FIRST-HALF 2021 EARNINGS

SAFRAN

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> **FORWARD-LOOKING STATEMENTS**

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> **USE OF NON-GAAP FINANCIAL INFORMATION**

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

> **DEFINITION**

Civil aftermarket (expressed in USD): This non-accounting indicator (non-audited) comprises spares and MRO (Maintenance, Repair & Overhaul) revenue for all civil aircraft engines for Safran Aircraft Engines and its subsidiaries and reflects the Group's performance in civil aircraft engines aftermarket compared to the market.

Agenda

1. H1 2021 highlights
2. H1 2021 results
3. FY 2021 outlook
4. Q&A
5. Safran’s ESG commitments
6. Additional information

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H1 2021 HIGHLIGHTS

Olivier ANDRIES - CEO

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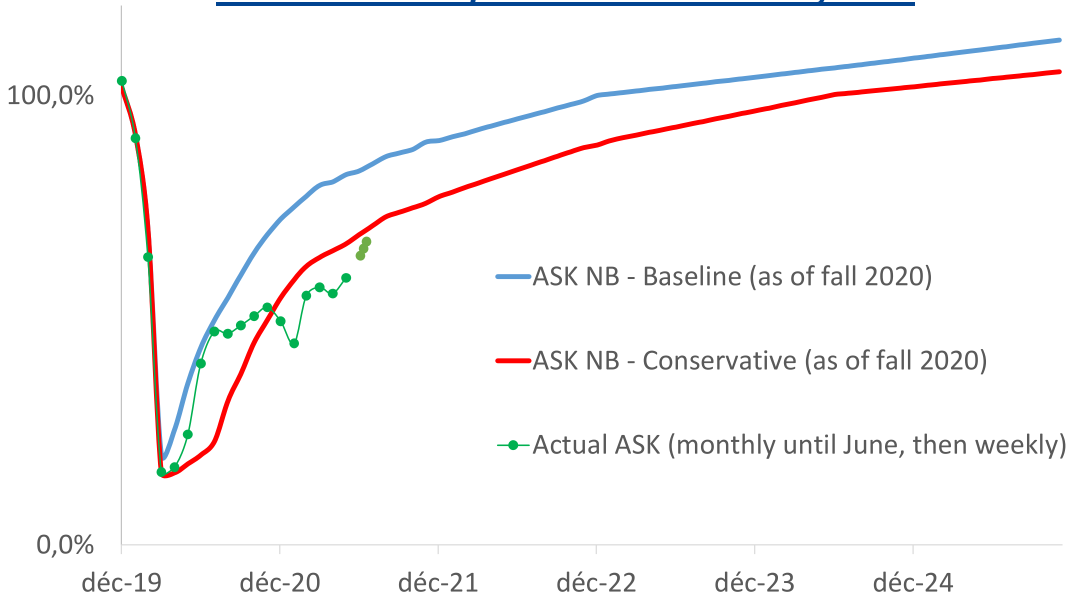
Air traffic in H1 2021: gradual increase yet irregular with heterogeneous situations

Engine flight cycles and ASK

At a global scale: After a trough in February, gradual increase curbed in May as a result of upsurge in Asia.

Narrowbody ASK in June 2021 at 59.4% vs 2019 with a positive trend.

Safran's assumptions for narrowbody ASK



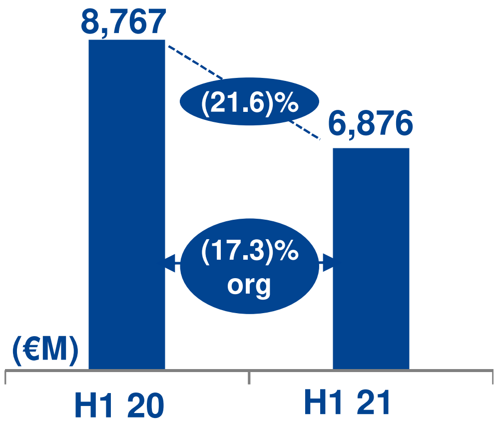
Source : Safran

Weekly CFM engines flight cycles as of July 18th:

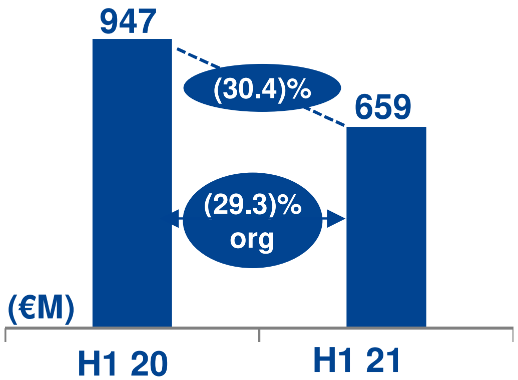
- **China:** after being over 2019 levels between March and May and then down in June, now back at (0.3)% compared to 2019.
- **North America:** steady improvement from March to the end of June, yet curbed in April, now increasing slowly to (14.6)% vs 2019.
- **Europe:** stood under (70)% vs 2019 until the end of May with a rapid improvement towards (34.3)% vs 2019.
- **APAC ex China:** peak reached mid April then sharp decrease continuing to (70.7)% vs 2019.

H1 2021 financial highlights

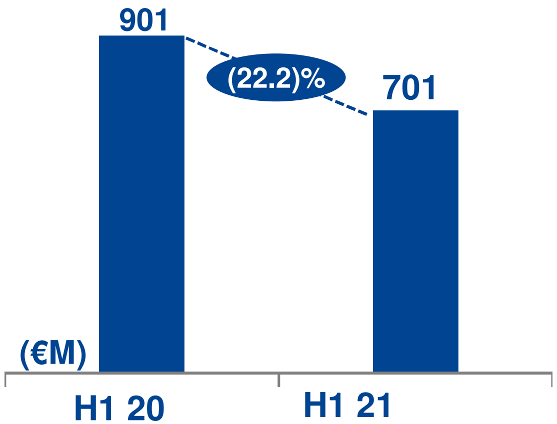
Adjusted revenue[1]



Adjusted recurring operating income[1]



Free cash flow generation



10% organic growth in Q2
FX headwind

OPEX below 2019 level by ~(28)%

Good cash generation

In a challenging environment emphasis put on costs and cash management

Back end loaded activity and profitability outlook confirmed

(1) *See slide 14 for bridge with consolidated figures*

H1 2021 business highlights – Propulsion

Narrowbody engines

Combined shipment of CFM56 and LEAP engines reached 448 units in H1 2021 (vs 534 units in H1 2020) down (16)%

- 399 LEAP engines delivered in H1 2021 (450 in H1 2020)
- Total backlog(1) of more than 9,300 engines at June 30, 2021
- 59.8% market share(2) on A320neo family at June 30, 2021
- Indigo selected CFM LEAP-1A engines for its fleet of 310 new Airbus A320neo, A321neo and A321XLR, with installed and spare engines and a multi-year service agreement
- United Airlines announced the purchase of 200 additional Boeing 737 MAX powered by CFM LEAP-1B engines

CFM international partnership agreement extended by 2050

CFM Rise technology development program launched

CFM RISE

Aftermarket

Civil aftermarket (in $): down (25.5)% in H1 2021, down (53.4)% in Q1 and up 55.0% in Q2

- Lower spare parts sales for CFM56 in H1
- Lesser drop in high thrust engines spare parts in H1
- Slight decrease in service contracts

Helicopter turbines

Arrano 1A engine powering Airbus H160 received its type certification from FAA

(1) Based on orders and pending cancellations (2) Based on firm orders

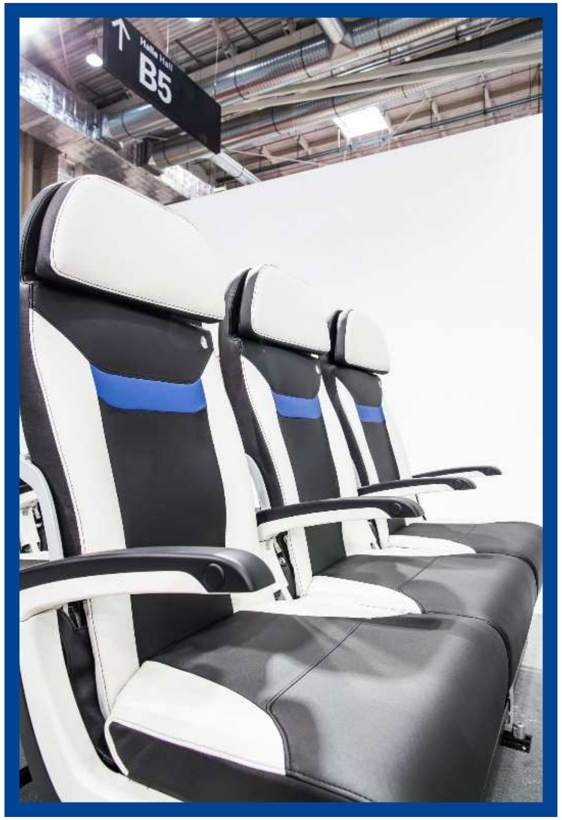
H1 2021 business highlights - Aircraft Equipment, Defense and Aerosystems and Aircraft interiors

Contracts and products at Aircraft Equipment, Defense and Aerosystems

- Wheels and carbon brakes for the entire fleet of Singapore Airlines (SIA) Boeing 777-9 through a tailored brake landing Service contract
- 12-year NacelleLife™ service contract with Corsair for the nacelles of its 5 Airbus A330neo
- Launch of a new inertial unit for fast boats and amphibious vehicles : Geonyx M

Selections at Aircraft interiors

- A German airline for the crew rest areas (LDMCR - Lower Deck Mobile Crew Rest) and Skylounge Core business class seats of its future fleet of 16 A330neo aircraft
- A Middle East airline for new Vue business class seats for its Boeing 737 Max
- An Indian airline to provide linefit Z200 economy class seats for 75 A320/A321



Z200 economy class seats

Maintaining efforts achieved in 2020 while preparing for the recovery

In H1 2021, full effect of savings and restructuring engaged and achieved in 2020 and continued in 2021

- **HR costs in H1 down versus H1 2020, savings compared to H1 2019 in line with FY 2020 achievement :**
  - **Headcount still decreasing yet slower than in Q1:** (2,250) since 31st Dec 2020 (including temps), bringing total headcount at ~76,000 (excluding temps) as of 30th June 2021
  - As in Q1, **lower use of short time working scheme**: 7.9% worldwide and 10.4% in France (in the first five months of 2021)
- **Pursuit of the industrial footprint rationalization:**
  - **Sites closure announced** at Aircraft Interiors (Bellingham and Ontario (US)) and Electrical & Power (Santa Rosa (US))
  - **Industrial plan optimization** (Electrical & Power and Nacelles)
- **Tight control of costs is still on:**
  - **R&D Expenses** down (5)% compared to H1 2020, **almost flat compared to H2 2020**
  - **OPEX in H1 2021 down (13)% versus H1 2020, 28% below 2019 level despite an increase compared to H2 2020**
  - **CAPEX commitments kept under control: CAPEX impact on cash decreasing y-o-y**

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H1 2021 RESULTS

Bernard DELPIT – Deputy CEO and Group CFO

Foreword

Adjusted data

All revenue figures in this presentation represent adjusted data[1] (except where noted). Safran's consolidated income statement has been adjusted for the impact of:

- purchase price allocations with respect to business combinations. Since 2005, this restatement concerns the amortization charged against intangible assets relating to aircraft programs revalued at the time of the Sagem-Snecma merger. With effect from the first half 2010 interim financial statements, the Group decided to restate:
  - the impact of purchase price allocations for business combinations, particularly amortization and depreciation charged against intangible assets and property, plant and equipment recognized or remeasured at the time of the transaction and amortized or depreciated over extended periods due to the length of the Group's business cycles and the impact of remeasuring inventories, as well as
  - gains on remeasuring any previously held equity interests in the event of step acquisitions or asset contributions to joint ventures;
- the mark-to-market of foreign currency derivatives, in order to better reflect the economic substance of the Group's overall foreign currency risk hedging strategy:
  - revenue net of purchases denominated in foreign currencies is measured using the effective hedged rate, i.e., including the costs of the hedging strategy
  - all mark-to-market changes on instruments hedging future cash flows are neutralized
- The resulting changes in deferred tax have also been adjusted.

Organic growth

Organic variations were determined by excluding the effect of changes in scope of consolidation and the impact of foreign currency variations.

Recurring operating income

Operating income before capital gains or losses on disposals /impact of changes of control, impairment charges, transaction and integration costs.

[1] See slide 14 for bridge with consolidated and adjusted income statements

FX (1/2)

Translation effect: foreign currencies translated into €

- Negative impact mainly from USD
- Impact on Revenues and Return on Sales

Average spot rate

H1 2020	H1 2021
$1.10	$1.21

Transaction effect: mismatch between $ sales and € costs is hedged

Hedge rate

H1 2020	H1 2021
$1.16	$1.16

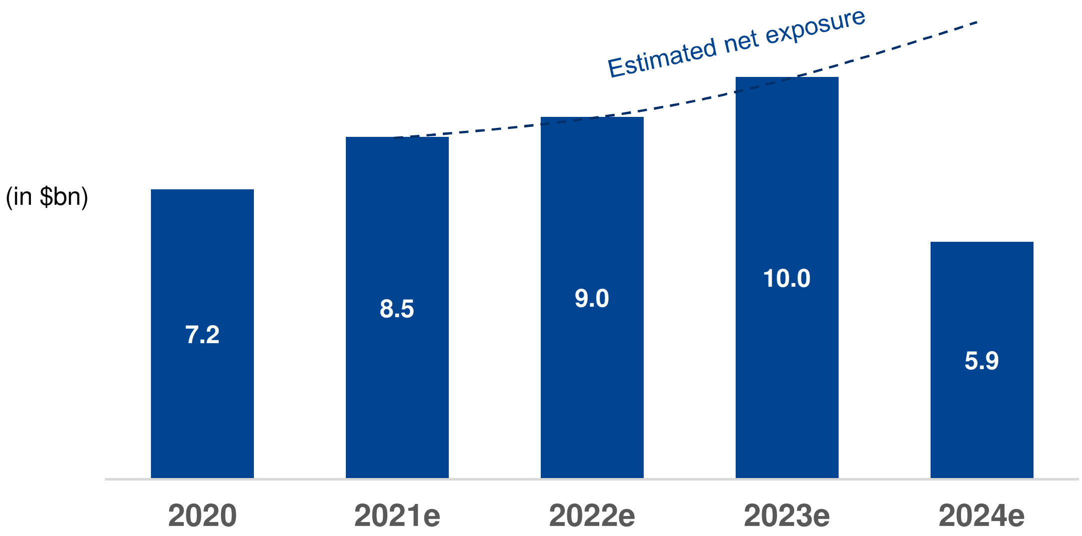
Mark-to-Market effect

- €775M gain on fair value of financial instruments in consolidated accounts

Spot rate at close

06/30/2020	12/31/2020	06/30/2021
$1.12	$1.23	$1.19

FX (2/2) - $29.1bn hedge book* (July 2, 2021)



€/$ hedge rate target	1.16	1.16	1.14-1.16	1.14-1.16	-

* Approx. 45% of Safran US$ revenue are naturally hedged by US$ procurement

- **The hedge book includes barrier options with knock-out triggers ranging from $1.2350 to $1.31, representing a risk to the size of the book and to targeted hedge rates from 2021 onwards in case of sudden and significant exchange rates fluctuations**

2021e

- **Coverage of $8.5bn achieved through knock-out options at a target rate of $1.16**

2022e

- **Coverage of $9.0bn achieved through knock-out options; target rate between $1.14 and $1.16**

2023e

- **Coverage of $10.0bn achieved through knock-out options; target rate between $1.14 and $1.16**

2024e

- **Initiation of coverage with $5.9bn achieved through knock-out options**

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Consolidated and adjusted income statements

H1 2021 reconciliation *(In €M)*	Consolidated data	Currency hedging		Business combinations		Adjusted data
		Re-measurement of revenue (1)	Deferred hedging gain / loss (2)	Amortization of intangible assets - Sagem/Snecma merger (3)	PPA impacts - other business combinations (4)	
Revenue	**6,769**	107				**6,876**
Other operating income and expenses	(6,454)	6	(2)	20	162	(6,268)
Share in profit from joint ventures	36				15	51
Recurring operating income	**351**	113	(2)	20	177	**659**
Other non-recurring operating income and expenses	(195)					(195)
Profit (loss) from operations	**156**	113	(2)	20	177	**464**
Cost of debt	(51)					(51)
Foreign exchange gain / loss	860	(113)	(775)			(28)
Other financial income and expense	(5)					(5)
Financial income (loss)	**804**	(113)	(775)			**(84)**
Income tax expense	(273)		221	(6)	(42)	(100)
Profit (loss) from continuing operations	**687**		(556)	14	135	**280**
Attributable to non-controlling interests	**(13)**		2			**(11)**
Attributable to owners of the parent	**674**		(554)	14	135	**269**

(1) Remeasurement of foreign-currency denominated revenue net of purchases (by currency) at the hedged rate (including premiums on unwound options) through the reclassification of changes in the fair value of instruments hedging cash flows recognized in profit or loss for the period.

(2) Changes in the fair value of instruments hedging future cash flows that will be recognized in profit or loss in future periods (a negative €775 million excluding tax), and the impact of taking into account hedges when measuring provisions for losses on completion (a negative €2 million at June 30, 2021).

(3) Cancellation of amortization/impairment of intangible assets relating to the remeasurement of aircraft programs resulting from the application of IFRS 3 to the Sagem-Snecma merger.

(4) Cancellation of the impact of remeasuring assets at the time of the Zodiac Aerospace acquisition for €145 million excluding deferred tax and cancellation of amortization/impairment of assets identified during other business combinations.

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H1 2021 income statement

(In €M)	H1 2020	**H1 2021**
Revenue	**8,767**	**6,876**
Other recurring operating income and expenses	(7,868)	(6,268)
Share in profit from joint ventures	48	51
Recurring operating income	**947**	***659***
% of revenue	***10.8%***	***9.6%***
Total one-off items	(144)	(195)
Profit from operations	***803***	***464***
% of revenue	***9.2%***	***6.7%***
Net financial income (expense)	(117)	(84)
Income tax expense	(169)	(100)
Profit for the period	**517**	**280**
Profit for the period attributable to non-controlling interests	(16)	(11)
Profit attributable to owners of the parent	**501**	**269**
EPS (basic in €)	**1.18***	**0.63****
EPS (diluted in €)	**1.14*****	**0.61******

Of which mainly impairment for several programs of €(180)M, restructuring costs of €(31)M and capital gains on disposal of activities of €19M

Of which cost of debt of €(51)M and foreign exchange losses of €(28)M

Apparent tax rate of 26.2%

** Based on the weighted average number of shares of 425,155,180 as of June 30, 2020*
*** Based on the weighted average number of shares of 426,622,547 as of June 30, 2021*
**** Based on the weighted average number of shares after dilution of 437,745,244 as of June 30, 2020*
***** Based on the weighted average number of shares after dilution of 440,790,653 as of June 30, 2021*

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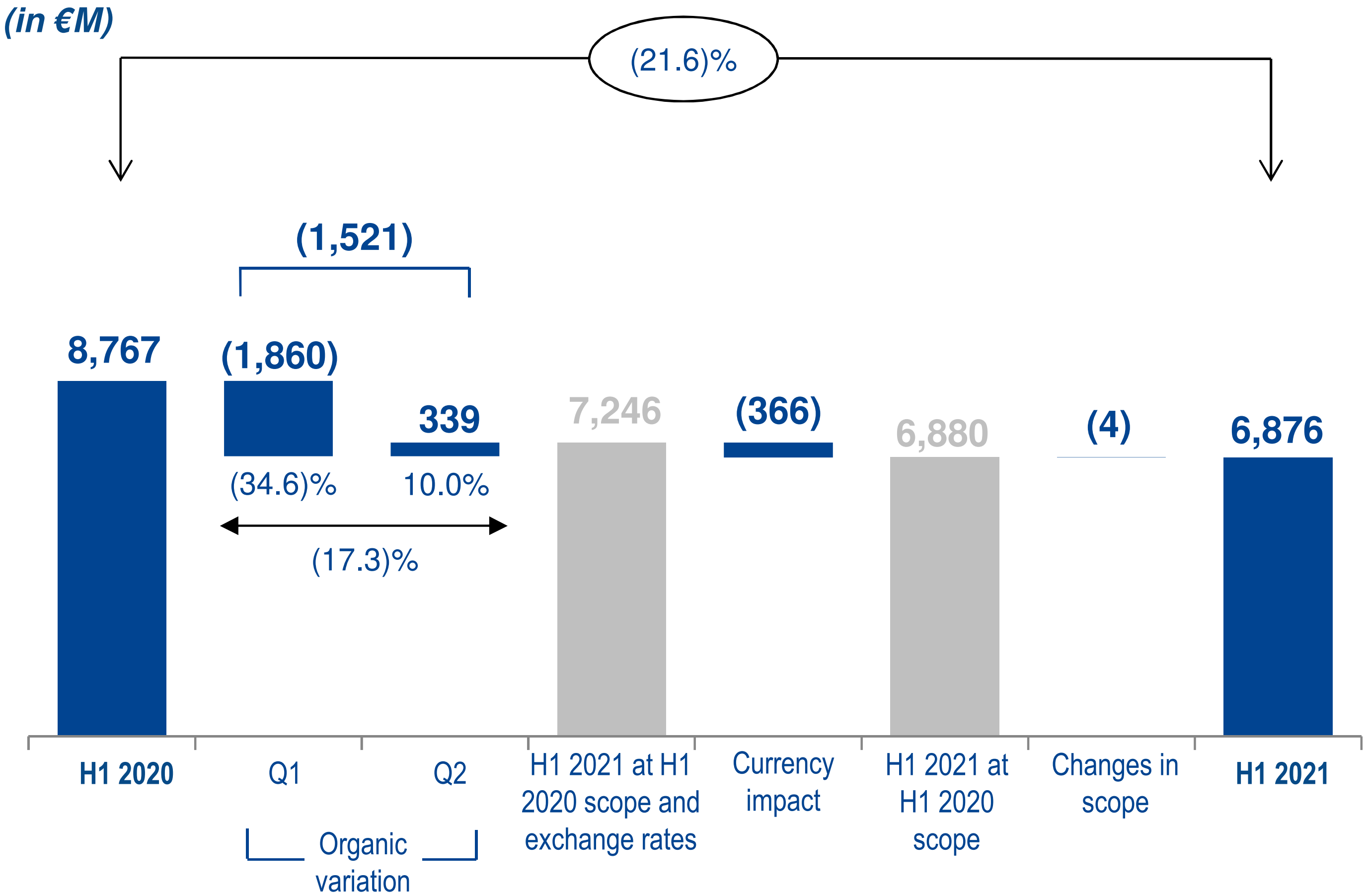
H1 2021 revenue



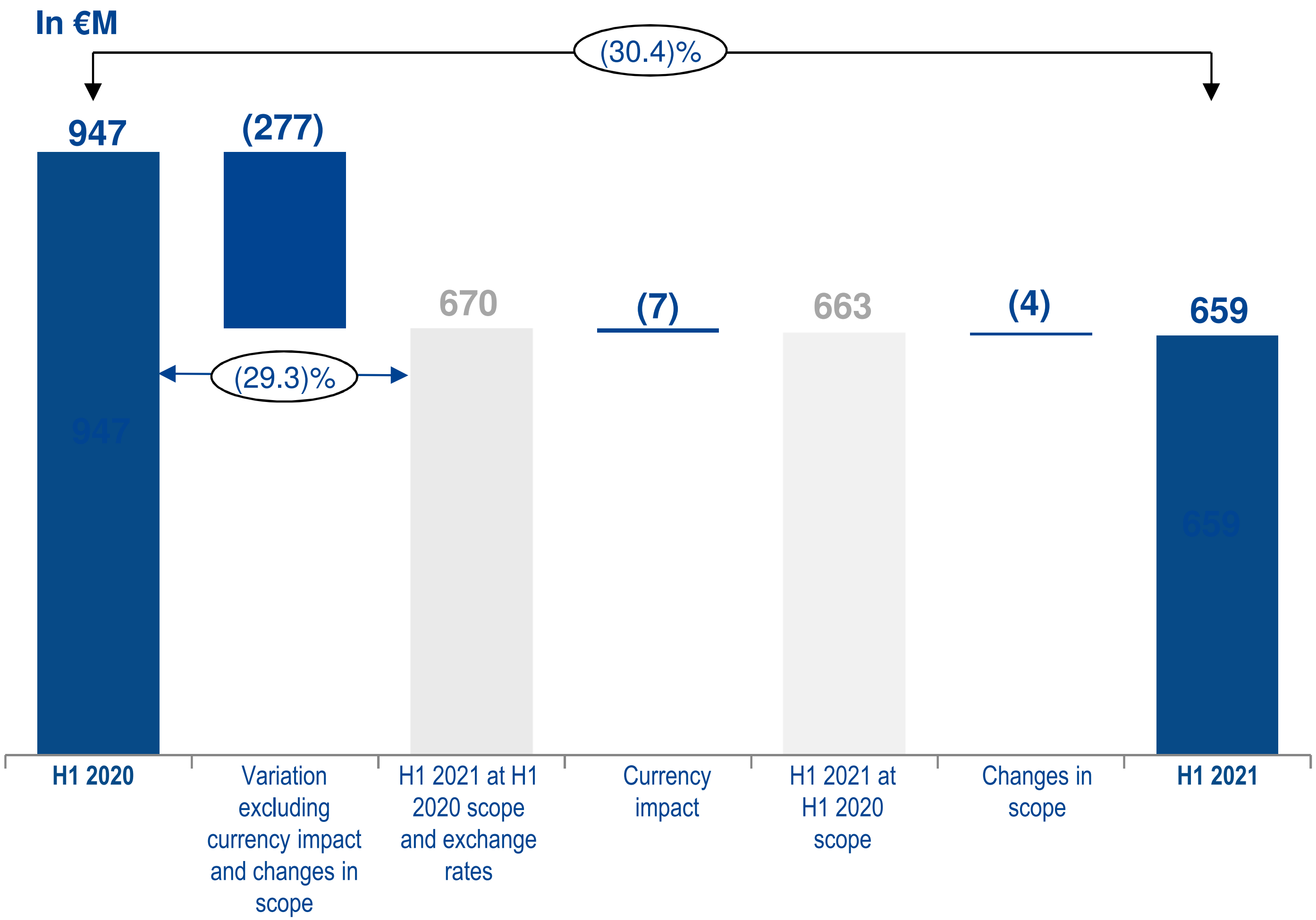
Organic decrease: (17.3)%

- Propulsion: (15.7)%
- Aircraft Equipment, Defense & Aerosystems: (13.9)%
- Aircraft Interiors: (35.2)%

Currency impact: (4.3)%

- Negative impact from USD average spot rate vs Euro (average spot rate \$1.21 vs \$1.10 in H1 2020)

H1 2021 recurring operating income



Main organic drivers

- Negative volume, especially in civil aftermarket, impacted profitability
- Cost savings maintained: operating expenses(1) down by (28)% compared to H1 2019 level
  - lower R&D impact in P&L
  - lower personal expenses (including short-time working schemes impact)

(1) : Basis : Personnel costs and external services expenses. Excluding purchasing and including R&D expenses.

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Research & Development

(In €M)	H1 2020	**H1 2021**	*Change*
Total R&D	**(597)**	**(640)**	**(43)**
R&D sold to customers	150	214	64
R&D expenses	**(447)**	**(426)**	**21**
as a % of revenue	*5.1%*	*6.2%*	*1.1pt*
Tax credit	74	82	8
R&D expenses after tax credit	**(373)**	**(344)**	**29**
Gross capitalized R&D	124	133	9
Amortisation and depreciation of R&D	(124)	(110)	14
P&L R&D in recurring operating income	**(373)**	**(321)**	**52**
as a % of revenue	*4.3%*	*4.7%*	*0.4pt*

R&D expenses

- €(426)M in H1 2021
- Under tight control : decrease by (4.7)% compared to H1 2020 and by (34.6)% compared to H1 2019

Gross capitalized R&D

- €133M in H1 2021, up €9M

P&L R&D in recurring operating income

- €(321)M in H1 2021
- R&D in P&L represents 4.7% of sales (vs 4.3% in H1 2020)

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H1 2021 results by activity

(In €M)	H1 2021	Aerospace Propulsion	Aircraft Equipment, Defense & Aerosystems	Aircraft Interiors	Holding & others
Revenue	**6,876**	**3,249**	**2,972**	**646**	**9**
Year-over-year growth in %	*(21.6)%*	*(19.7)%*	*(18.3)%*	*(39.7)%*	*n/s*
Year-over-year organic growth in %	*(17.3)%*	*(15.7)%*	*(13.9)%*	*(35.2)%*	*n/s*
Recurring operating income	**659**	**504**	**270**	**(110)**	**(5)**
as a % of revenue	*9.6%*	*15.5%*	*9.1%*	*(17.0)%*	*n/s*
Recurring operating margin variation (vs H1 2020)	*(1.2)pt*	*(1.8)pt*	*(0.3)pt*	*(7.6)pts*	*n/s*

Aerospace Propulsion

(In €M)	H1 2020	**H1 2021**	*Change*	*Organic Change*
Revenue	**4,047**	**3,249**	*(19.7)%*	*(15.7)%*
Recurring operating income	**699**	**504**	*(27.9)%*	
% of revenue	*17.3%*	*15.5%*	*(1.8)pts*	
One-off items	*(20)*	*(133)*		
Profit (loss) from operations	**679**	**371**		
% of revenue	*16.8%*	*11.4%*		

Revenue

- Lower OE narrowbody engines deliveries: 399 Leap engines delivered (-51 vs. H1 2020), CFM56 ramping down as planned (-35 deliveries vs. H1 2020), lower OE high-thrust engines deliveries with 138 units delivered (-59 vs. H1 2020)
- M88 engines deliveries were up : 31 units in H1 2021 compared with 19 in H1 2020 (notably export contracts)
- Services : civil aftermarket (-25.5% in $) and military activities down
- Helicopter turbines activities : low teens organic growth driven by services

Recurring operating income

- Strong negative impact from the drop in civil aftermarket and to a lesser extent military support activities partially offset by a positive contribution from helicopter turbines
- Exceptional positive impact from repayable advances

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Aircraft Equipment, Defense and Aerosystems

(In €M)	H1 2020	**H1 2021**	*Change*	*Organic Change*
Revenue	**3,638**	**2,972**	*(18.3)%*	*(13.9)%*
Recurring operating income	**343**	**270**	*(21.3)%*	
% of revenue	*9.4%*	*9.1%*	*(0.3)pt*	
One-off items	*(73)*	*(59)*		
Profit (loss) from operations	**270**	**211**		
% of revenue	*7.4%*	*7.1%*		

Revenue

- OE (-15.6% org): mainly driven by wiring and power distribution activities for Boeing 787, lower volumes of landing gears for Boeing 787 and A350, nacelles for A330neo partially offset by an increase for A320neo nacelles and to a lesser extent by Aerosystems (fluid, evacuation, oxygen partially offset by an increase in fuel control systems)
- Services (-10.3% org.): driven by carbon brakes, landing gear MRO activities, nacelles support activities and to a lesser extent Aerosystems
- Electronics and Defense activities decrease mainly driven by Avionics, sighting, guidance systems and optronics activities, partially offset by Defense services growth

Recurring operating income

- Driven by lower sales and despite positive impact from the adaptation's plan measures and lower R&D impact on P&L

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Aircraft Interiors

(In €M)	H1 2020	**H1 2021**	*Change*	*Organic Change*
Revenue	**1,072**	**646**	*(39.7)%*	*(35.2)%*
Recurring operating income	**(101)**	**(110)**	*(8.9)%*	
% of revenue	*(9.4)%*	*(17.0)%*	*(7.6)pts*	
One-off items	*(51)*	*(1)*		
Profit (loss) from operations	**(152)**	**(111)**		
% of revenue	*(14.2)%*	*(17.2)%*		

Revenue

- OE (-32.1% org.): decrease in Seats (strong decrease on business seats programs) and Cabin due to lower volumes for galleys and lavatories (A320 and A350 programs), floor to floor activity (Boeing 787), catering and inserts
- Services (-42.3% org.): decrease in all activities

Recurring operating income

- Despite lower R&D impact on P&L and cost savings (notably in Seats with the industrial footprint restructuring), the profitability decreased in all businesses both for OE and services due to the strong drop in volumes

H1 2021 Free Cash Flow

(in €M)	H1 2020	**H1 2021**
Recurring operating income	**947**	**659**
One-off items	(144)	(195)
Amortization, provisions and depreciation (excl. financial)	613	610
EBITDA	**1,416**	**1,074**
Income tax and non cash items	(262)	(341)
Cash from operating activities before change in WC	**1,154**	**733**
Change in WC	168	297
Cash from operating activities after change in WC	**1,322**	**1,030**
Capex (tangible assets)	(273)	(183)
Capex (intangible assets)*	(148)	(146)
Free cash flow	**901**	**701**

** Of which €133M capitalised R&D in H1 2021 vs €124M capitalised in H1 2020*

Of which
- ***Amortization €494M***
- ***Provisions €(33)M***
- ***Depreciation €149M***

(24)% driven by strong organic decrease in revenue

Driven by
- ***strong decrease in receivables partially offset by lower prepayments***
- ***stable inventories***

Net Capex spending under tight control

Strong liquidity

Cash and cash equivalent of €3.927bn (up €180M compared with December 31, 2020)

In H1 2021, Safran continued to diversify and optimize its debt maturity profile with several new transactions:

- A new €500M bank loan signed with the European Investment Bank on March 4, 2021
  - Dedicated to Safran research into innovative propulsion systems for the next generation of single-aisle commercial aircraft, a core part of Safran's roadmap towards carbon-free air transport
  - Remains undrawn as at July 28, 2021 and is available for drawdown until September 2022, at Safran's option
  - Maturity up to ten years, at Safran's option, starting when funds are made available
- €1.4bn dual tranche issue of Safran first rated bonds (BBB+) on March 16, 2021
  - €700M 5-year tranche bearing a 0.125% coupon and €700M 10-year tranche bearing a 0.750% coupon

  ⇒Consequently, Safran cancelled on March 16, 2021 the Euro 1.4 billion remaining amount of the Euro 3 billion bridge facility set up in April 2020 which had remained undrawn since inception
- Restructuring of its €700M bonds convertible into new shares and/or exchangeable for existing shares (OCEANEs) due June 2023 into €730M OCEANEs due 1 April 2028 via a repurchase and new issue offer launched on 8 June 2021
  - The hit ratio of the repurchase was 96.2% and the remaining 3.8% were early redeemed on 19 July 2021
  - This restructuring provides an additional 5-year maturity (2023 to 2028) with excellent financial conditions ((0,50)% YTM) and replaces the original transaction with much more favorable terms for existing shareholders, including lower dilution.

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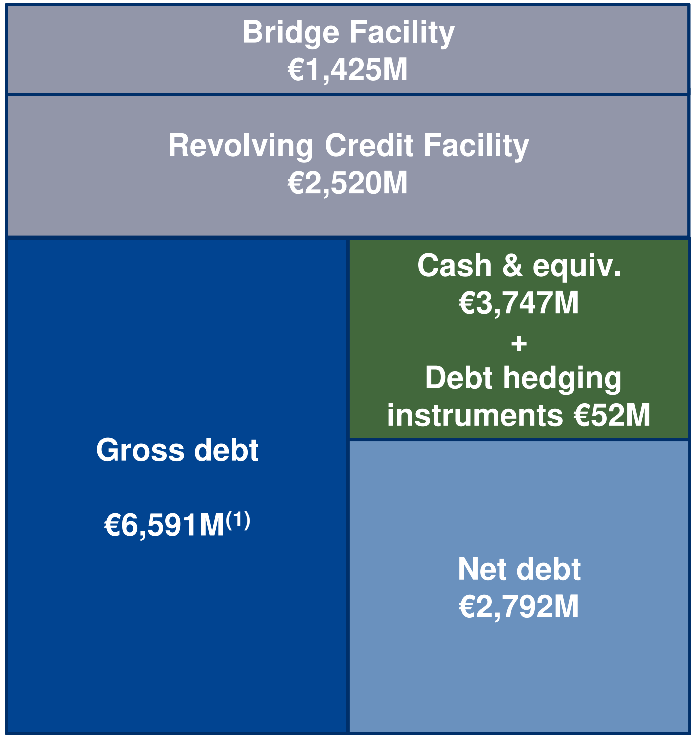
A sound balance sheet

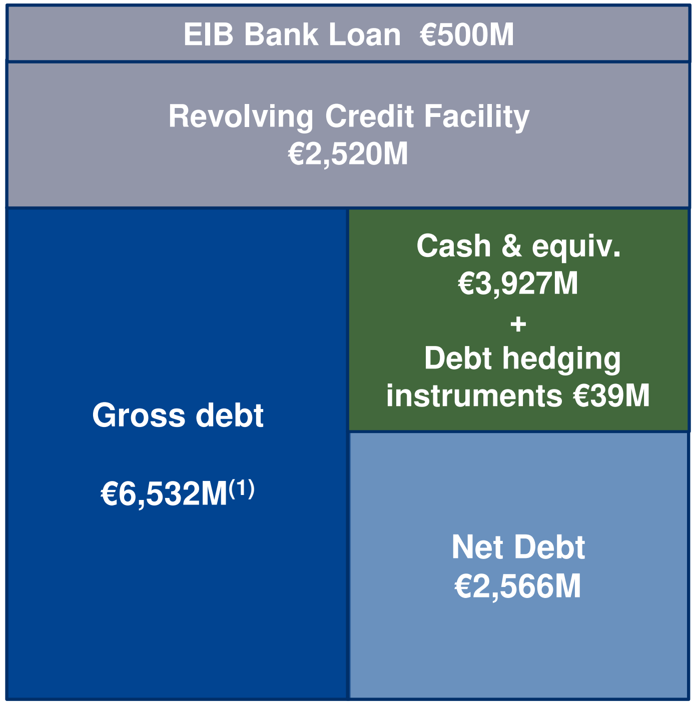
Net debt decreased by €226M over H1 2021

December 31,2020



(1) Incl. €1.3bn of commercial papers (NEU CPs)

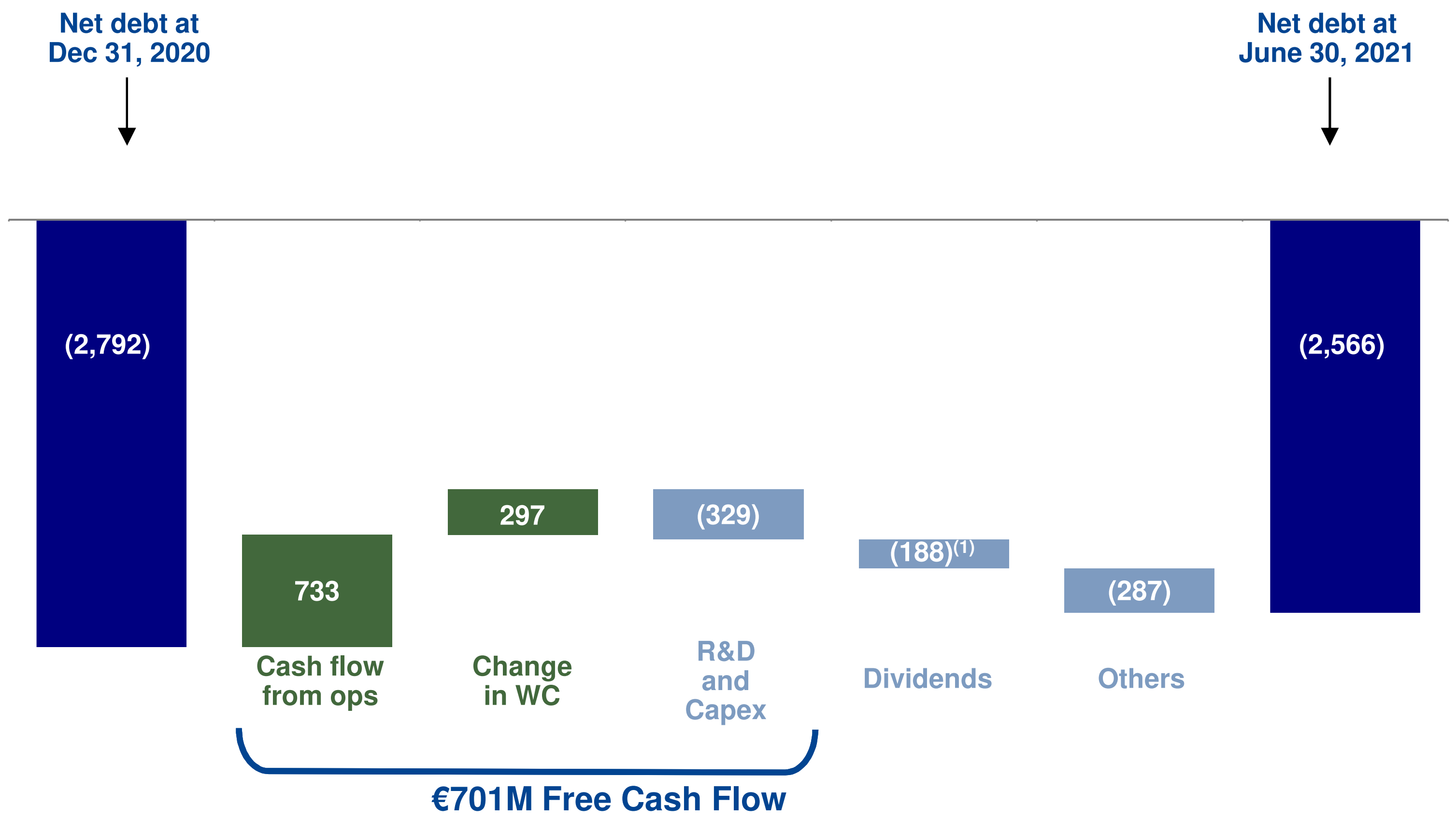
June 30, 2021



(1) Incl. €0.2bn of commercial papers (NEU CPs)

Net debt

(in €M)



(1) Includes €(5)M of dividends to minority interests

Net debt decrease by €226M over H1 2021 driven by free cash flow (€701M)

2020 dividend of €0.43 per share to parent holders

- €183M entirely paid in June 2021

"Others" includes €200M financial investment (not classified as cash and cash equivalents)

Balance sheet highlights as of June 30, 2021

(In €M)	Dec 31, 2020	June 30, 2021
Goodwill	**5,060**	**5,086**
Tangible & Intangible assets and right of use	**13,354**	**13,161**
Investments in joint ventures and associates	**2,126**	**2,049**
Other non current assets	**751**	**846**
Operating Working Capital	**(1,290)**	**(1,436)**
Net cash (debt)	**(2,792)**	**(2,566)**
Shareholders' equity - Group share	**12,349**	**13,038**
Minority interests	**401**	**413**
Non current liabilities (excl. net cash (debt))	**1,731**	**1,817**
Provisions	**2,847**	**2,791**
Other current liabilities / (assets) net	**(119)**	**(919)**

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FY 2021 OUTLOOK

Olivier ANDRIES – CEO

FY 2021 outlook confirmed for sales and profitability, raised for free cash flow

Safran confirms its full-year 2021 outlook and its underlying assumptions in a context in which the level of uncertainty over the timing of recovery continues to prevail. A delay in the pace of civil aftermarket recovery during the second half of the year constitutes an element of risk to this outlook.

As a reminder, Safran expects for FY 2021 (compared with FY 2020 figures):

- **Adjusted revenue to decrease in the low single digits in organic terms.**

  At an estimated spot rate of USD 1.22 to the Euro, adjusted revenue to decrease in the high single digits;
- **Adjusted recurring operating margin to increase above 100 bps, at least a 300 bps improvement versus H2 2020** (based on a hedge rate of USD 1.16 to the Euro and an adjusted revenue based on a spot rate at USD 1.22 to the Euro) thanks to structural savings already achieved and additional measures to be implemented;

Safran now expects:

- **Free cash flow generation to increase above 2020 level (previously "at least at the same level as in 2020") including Rafale export contracts advance payments recently announced.**

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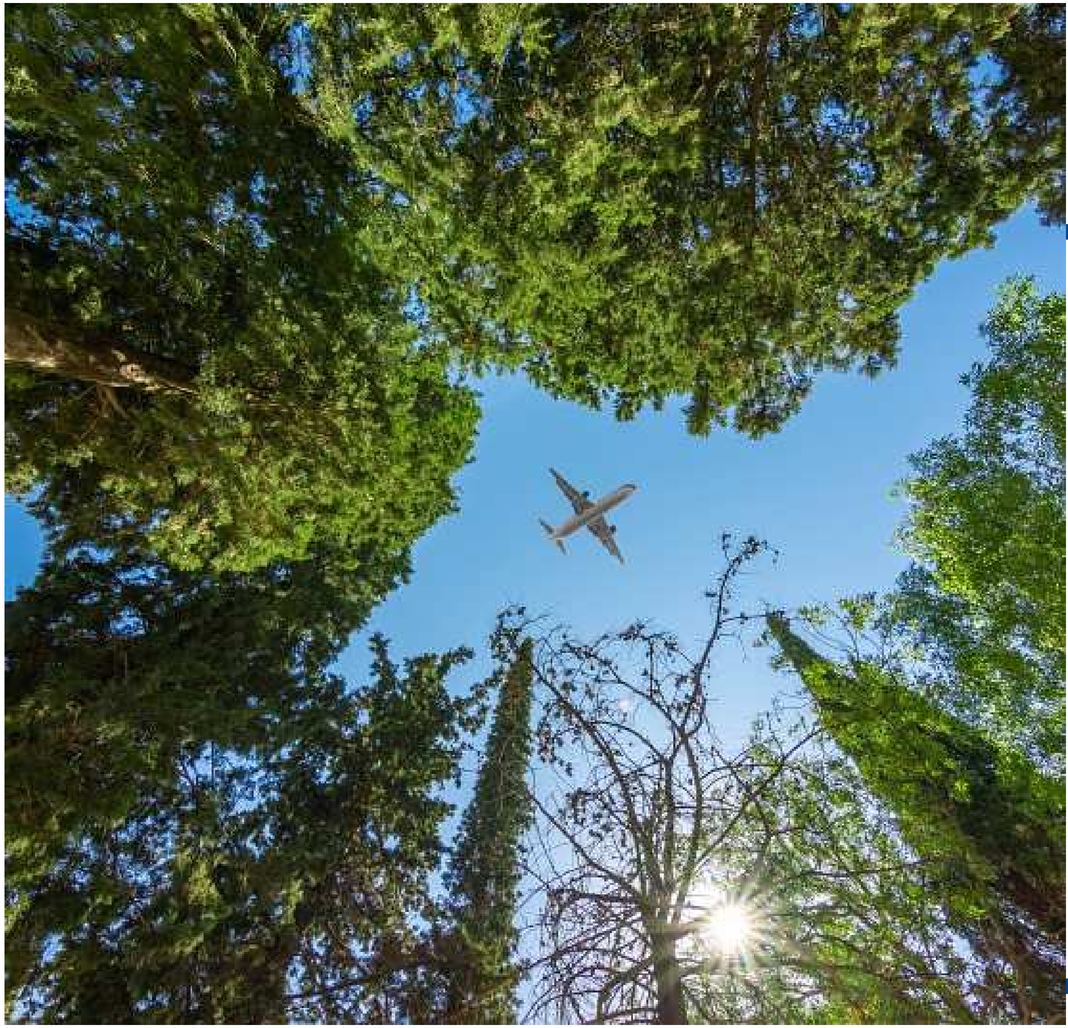
Q&A

Olivier ANDRIES – CEO

Bernard DELPIT – Deputy CEO and Group CFO



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SAFRAN'S ESG COMMITMENTS

Focus on Safran ESG-related strategy

SAFRAN ESG RATINGS:

- CDP: A- (since Dec 2020)
- MSCI: A (since Nov 2020)
- Sustainalytics: 24.4 Medium Risk (since April 2021)
  Ranked 3rd out of 89 companies in A&D
  Ranked 1st out of companies in A&D with market cap between $51bn and $103bn
- VIGEO EIRIS: 62/100 (since May 2021)
  Ranked 1st in A&D

SAFRAN CSR COMMITMENTS

- Part of Safran business model and built on three strategic assets (sustainable innovation, operational excellence, responsible conduct)
- Consistent with the UN sustainable development goals for 2030
- Safran addresses the challenge of decarbonization for civil aviation. Thanks to its position in most aircraft-system segments, Safran makes climate change a central part of its technological solutions

Focus on Climate strategy – H1 2021 highlights (1/3)

Green aviation will emerge from the crisis as a major trend. Research on breakthrough aircraft, low carbon aviation by 2030-2035 and towards carbon neutrality around 2050, remains the key focus of Safran's strategy in response to the challenge of climate change:

Priority#1 **Prepare the future ultra-efficient short- and medium- haul aircraft for 2030-35 (-30% fuel consumption)**

> In June 2021, Safran and GE launched CFM RISE program, a development program targeting more than 20% lower fuel consumption compared to the LEAP engine, that will demonstrate and mature disruptive technologies for future engines (open fan architecture, hybrid electric capability), compatible with 100% sustainable aviation fuel and hydrogen

> More electrical aircraft, e-taxiing

> Lightweight equipment design

Priority#2 **Enable extensive use of sustainable aviation fuels (SAF)**

> Future generation of engines will be compatible with 100 % "drop-in" SAF and increase of the 50% limit on current generation engines (VOLCAN project including the flight of a Leap engine on A320neo with 100% SAF scheduled at the end of 2021 ; first recue helicopter (powered by Arriel 2E engines) flight with 40 % SAF)

> Safran explores the potential of liquid hydrogen solutions (Hyperion program with ArianeGroup and Airbus)

Priority#3 **Unlock the potential of electrical/hybrid propulsion for the lower end of the market**

> Safran supports propulsion design for the Bye Aerospace eFlyer 800, a 8-seat all-electric aircraft to compete with twin-turboprops.

Safran R&T environmental priorities are fully in line with the ambition of the French plan for the aerospace industry, announced in June 2020, targeting a zero emission aircraft in 2035 : Safran will benefit from the public financing of R&D programs over 3 years for the sector (offsetting the decrease in its self-funded expenses due to the crisis)

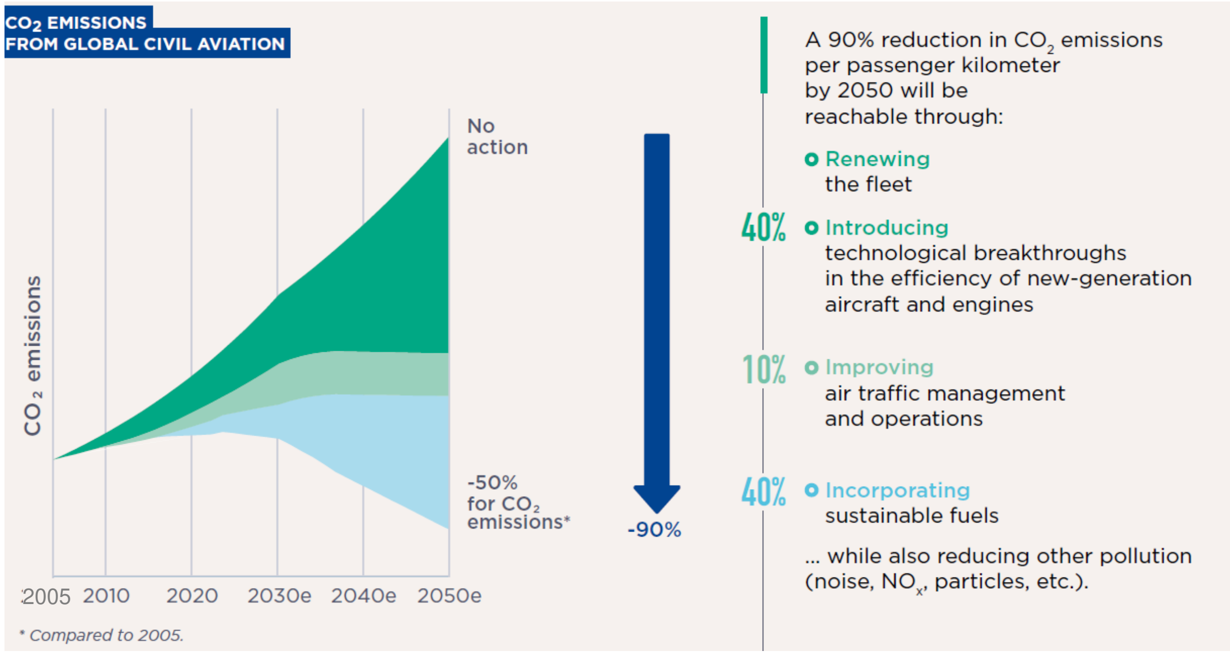
Aerospace sector commitment for green aviation (2/3)

**Covid-19 crisis on air traffic could impact CO_2 emissions in 2050 compared to pre-crisis curves.
It does not pause the aerospace sector commitment for green aviation.**

Aviation today accounts for 2 to 3 % of worldwide CO_2 emissions

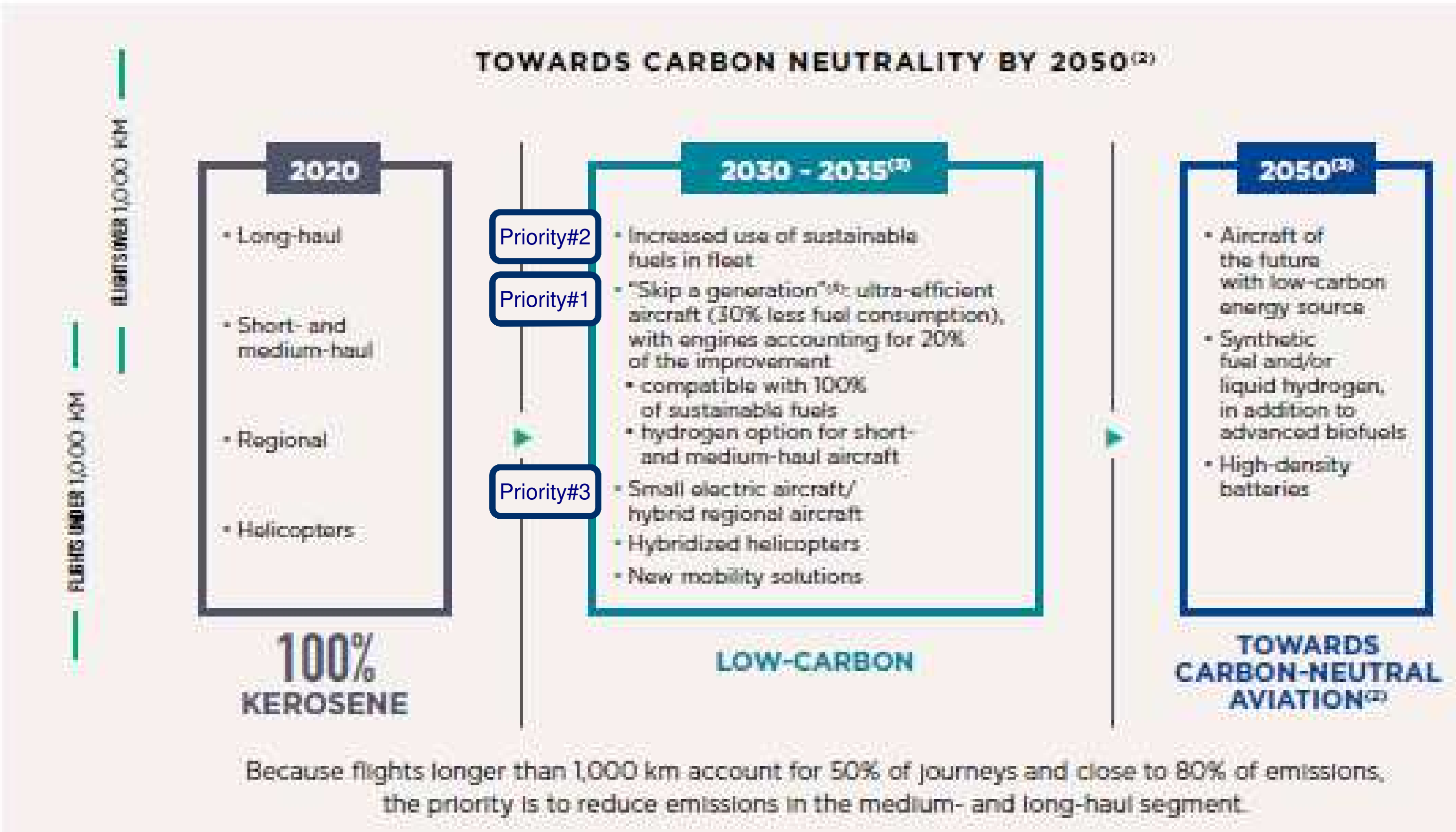
In 2008, the Air Transport Action Group (ATAG) set an ambitious objective of reducing CO_2 emissions by 50% in 2050 in relation to 2005, **which means a 90%** reduction in average emissions per passenger/kilometer **taking into account the expected growth in air traffic**

Aviation sector commitment is consistent with the Paris Agreement on keeping the global temperature rise well below 2°C



Transition towards carbon neutrality by 2050 (3/3)

Because the production of an aircraft accounts for only a small percentage of its emissions over its life cycle, Safran considers that its primary challenge is to reduce CO_2 emissions arising from use of its products (referred to as Scope 3 indirect emissions in the GHG Protocol[1]).



In 2021, **Safran disclosed for the first time its** Scope 3 emissions related to the use of its products (engine scope) : 20.6 Mt CO_2 emissions **in 2020**

In 2022, **Safran will disclose Scope 3 emissions resulting from the use of its other products and** reduction objectives for Scope 3 emissions

75% of R&T **investment is focused on environmental efficiency**

(1) Greenhouse Gas Protocol.
(2) In-flight greenhouse gas emissions & emissions/capture related to fuel production close to zero by 2050.
(3) Target date for aircraft in service.
(4) "Skip a generation": new aircraft release bringing twice the usual next-generation gain (15%).

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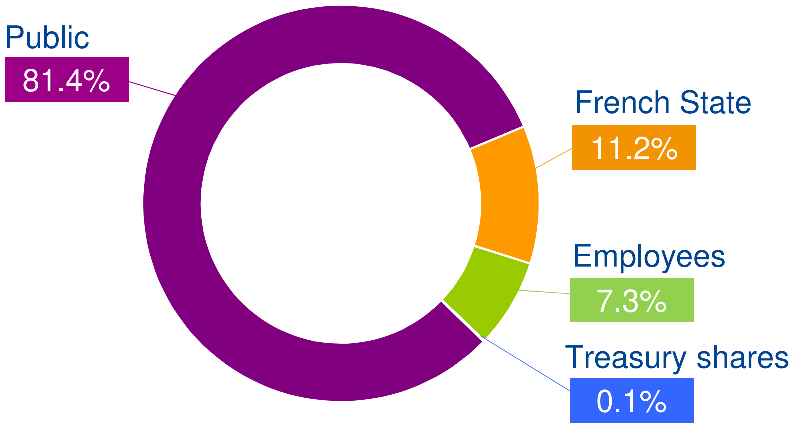
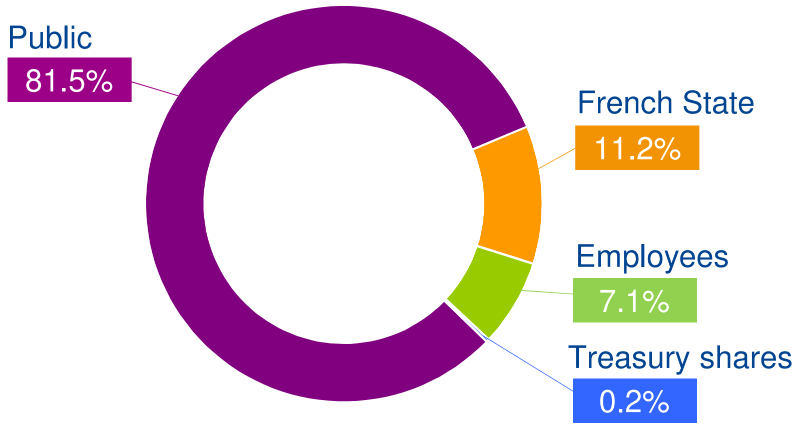
ADDITIONAL INFORMATION

Shareholding status 06/30/21 (versus 12/31/20)

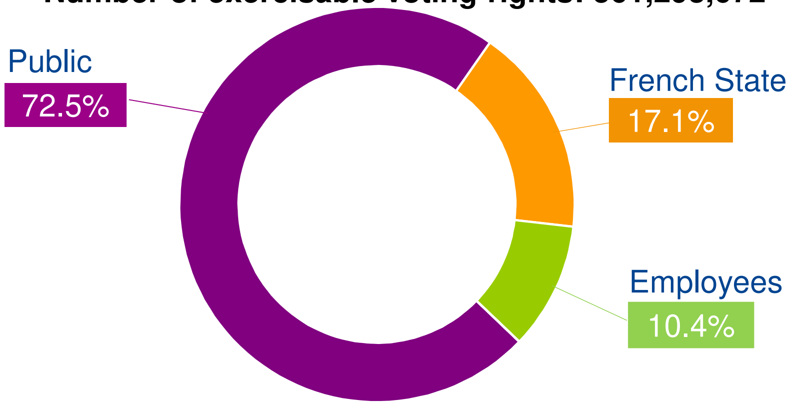
Equity as of December 31, 2020
Number of shares: 427,235,939



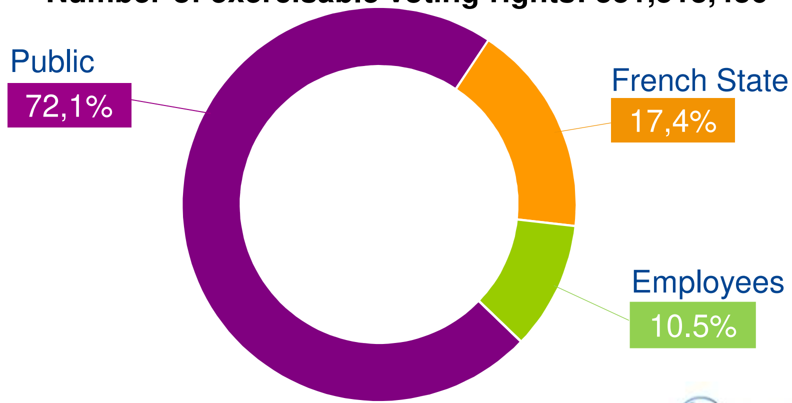
Equity as of June 30, 2021
Number of shares: 427,238,616



Voting rights as of December 31, 2020
Number of exercisable voting rights: 561,293,672



Voting rights as of June 30, 2021
Number of exercisable voting rights: 551,513,436



H1 2021: Research & Development by activity

(In €M)	**H1 2021**	**Aerospace Propulsion**	**Aircraft Equipment, Defense and Aerosystems**	**Aircraft Interiors**
R&D expenses	**(426)**	**(165)**	**(185)**	**(76)**
as a % of revenue	*6.2%*	*5.1%*	*6.2%*	*11.8%*
Tax credit	82	32	49	1
R&D expenses after tax credit	**(344)**	**(133)**	**(136)**	**(75)**
Gross capitalized R&D	133	30	65	38
Amortised R&D	(110)	(59)	(44)	(7)
P&L R&D in recurring operating income	**(321)**	**(162)**	**(115)**	**(44)**
as a % of revenue	*4.7%*	*5.0%*	*3.9%*	*6.8%*

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H1 2020: Research & Development by activity

(In €M)	H1 2020	Aerospace Propulsion	Aircraft Equipment, Defense and Aerosystems	Aircraft Interiors
R&D expenses	**(447)**	**(160)**	**(185)**	**(102)**
as a % of revenue	*5.1%*	*3.9%*	*5.1%*	*9.5%*
Tax credit	74	32	40	2
R&D expenses after tax credit	**(373)**	**(128)**	**(145)**	**(100)**
Gross capitalized R&D	124	25	59	40
Amortised R&D	(124)	(57)	(57)	(10)
P&L R&D in recurring operating income	**(373)**	**(160)**	**(143)**	**(70)**
as a % of revenue	*4.3%*	*3.9%*	*3.9%*	*6.5%*

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OE / Services revenue split

Revenue Adjusted data *(in Euro million)*	H1 2020		**H1 2021**		**% change**	
	OE	Services	OE	Services	OE	Services
Propulsion	*1,534*	*2,513*	*1,295*	*1,954*	*(15.6)%*	*(22.2)%*
% of revenue	*37.9%*	*62.1%*	*39.9%*	*60.1%*		
Equipment, Defense & Aerosystems	*2,478*	*1,160*	*1,980*	*992*	*(20.1)%*	*(14.5)%*
% of revenue	*68.1%*	*31.9%*	*66.6%*	*33.4%*		
Aircraft Interiors	*753* [(1)]	*319*	*470* [(1)]	*176*	*(37.6)%*	*(44.8)%*
% of revenue	*70.2%*	*29.8%*	*72.8%*	*27.2%*		

(1) Retrofit is included in OE

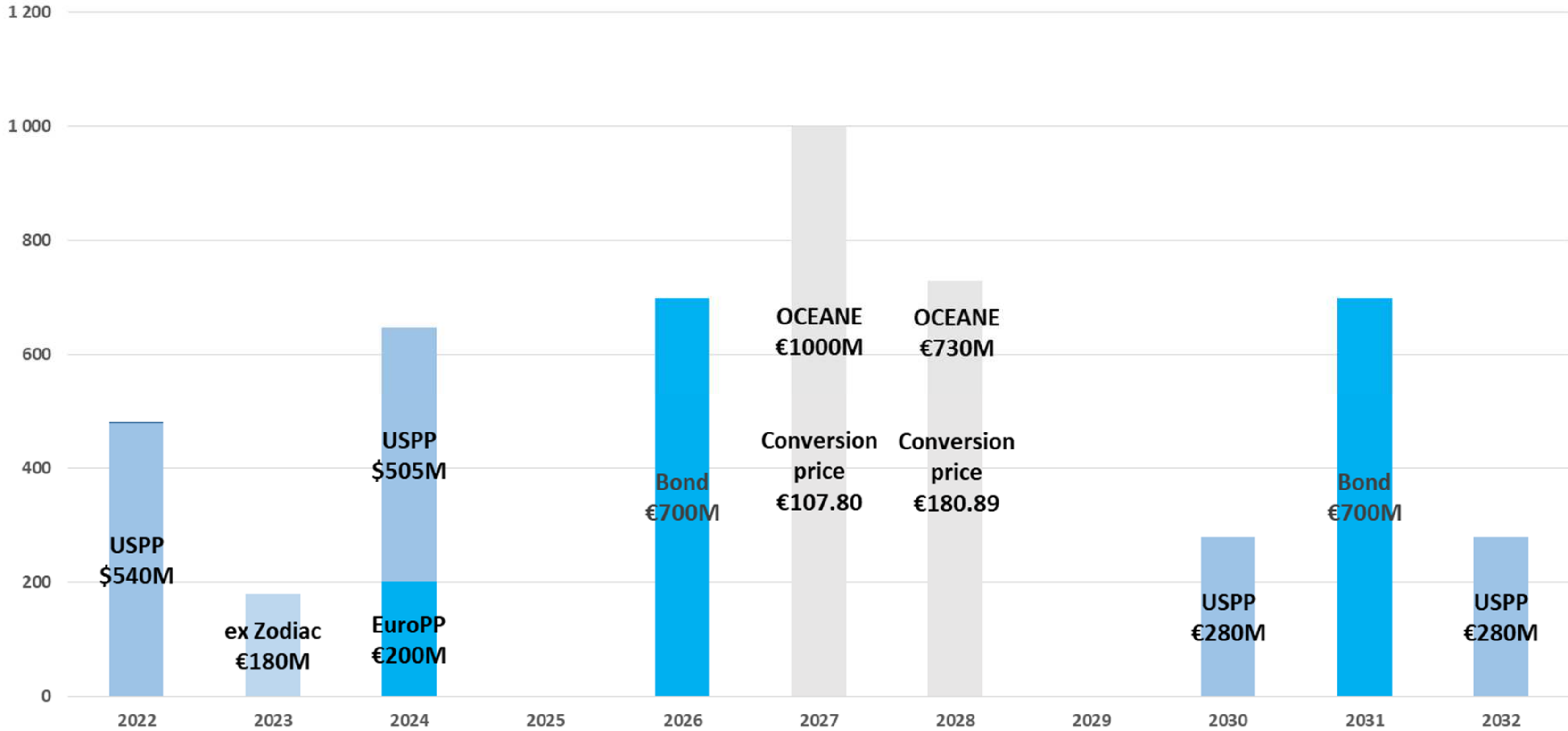
Quantities of major aerospace programs

Number of units delivered	H1 2020	**H1 2021**	%
LEAP engines	450	**399**	*(11)%*
CFM56 engines	84	**49**	*(42)%*
High thrust engines	197	**138**	*(30)%*
Helicopter engines	275	**284**	*3%*
M88 engines	19	**31**	*63%*
787 landing gear sets	62	**25**	*(60)%*
A350 landing gear sets	26	**20**	*(23)%*
A330neo nacelles	20	**6**	*(70)%*
A320neo nacelles	248	**264**	*6%*
Small nacelles *(biz & regional jets)*	246	**187**	*(24)%*

Number of units delivered	H1 2020	**H1 2021**	%
Lavatories A350	199	**136**	*(32)%*
Spaceflex V2 A320 (lavatories + galleys)	167	**111**	*(34)%*
Business class seats	1,689	**687**	*(59)%*
Emergency slides A320	1,524	**1,708**	*12%*
Primary power distribution system 787	417	**134**	*(68)%*

Smooth and lengthened debt profile with the new 2026 & 2031 bonds and the restructured 2028 OCEANEs

Debt maturity schedule - Long term borrowings at inception (M€)



Customer financial guarantees

(In $M)	Dec. 31, 2020	June 30, 2021
Total guarantees	**11**	**10**
Estimated value of pledges	**9**	**8**
Net exposure on these guarantees	**2**	**2**

Provisions	**2**	**2**

Total guarantees remaining at a historically low level due to continuing high liquidity in the market place despite the persistence of the Covid-19 crisis.

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