

Q3 and 9m 2022 Revenue

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Disclaimer & foreword

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements relating to Safran, which do not refer to historical facts but refer to expectations based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those included in such statements. These statements or disclosures may discuss goals, intentions and expectations as to future trends, synergies, value accretions, plans, events, results of operations or financial condition, or state other information relating to Safran, based on current beliefs of management as well as assumptions made by, and information currently available to, management. Forward-looking statements generally will be accompanied by words such as "anticipate," "believe," "plan," "could," "would," "estimate," "expect," "forecast," "guidance," "intend," "may," "possible," "potential," "predict," "project" or other similar words, phrases or expressions. Many of these risks and uncertainties relate to factors that are beyond Safran's control. Therefore, investors and shareholders should not place undue reliance on such statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: uncertainties related in particular to the economic, financial, competitive, tax or regulatory environment; the risks that the new businesses will not be integrated successfully or that the combined company will not realize estimated cost savings and synergies; Safran's ability to successfully implement and complete its plans and strategies and to meet its targets; the benefits from Safran's plans and strategies being less than anticipated; the risks described in the Universal Registration Document (URD); the full impact of the outbreak of the COVID-19 disease; the full impact of the Russo-Ukrainian conflict.

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

USE OF NON-GAAP FINANCIAL INFORMATION

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

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.

⁽¹⁾ See slide 16 for bridge with consolidated revenue



01. HIGHLIGHTS

Q3 2022 highlights

AIR TRAFFIC RECOVERY

Q3 2022 narrowbody ASK at 86% of Q3 2019 level

China remains volatile

CHALLENGING MACRO ENVIRONMENT

Persistent supply chain disruption

Rising inflation

SOLID REVENUE GROWTH

+30% (+18% organic) notably driven by civil aftermarket (+36% in \$)

LEAP deliveries : +54% sequentially

REVENUE AND FREE CASH FLOW FY 2022 OUTLOOK RAISED

Reflecting solid growth in services and new currency assumptions

BOLT-ON ACQUISITION

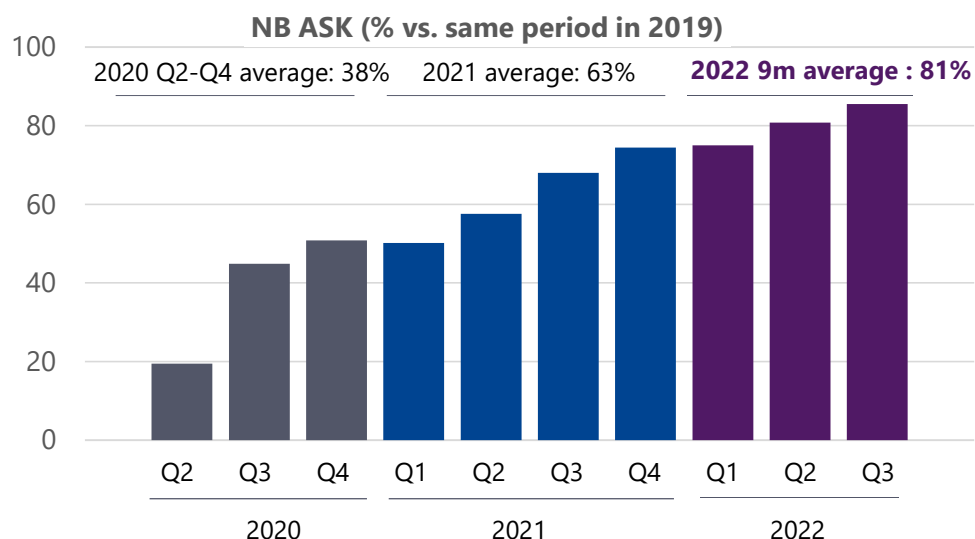
Exclusive negotiations with Thales to acquire its electrical systems activities



Q3 2022 market environment

GLOBAL NARROWBODY CAPACITY

- Narrowbody air traffic improvement continues with a strong summer season in the US and Europe
 - Q3 2022 ASK*: 86% vs. Q3 2019
 - China air traffic remains volatile and still well below 2019 level



* ASK: available seat-kilometers

CFM FLIGHT CYCLES

- Worldwide CFM engines flight cycles at 84% of 2019 level at mid-October 2022
 - North America, Middle-East and South America above 2019 levels
 - Europe at 89% of 2019
 - China at 36% of 2019, vs. c.20% of 2019 in April and c.80% of 2019 reached this summer
 - APAC excl. China at 77% of 2019
- 2nd generation CFM56-powered aircraft
 - Retirements remain low (75 in the first 9 months)
 - Fleet storage at 11.2% at the end of Q3 2022 (vs. 14.3% at the end of Q2 2022)

Q3 2022 business highlights

PROPULSION

- **Delivered 364 CFM engines**
 - 347 LEAP engines (up 121 units vs. Q2 2022 and vs. Q3 2021)
 - 17 CFM56 engines (down (13) units vs. Q3 2021)
- **Civil aftermarket (in \$)**
 - +43% in 9m 2022
 - +53% in Q1 2022, +41% in Q2 2022 and +36% in Q3 2022
- **LEAP-1C : COMAC obtained the Type Certificate from the Civil Aviation Administration of China (CAAC) for its C919 aircraft**
- **Contract renewed to support over 900 Arriel engines, operated by the U.S. Army on its UH-72 Lakota helicopter fleet**

EQUIPMENT & DEFENSE

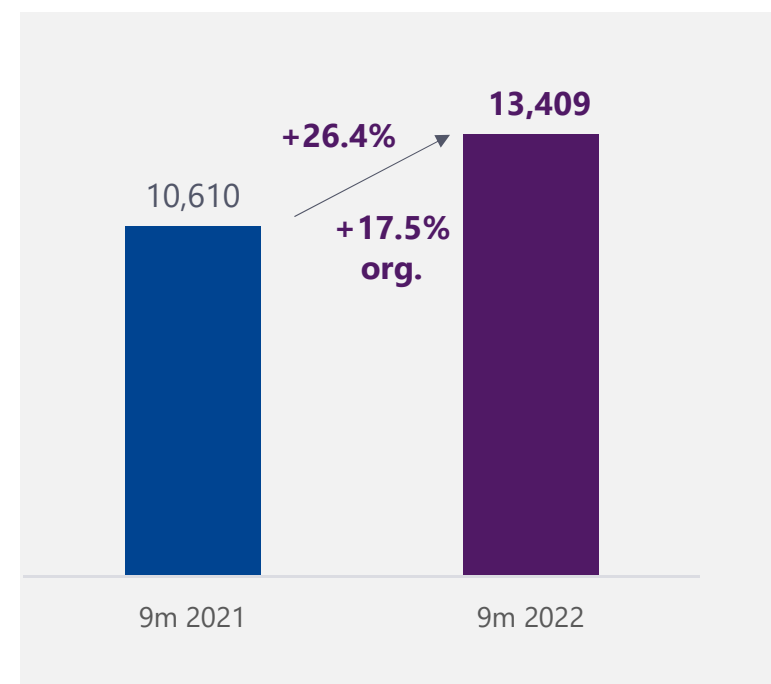
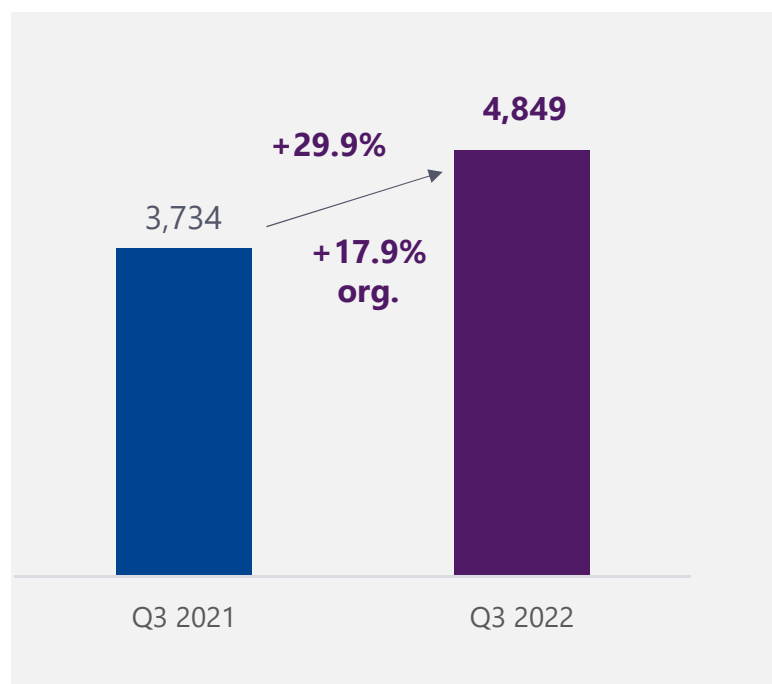
- **Landing gear MRO**
 - Philippine Airlines selected Safran through 2024 for 8 A330 and through 2025 for 20 A320 and A321
 - Cebu Pacific Air selected Safran for 14 A320 for the next 3 years
- **NacelleLife™**
 - 5-year service contract with Cathay Pacific for the thrust reversers of their 51 A330ceo and the nacelles of their 32 A321neo equipped with LEAP-1A
 - 3-year service contract with Spring Airlines for the nacelles of their A320neo equipped with LEAP-1A

AIRCRAFT INTERIORS

- **Seats**
 - An Asian airline selected economy class seats for 52 737MAX
 - An European airline selected economy class seats for 100 737MAX
 - A Middle-east airline signed a retrofit contract for business class seats for 67 A380

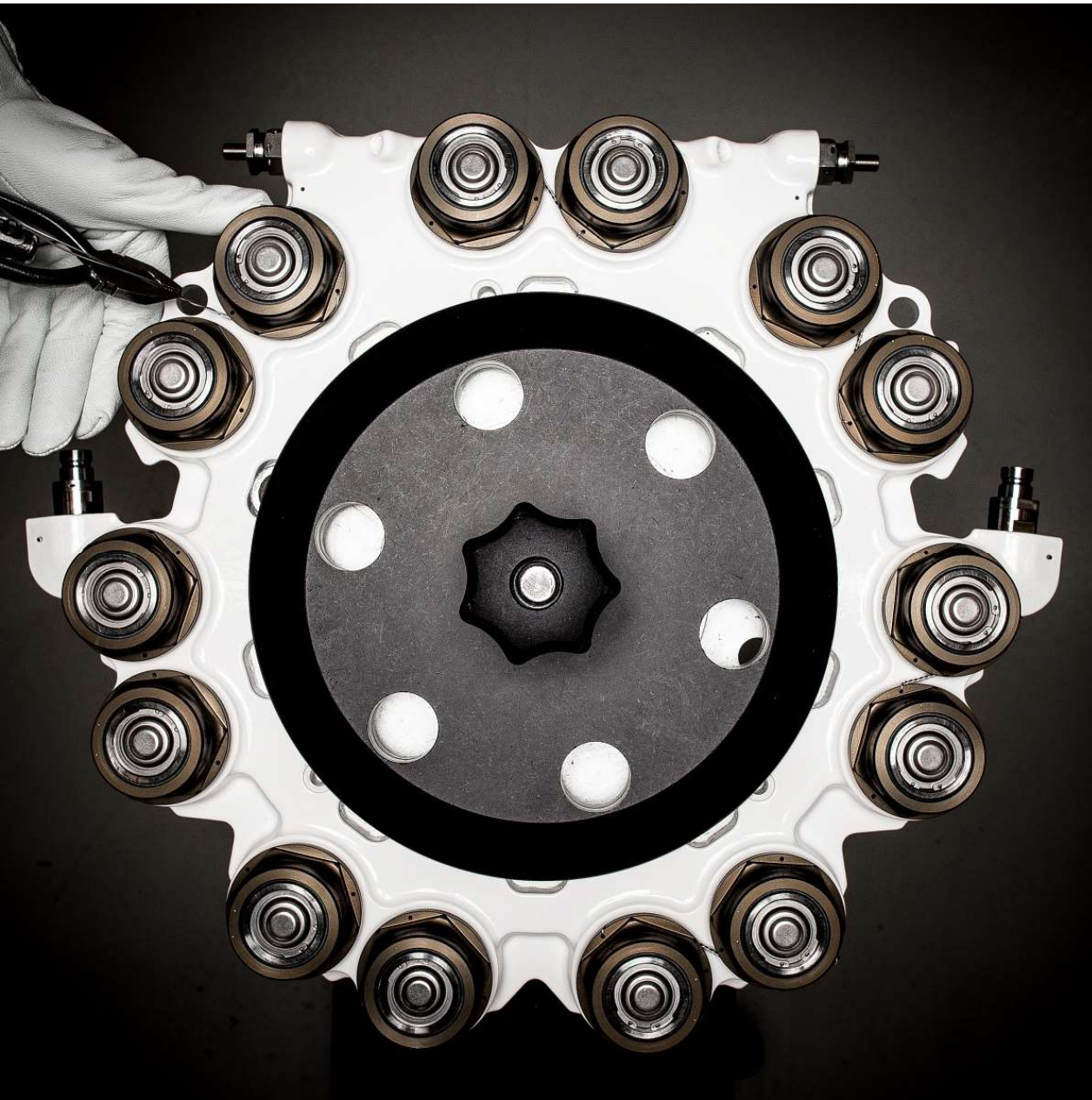
Q3 and 9m 2022 revenue

Adjusted revenue⁽¹⁾ in €M



Strong Q3 sales organic growth

⁽¹⁾ See slide 16 for bridge with consolidated figures

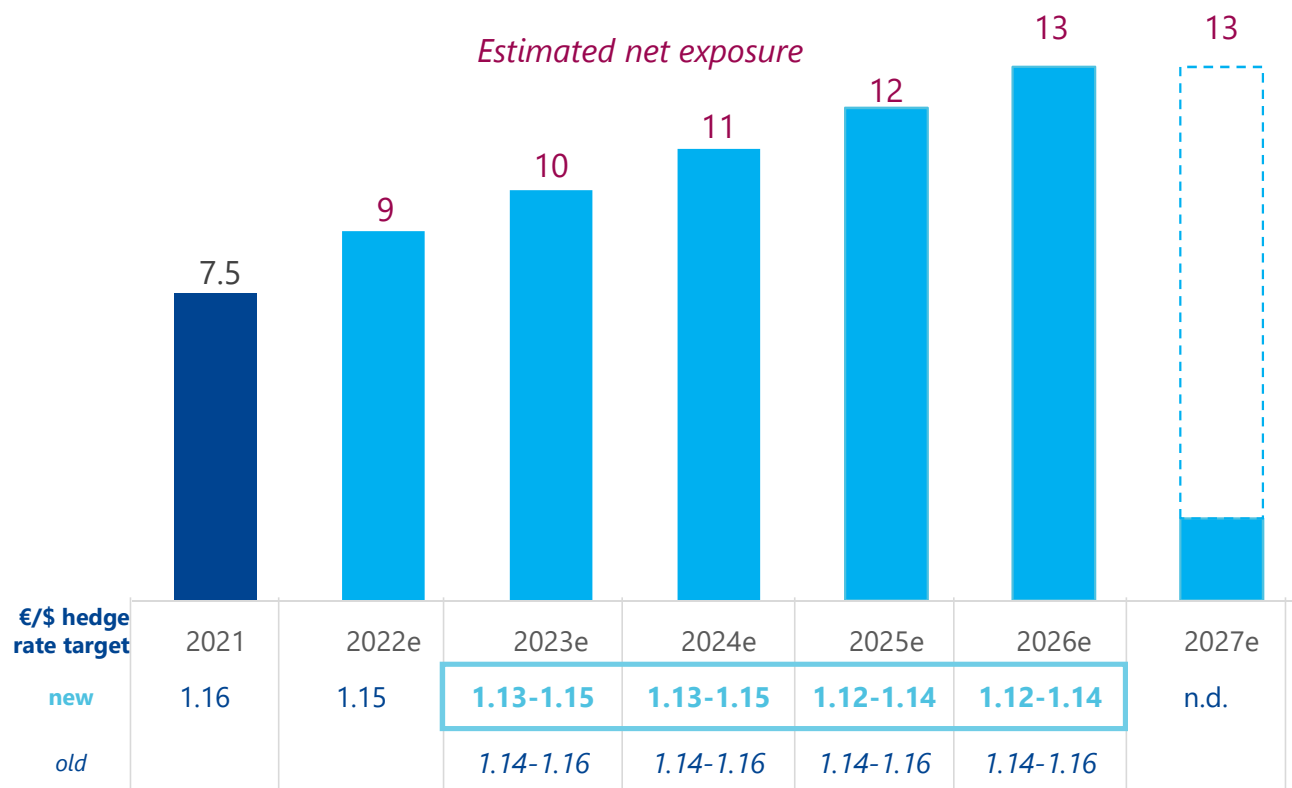


02.

Q3 2022 REVENUE

Fx hedging

(In \$bn)



Note: Approx. 45% of Safran US\$ revenue are naturally hedged by US\$ procurement

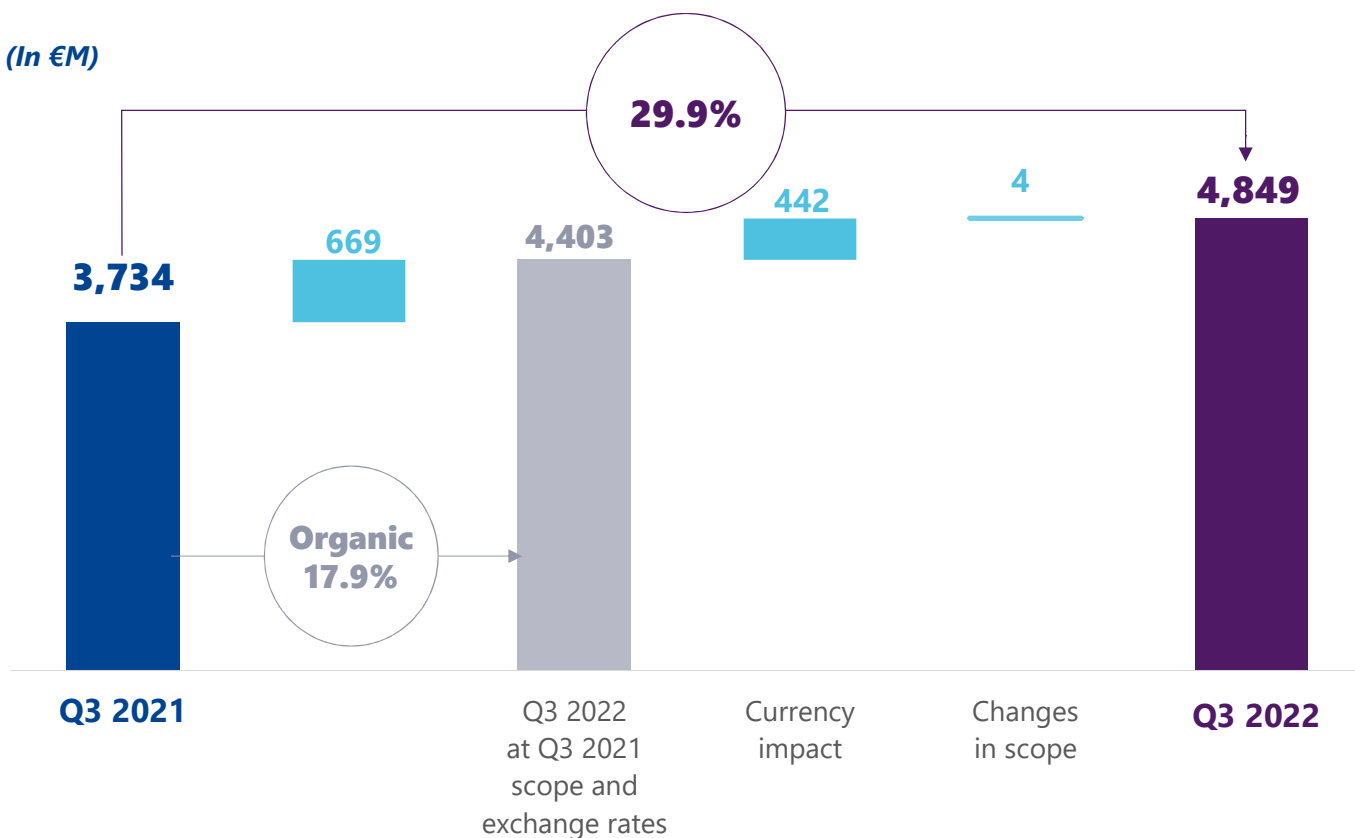
- \$50.1bn hedge book as of Sep. 2022 (up from \$45.1bn as of July 2022)
- The EUR/USD is at a 20-year low (0.9745 on Sep. 30)
 - Translation impact:
+/- 1 cent in spot rate = +/- €90 M in revenues (on average)
 - Transaction impact:
+/- 1 cent in hedge rate = +/- €60 M in EBIT (on average)

€/ \$	Q3 2021	Q3 2022
Average spot rate	\$1.18	\$1.01

€/ \$	9m 2021	9m 2022
Average spot rate	\$1.20	\$1.06

Q3 2022 revenue

(In €M)



- **Organic: +17.9%**
 - Strong increase in OE (+14%), notably in Propulsion and Aircraft Interiors
 - Strong increase in services (+23%) in all divisions
- **Currency: +11.9%**
 - Reflecting a stronger USD vs. EUR (17 cents)
- **Scope: +0.1%**
 - Contribution of Orolia in Safran Electronics & Defense from July 2022
 - Disposal from Safran Cabin of SVS Oklahoma (Enviro Systems) in November 2021 and from Safran Aerosystems of Arresting Systems in June 2022

Q3 2022 revenue per activity

Adjusted data (In €M)	Q3 2021	Q3 2022	Change	Organic Change
Aerospace Propulsion	1,812	2,503	38.1%	25.9%
Equipment & Defense	1,535	1,820	18.6%	7.3%
Aircraft Interiors	385	522	35.6%	22.1%
Others	2	4	-	-
Safran	3,734	4,849	29.9%	17.9%

Organic growth drivers

■ Aerospace Propulsion

- Civil aftermarket driven by a strong increase in CFM56 spare parts and to a lesser extent by high thrust engines spare parts and service contracts
- LEAP deliveries (+121 units) outpacing decrease in CFM56 deliveries
- M88 deliveries down (6) engines, partially offset by higher services
- Lower contribution of helicopter engines notably due to services

■ Equipment & Defense

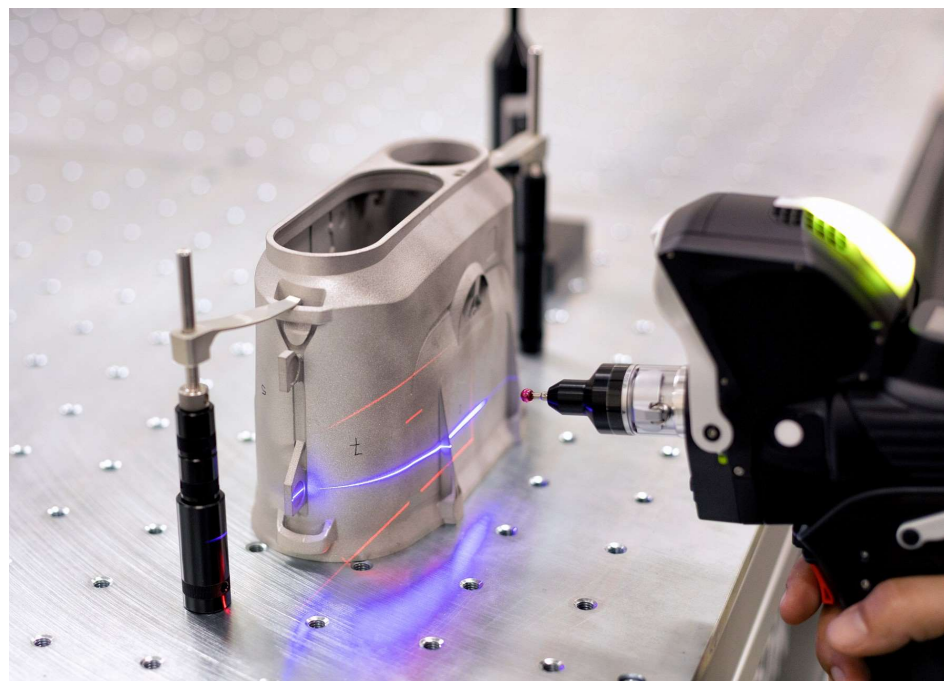
- Services up +19% notably thanks to landing gear spares and MRO, carbon brakes, aerosystems and nacelles
- OE flattish due to low WB build rates

■ Aircraft Interiors

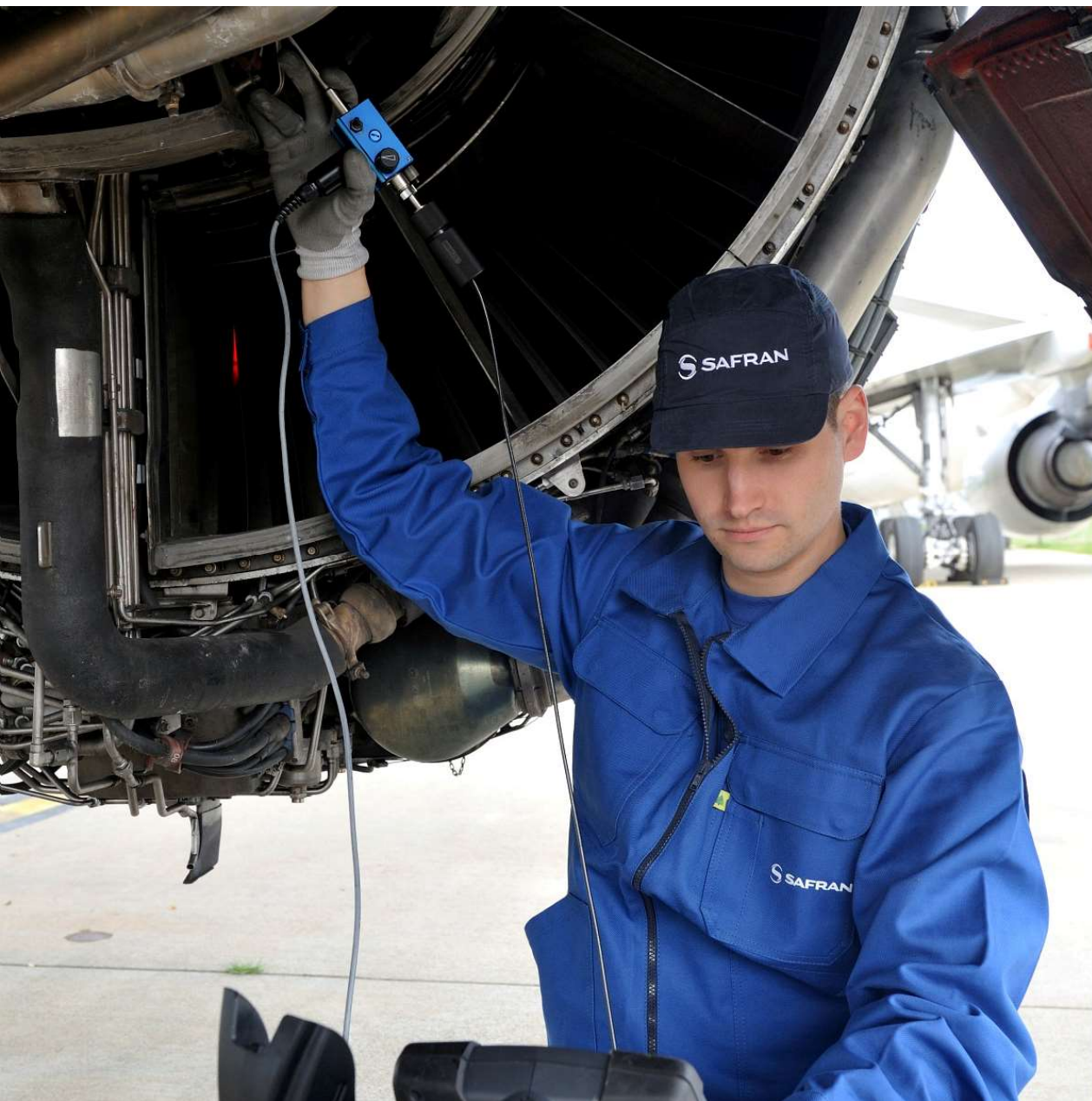
- Cabin : increase both in services and OE (lavatories and galleys for A320 program)
- Seats : lower business class seats volumes

Liability management transaction (2027 OCEANEs)

- Purchase of up to 9.4 million shares to hedge the potential dilution of 2027 convertible bonds⁽¹⁾
 - Current conversion price of €107.26 with a potential dilution of 2.18% of capital
 - Redemption at maturity or early redemption at Safran's discretion from June 2024 if the stock price exceeds 130% of conversion price (currently c.139€)
 - Those shares will be delivered to 2027 OCEANEs' holders if and when they exercise their conversion right
- To be executed within the next 12 months



(1) c.9.24 million convertible bonds maturing in May 2027 (2027 OCEANEs) for a total nominal value of €1,000M, a unit par value of €108.23 and a conversion ratio currently set at 1.009. Refer to the Terms and Conditions of the 2027 OCEANEs available on Safran website



03.

FY 2022 UPDATE

FY 2022 outlook

€/ \$ spot rate

1.05

€/ \$ hedge rate

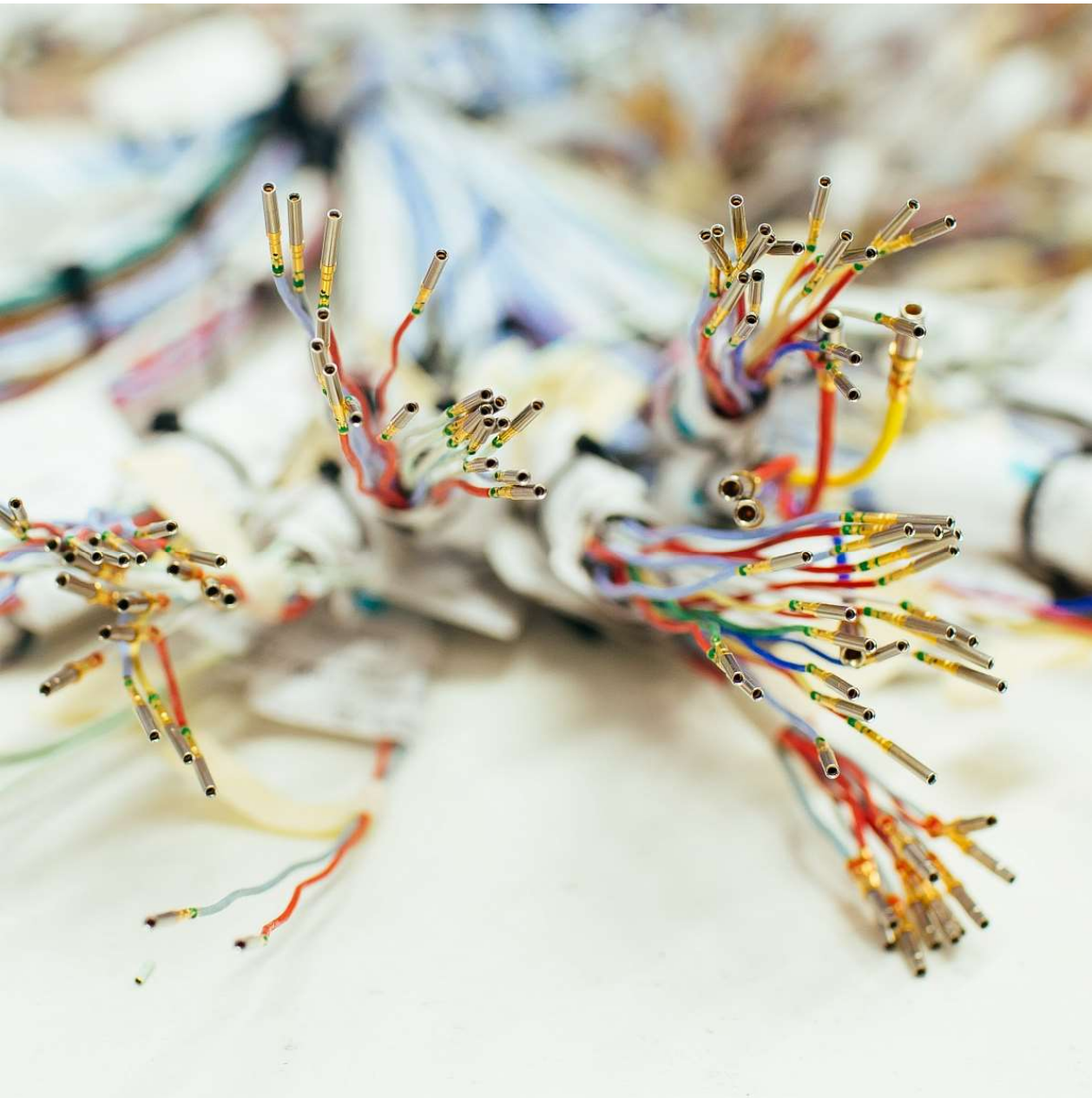
1.15

Adjusted revenue (€bn)	c.19.0
Adjusted recurring operating margin	c.12.6% * i.e. slightly above 13% at initial outlook spot rate (1.18 €/ \$)
Free cash flow (€bn)	> 2.4

* Including the impact of returning 100% of the optional profit-sharing to French employees

- All main underlying hypothesis are unchanged, notably Civil aftermarket growth of 25-30% (in \$)
- Key watch items = supply chain and inflation

Updated



APPENDIX

Q3 and 9m 2022 consolidated and adjusted revenue

Q3 2022 (In Euro million)	Consolidated revenue	Hedge accounting		Business combinations		Adjusted revenue
		Re-measurement of revenue	Deferred hedging gain (loss)	Amortization of intangible assets - Sagem/Snecma	PPA impacts - other business combinations	
Revenue	5,052	(203)	-	-	-	4,849

9m 2022 (In Euro million)	Consolidated revenue	Hedge accounting		Business combinations		Adjusted revenue
		Re-measurement of revenue	Deferred hedging gain (loss)	Amortization of intangible assets - Sagem/Snecma	PPA impacts - other business combinations	
Revenue	13,727	(318)	-	-	-	13,409

Number of products delivered on major aerospace programs – Q3

<i>Number of units delivered</i>	Q3 2021	Q3 2022	%
LEAP engines	226	347	54%
CFM56 engines	30	17	(43)%
High thrust engines	58	40	(31)%
Helicopter engines	110	128	16%
M88 engines	15	9	(40)%

<i>Number of units delivered</i>	Q3 2021	Q3 2022	%
787 landing gear sets	5	6	20%
A350 landing gear sets	8	8	-
A330neo nacelles	6	10	67%
A320neo nacelles	142	153	8%
Small nacelles (biz & regional jets)	95	113	19%
A350 lavatories	59	53	(10)%
Business class seats	490	377	(23)%
A320 emergency slides	1,083	1,335	23%
787 primary power distribution system	20	31	55%

Number of products delivered on major aerospace programs – 9m

<i>Number of units delivered</i>	9m 2021	9m 2022	%
LEAP engines	625	812	30%
CFM56 engines	79	44	(44)%
High thrust engines	196	131	(33)%
Helicopter engines	394	355	(10)%
M88 engines	46	29	(37)%

<i>Number of units delivered</i>	9m 2021	9m 2022	%
787 landing gear sets	30	7	(77)%
A350 landing gear sets	28	31	11%
A330neo nacelles	12	38	217%
A320neo nacelles	406	437	8%
Small nacelles (biz & regional jets)	282	383	36%
A350 lavatories	195	241	24%
Business class seats	1,177	1,195	2%
A320 emergency slides	2,791	3,415	22%
787 primary power distribution system	154	60	(61)%

OE / Services revenue split – Q3

REVENUE Adjusted data (in Euro million)	Q3 2021		Q3 2022	
	OE	Services	OE	Services
Aerospace Propulsion % of revenue	682 37.6%	1,130 62.4%	944 37.7%	1,559 62.3%
Equipment & Defense % of revenue	985 64.2%	550 35.8%	1,115 61.3%	705 38.7%
Aircraft Interiors % of revenue	272⁽¹⁾ 70.6%	113 29.4%	363⁽¹⁾ 69.5%	159 30.5%

⁽¹⁾ Retrofit is included in OE

OE / Services revenue split – 9m

REVENUE Adjusted data (in Euro million)	9m 2021		9m 2022	
	OE	Services	OE	Services
Aerospace Propulsion % of revenue	1,977 39.1%	3,084 60.9%	2,451 36.7%	4,228 63.3%
Equipment & Defense % of revenue	2,965 65.8%	1,542 34.2%	3,289 61.8%	2,037 38.2%
Aircraft Interiors % of revenue	742⁽¹⁾ 72.0%	289 28.0%	976⁽¹⁾ 70.1%	416 29.9%

⁽¹⁾ Retrofit is included in OE

Definitions

CIVIL AFTERMARKET (EXPRESSED IN \$)

- 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.

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