants must be consistent and appropriately aligned with the Group compensation policy. The Board of Directors must therefore continue to have the necessary freedom to assess the appropriateness of making such grants, in terms of timing, amount and the choice of beneficiaries, as provided for in the 31st resolution it is submitting to the Shareholders' Meeting. This is not compatible with the resolution proposed by the Safran Investissement corporate mutual fund.

In addition, a number of other systems are already in place at Safran to involve all of the employees in the results and success of the Group (such as optional profit-sharing agreements in France and abroad, and the Group's mandatory profit-sharing agreement in France) or its capital (for example, through capital increases reserved for employees or the matching contribution by Safran for investments made by employees in corporate mutual funds). Since 2012, several collective agreements have been signed by the Group, significantly increasing the benefits and additional contributions awarded to employees under the profit-sharing plan and the PERCO collective retirement savings plan. Between 2012 and 2016, the amounts paid to employees under employee savings plans increased by more than 100%.

Consequently, the Board of Directors has decided not to recommend the proposed Resolution A and is asking shareholders to vote against it.

* * *

Draft resolution which will not be added to the agenda of the Ordinary and Extraordinary Shareholders' Meeting, as by law, it does not fall within the powers of said Meeting

Board of Directors' position on the resolution proposed by TCI

The Board of Directors has not included this proposed resolution on the agenda of the Shareholders' Meeting.

By letter dated May 11, 2017, TCI requested that a proposed resolution be included on the agenda of Safran's Annual General Meeting of June 15, 2017, providing for a vote on the principle of the merger of Zodiac Aerospace into Safran in accordance with the terms and conditions of the combination announced on January 19, 2017.

The Board of Directors has noted that including this proposed resolution on the agenda of the Shareholders' Meeting would be against the law, as there must be a strict allocation of powers between the governing bodies of French corporations (*sociétés anonymes*) under French law pursuant to the principle that each body must exercise separate powers in its specific areas of competence. This principle prevents the Board of Directors from encroaching on matters falling within the remit of the Shareholders' Meeting and *vice versa*.

While the merger requires the approval of the shareholders at an Extraordinary Shareholders' Meeting, this approval represents the final step of a process that must be initiated by the Board of Directors, as it is the sole body with the competence to make strategic decisions and with the authority to finalize a merger agreement, after having consulted the employee representation bodies. This process is strictly governed by legal and regulatory provisions, mainly to ensure that the shareholders are fully informed regarding the transaction.

In keeping with the terms of Safran's letter to TCI dated February 23, 2017, this resolution cannot be included on the agenda of the Shareholders' Meeting as it does not fall within the powers of said Meeting. If it were to include this resolution on the agenda, the Board of Directors might seriously interfere with the proper functioning of its governing bodies and shareholders' rights.

In addition, the Board of Directors has noted that the proposed resolution has in any event become devoid of purpose, as the merger initially planned as part of the potential combination with Zodiac Aerospace (as described on January 19, 2017) to which TCI's proposed resolution relates, has been abandoned.

The planned combination announced on May 24, 2017 provides for the issue of Safran shares pursuant to the use by the Board of Directors of the authorization to issue Class A Preference Shares (with the same characteristics as ordinary shares but not transferable for a three-year period) in the event of a public exchange offer initiated by the Company, added to the agenda of the General Meeting of June 15, 2017 (33rd resolution), as well as the approval of the creation of such Class A Preference Shares convertible into ordinary shares and the corresponding amendments to the bylaws (32nd resolution).

* * *

The text of TCI's proposed resolution and the reasons for which it has been put forward are presented below:

Reasons put forward by TCI

“1. The Board of Directors of Safran and the Supervisory Board of Zodiac Aerospace announced in a press release dated January 19, 2017 that they had entered into exclusive negotiations for the acquisition of Zodiac Aerospace by Safran through an agreed tender offer of €29.47 per share and a subsequent merger on the basis of 0.485 Safran shares for one Zodiac Aerospace share. The press release indicates that, prior to and conditional upon the merger, Safran would distribute a special dividend of €5.50 per share to its shareholders (hereinafter the “Proposed Transaction”).

The Chairman of the Board of Directors of Safran says in a letter published on February 23, 2017 that the Proposed Transaction would be submitted to Safran’s Extraordinary Shareholders’ Meeting after the launch of the tender offer for Zodiac Aerospace shares. However, TCI considers that if the vote on the merger were to take place after the completion of the tender offer, Safran’s minority shareholders would have no choice other than to vote in favor of the merger, even those who are opposed to the overall transaction. Therefore, in order to protect the voting rights of Safran’s minority shareholders, the vote on the merger should take place before the launch of the tender offer.

2. Although the Proposed Transaction consists of two stages (a cash tender offer followed by a merger), it is in fact a single transaction and should be treated as such. Consequently, as one of the stages of the transaction (the merger) must be approved by Safran shareholders, the entire transaction should be submitted for their approval. The shareholders should therefore be given the opportunity to vote on the merger before the launch of the tender offer.

3. If the tender offer for Zodiac Aerospace were to go ahead, Safran would hold a 50% to 68% stake in Zodiac Aerospace (taking into account commitments made by certain Aerospace Zodiac shareholders not to participate in the tender offer). The only rational choice for Safran shareholders would therefore be to vote in favor of the merger, as holding a listed subsidiary such as Zodiac Aerospace would be economically and commercially meaningless and not proceeding with the merger would consequently deprive Safran of a significant portion of the projected synergies of the Proposed Transaction. TCI considers that the vote on the merger should take place before the launch of the tender offer in order to ensure that it is free, open and fair.

4. The French State had the opportunity to give its opinion on the Proposed Transaction as it is represented on the Board of Directors, whose members unanimously approved the Proposed Transaction. The other Safran shareholders were not involved in these negotiations. TCI considers that all Safran shareholders should be allowed to give their opinion on the merger before the launch of the tender offer, just as the French State was.

5. Therefore, TCI requests that a resolution on the principle of the proposed merger be added to the agenda of Safran’s Annual General Meeting of June 15, 2017.

TCI considers that the adoption of this resolution should be contingent on a two-thirds majority vote, since a vote on a merger is exclusively reserved for Extraordinary General Meetings.

In any case, TCI invites shareholders to vote against this resolution.”

Text of the resolution proposed by TCI

“Vote on the principle of the takeover of Zodiac Aerospace by Safran

Having considered the joint press release published by Safran and Zodiac Aerospace on January 19, 2017 and subject to the completion of the tender offer by Safran for Zodiac Aerospace shares, the Annual General Meeting decides to approve the merger following said tender offer.”

* * *

Statutory Auditors' reports

This is a free translation into English of Statutory Auditors’ 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’ special report on the addition to the bylaws of terms and conditions for the conversion of Class A Preference Shares (32nd resolution)

SHAREHOLDERS' MEETING OF JUNE 15, 2017 – 32ND RESOLUTION

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Article R.228-20 of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed addition to the bylaws of terms and conditions for the conversion of Class A Preference Shares, an operation on which you are called to vote.

It is the responsibility of the Board of Directors to prepare a report in accordance with Article R.228-20 of the French Commercial Code. Our role is to report on the proposed addition to the bylaws of terms and conditions for the conversion of Class A Preference Shares.

We performed the procedures that we deemed necessary in accordance with the professional standards applicable in France to such engagements. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this operation.

We have no matters to report as regards the proposed addition to the bylaws of terms and conditions for the conversion of Class A Preference Shares.

We will issue a report as provided for under Article R.228-18 of the French Commercial Code in accordance with Article R.228-20 of said code if the Board of Directors converts Class A Preference Shares in accordance with provisions in the bylaws.

Courbevoie and Paris-La Défense, May 23, 2017

The Statutory Auditors

MAZARS

ERNST & YOUNG et Autres

Gaël Lamant

Christophe Berrard

Jean-Roch Varon

Nicolas Macé

Statutory Auditors' special report on the issue of Class A Preference Shares in the event of a public exchange offer initiated by the Company (33rd resolution)

SHAREHOLDERS' MEETING OF JUNE 15, 2017 – 33RD RESOLUTION

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in compliance with Article L.228-12 of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed delegation of authority to the Board of Directors to decide on an capital increase by issue of Class A Preference Shares in the event of a public exchange offer initiated by the Company, an operation on which you are called to vote.

This authorization may be used to issue Class A Preference Shares as payment for securities of another company tendered to a public exchange offer initiated by the Company.

The maximum nominal amount of the capital increases that may be carried out pursuant to this authorization is set at €8 million. This ceiling is included in the €8 million overall ceiling set in the 19th resolution submitted to the Shareholders' Meeting, the €8 million overall ceiling set in the 18th resolution submitted to the Shareholders' Meeting, and the blanket ceiling set in the 17th resolution submitted to the Shareholders' Meeting.

The Board of Directors proposes that, on the basis of its report, it be authorized, for a period of 26 months, to decide on whether to increase the capital. Where appropriate, the Board of Directors will determine the final conditions of the operation.

It is the responsibility of the Board of Directors to prepare a report in accordance with Article R.228-17 of the French Commercial Code (*Code de commerce*). Our role is to express an opinion on the proposed capital increase and certain other information concerning the issue, given in this report.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this operation.

Subject to a subsequent examination of the conditions of the proposed increase in capital, we have no matters to report as regards the presentation of the characteristics of the Preference Shares in the report.

As the final conditions of the capital increase have not yet been determined, we cannot report thereon.

In addition, the report does not specify what methods will be used to determine the issue price of the securities to be issued.

In accordance with Article R.225-116 of the French Commercial Code, we will issue an additional report, if and when the Board of Directors uses this authorization.

Courbevoie and Paris-La Défense, May 23, 2017

The Statutory Auditors

MAZARS

ERNST & YOUNG et Autres

Gaël Lamant

Christophe Berrard

Jean-Roch Varon

Nicolas Macé

Statutory Auditors' special report on the authorization to grant existing or new shares, free of consideration (Resolution A, whose addition to the agenda was requested by the Safran Investissement corporate mutual fund)

SHAREHOLDERS' MEETING OF JUNE 15, 2017 – RESOLUTION A

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 to you on the authorization, proposed by a shareholder, the Safran Investissement corporate mutual fund, to grant existing or new shares of the Company, free of consideration to all of the employees 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 to top executives (*hors statut*), in the event that it uses the delegation of authority granted to it by the Annual General Meeting in the 31st resolution, on one or more occasions and at the same times as those determined for the grants made pursuant to the 31st resolution, which is submitted for your approval.

The total number of shares granted free of consideration pursuant to this authorization will be equal to 1.5 times the number of shares granted free of consideration pursuant to the 31st resolution and may not exceed (i) 0.60% of the Company's capital at the date of the Board of Directors' decision to grant free shares or (ii) 0.30% of the Company's capital in any given fiscal year.

The shares granted pursuant to this authorization will be subject to the same internal performance conditions as those applied to grants to top executives (*hors statut*) and corporate officers, 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.

In addition, for 2017, in view of the fact that the Board of Directors used the delegation of authority granted to it by the Annual General Meeting of May 19, 2016 in the 23rd resolution to grant shares to corporate officers and top executives (*hors statut*), the grant of existing or new Safran shares, free of consideration, to all employees 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 to top executives (*hors statut*), is submitted for your approval. The total number of free shares granted will be equal to 1.5 times the number of shares already granted in 2017 to the corporate officer and top executives (*hors statut*) and will be deducted from the ceilings set out above (0.60% of the Company's capital at the date of the Board of Directors' decision or 0.30% of the Company's capital in any given fiscal year).

Shareholders are requested to authorize the Board of Directors, for a period of 26 months from the date of this meeting, to grant existing or new shares, free of consideration.

It is our responsibility to report to you on the information provided to you in the text of the proposed resolution and the reasons why it was put forward.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the proposed terms and conditions described in the text of the proposed resolution and the reasons why it was put forward comply with the legal provisions governing such operations.

Regarding the proposed authorization to grant free shares of the Company, we have no matters to report on the information provided in the text of the proposed resolution or on the reasons why it was put forward.

Courbevoie and Paris-La Défense, May 23, 2017

The Statutory Auditors

MAZARS

ERNST & YOUNG et Autres

Gaël Lamant

Christophe Berrard

Jean-Roch Varon

Nicolas Macé

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Nominees to the Board of Directors

The number of Safran shares held by nominees to the Board of Directors is as follows:

- Odile Desforges: 500 shares
- Hélène Auriol Potier: 500 shares
- Patrick Péлата: 500 shares
- Sophie Zurquiyah: 500 shares