

Prospectus dated 11 July 2018



(a société anonyme à Conseil d'administration established with limited liability in the Republic of France)

€ 500,000,000 Floating Rate Notes due July 2020

Issue Price: 100 per cent. of the principal amount

The € 500,000,000 Floating Rate Notes of SAFRAN (the "Issuer") maturing on 13 July 2020 (the "Notes") will be issued on 13 July 2018 (the "Issue Date").

Interest on the Notes will accrue from, and including, the Issue Date at a floating rate calculated on the basis of the European interbank offered rate for three-month Euro deposits, plus 0.33 per cent. per annum, payable quarterly in arrear on or about 13 October, 13 January, 13 April and 13 July, in each year commencing on 13 October 2018, as further described in "Terms and Conditions of the Notes – Interest" of this prospectus (the "Prospectus").

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at par on 13 July 2020 (the "Maturity Date").

The Issuer may, at its option, in the event that less than 20 per cent. of the aggregate principal amount of the Notes remain outstanding as described under "Terms and Conditions of the Notes – Issuer's Squeeze Out Redemption" redeem all such remaining Notes, as more fully described in such Condition. The Issuer may also, at its option, and in certain circumstances shall, redeem all, but not some only, of the Notes at par plus accrued interest in the event of certain tax changes as described under "Terms and Conditions of the Notes – Redemption for Taxation Reasons".

Each holder of each Note will have the option, following a Change of Control (as defined herein), to require the Issuer to redeem or, at the Issuer's option, purchase that Note at its Early Redemption Amount (as defined herein) together with any accrued interest thereon as more fully described under "Terms and Conditions of the Notes – Early Redemption of the Notes at the option of the Noteholders following a Change of Control".

The Notes will be issued in dematerialised bearer form in the denomination of €100,000 each. Title to the Notes will be evidenced by book-entries in accordance with articles L. 211-3 et seq. and R. 211-1 et seq. of the French Code monétaire et financier. No physical document of title (including certificats représentatifs pursuant to article R. 211-7 of the French Code monétaire et financier) will be issued in respect of the Notes.

The Notes will, upon issue, be inscribed in the books of Euroclear France which shall credit the accounts of the Account Holders. "Account Holder" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Clearstream Banking S.A. and Euroclear Bank SA/NV.

This Prospectus constitutes a prospectus for the purposes of article 5.3 of Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003 as amended (the "Prospectus Directive").

Application has been made (i) for the approval of this Prospectus by the Autorité des marchés financiers (the "AMF") in France, in its capacity as competent authority pursuant to article 212-2 of its Règlement Général which implements the Prospectus Directive and (ii) for the admission of the Notes to trading on the regulated market of Euronext Paris ("Euronext Paris") with effect from the Issue Date. Euronext Paris is a regulated market within the meaning of the Directive 2014/65/EU of the European Parliament and of the Council dated 15 May 2014, as amended.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). In accordance with U.S. laws, and subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")).

Neither the Notes nor the long-term debt of the Issuer are rated.

This Prospectus is available on the websites of the AMF (www.amf-france.org) and of the Issuer (www.safran-group.com). All documents incorporated by reference in this Prospectus are available on the websites of the AMF (www.amf-france.org) and of the Issuer (www.safran-group.com). The 2016 Registration Document and the 2017 Registration Document (as defined below in Section "Documents Incorporated by Reference") are available on the website of the AMF (www.amf-france.org).

See the "Risk Factors" section for a description of certain factors which should be considered by potential investors in connection with any investment in the Notes.

Global Coordinators and Joint Lead Managers

CM-CIC Market Solutions

Crédit Agricole CIB

Joint Lead Managers

CM-CIC Market Solutions

Crédit Agricole CIB

SMBC Nikko

This Prospectus has been prepared for the purpose of giving information with respect to the Issuer and the Issuer and its subsidiaries taken as a whole (the "Group") which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position and profit and losses of the Issuer, as well as the Notes.

The information contained in the Prospectus is, to the best of the Issuer's knowledge, having taken all reasonable care to ensure that such is the case, in accordance with the facts and contains no omission likely to affect its import. There are no other facts in relation to the Issuer and the Group or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in this document misleading in any material respect or be likely to affect its import. All reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements. The Issuer accepts responsibility accordingly.

The Joint Lead Managers (as defined in "Subscription and Sale" below) have not separately verified the information or representation contained in this Prospectus in connection with the Issuer. The Joint Lead Managers do not make any representation, express or implied, or accept any responsibility, with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Prospectus. Neither this Prospectus nor any other information or representation supplied in connection with the offering of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by, or on behalf of, any of the Issuer or the Joint Lead Managers that any recipient of this Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine itself the relevance of the information or representations contained in this Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Joint Lead Managers has reviewed or undertakes to review the financial condition or affairs of the Issuer prior to or during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Joint Lead Managers after the Issue Date.

No person is authorised to give any information or to make any representation related to the issue, offering or sale of the Notes not contained in this Prospectus. Any information or representation not so contained herein must not be relied upon as having been authorised by, or on behalf of, the Issuer or the Joint Lead Managers. The delivery of this Prospectus or any offering or sale of Notes at any time does not imply (i) that there has been no change with respect to the Issuer or the Group, since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented and (ii) that the information contained or incorporated by reference in it is correct as at any time subsequent to its date.

The Prospectus and any other information relating to the Issuer or the Notes should not be considered as an offer, an invitation, a recommendation by any of the Issuer or the Joint Lead Managers to subscribe or purchase the Notes. Each prospective investor of Notes should determine for itself the relevance of the information contained in this Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Joint Lead Managers undertakes to review the financial or general condition of the Issuer during the life of the arrangements contemplated by this Prospectus nor to advise any investor or prospective investor in the Notes of any information coming to its attention. Investors should review, inter alia, the documents incorporated by reference into this Prospectus when deciding whether or not to subscribe for or to purchase the Notes. Investors should in particular conduct their own analysis and evaluation of risks relating to the Issuer, its business, its financial condition and the issued Notes and consult their own financial or legal advisers about risks associated with investment Notes and the suitability of investing in the Notes in light of their particular circumstances. Potential investors should read carefully the section entitled "Risk Factors" set out in this Prospectus before making a decision to invest in the Notes.

The distribution of this Prospectus and the offering or the sale of the Notes in certain jurisdictions may be restricted by law or regulation. The Issuer and the Joint Lead Managers do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered or sold, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any obligation or responsibility for facilitating any such distribution, offering or sale. In particular, no action has been or will be taken by the Issuer or any of the Joint Lead Managers which is intended to permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Note may be offered or sold, directly or indirectly, and neither this Prospectus nor any offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. For a further description of certain restrictions on offers and sales of Notes and distribution of this Prospectus and of any other offering material relating to the Notes, see "Subscription and Sale" below.

MIFID II product governance / Professional investors and ECPs only type of clients – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 has led to the conclusion that: (i) the type of clients to whom the Notes are targeted is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration each manufacturer's type of clients assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' type of clients assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (as amended, MiFID II); or (ii) a customer within the meaning of Directive 2002/92/EC (IMD), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the PRIIPs Regulation) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This Prospectus has not been and will not be submitted for approval to any authority other than the Autorité des marchés financiers (French financial market authority) in France.

In this Prospectus, references to a "**Member State**" are references to a Member State of the European Economic Area and references to "**€**", "**EURO**", "**EUR**" or to "**euro**" are to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.

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RISK FACTORS

The Issuer considers that the risk factors described below are important to make an investment decision in the Notes and/or may alter its ability to fulfil its obligations under the Notes towards investors. All of these factors are contingencies which are unpredictable and may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The risk factors may relate to the Issuer or to any of its subsidiaries.

The following describes the main risk factors relating to the Issuer and the Notes that the Issuer considers, as of the date hereof, material with respect to the Notes. The risks described below are not the only risks the Issuer and its subsidiaries face and they do not describe all of the risks of an investment in the Notes. The inability of the Issuer to pay interest, principal or other amounts on or in connection with any Note, may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Additional risks and uncertainties not currently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations or on an investment in the Notes.

Prior to making an investment decision in the Notes, prospective investors should consider carefully all the information contained or incorporated by reference in this Prospectus, including the risk factors detailed below. In particular, prospective investors, subscribers and holders of Notes must make their own analysis and assessment of all the risks associated to the Notes and the risks related to the Issuer and its activities and financial position. They should also consult their own financial or legal advisors as to the risks entailed by an investment in the Notes and the suitability of such an investment in light of their particular circumstances.

The Notes should only be purchased by investors who are financial institutions or other professional investors who are able to assess the specific risks implied by an investment in the Notes, or who act on the advice of financial institutions.

The order in which the following risk factors are presented is not an indication of the likelihood of their occurrence.

Terms defined in "Terms and Conditions of the Notes" below shall have the same meaning where used below.

1. FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES

1.1 Risks incorporated by reference

The risk factors relating to the Issuer and its business are set out on pages 181 to 189 of the 2017 *Document de Référence* of Safran incorporated by reference into this Prospectus, as set out in section "Documents Incorporated by Reference" of this Prospectus and include:

- Risks relating to the environment in which the Group operates
 - Risks relating to the changes in the competitive landscape
 - Financial market risks
 - Legal and regulatory risks
- Risks relating to Group business sectors
 - Operational risks
 - Risks relating to the Group's evolution
 - Human resources risks

2. FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES

2.1 Risks related to investors

2.1.1 The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it in light of such investor's own circumstances, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;
- (iii) ensure that they have sufficient financial resources and liquidity to bear the risks of an investment in the Notes including any currency exchange risk due to the fact that the potential investor's currency is not Euro;
- (iv) have sufficient knowledge and experience, to make a meaningful evaluation of the Notes, the merits and risks of investing in the relevant Notes and verify the suitability of such investment in light of their particular financial situation; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the relevant risks.

Some potential investors are subject to restricting investment regulations. These potential investors are strongly advised to consult their legal counsel in order to comply with the law and regulations that are applicable to it including those detailed in this Prospectus and in order to determine whether investment in the Notes is authorised by law, whether such investment is compatible with their other borrowings and whether other selling restrictions are applicable to them.

2.1.2 Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. Neither the Issuer, nor any Joint Lead Manager nor any of their respective affiliates has or assumes responsibility for the lawfulness of the subscription or acquisition of the Notes by a prospective investor in the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

2.2 Risks related to the Notes generally

2.2.1 The Notes may be redeemed or purchased by the Issuer prior to maturity

In the event that the Issuer would be obliged to pay additional amounts in respect of any Notes due to any withholding as provided in "Terms and Conditions of the Notes – Taxation", the Issuer may and, in certain circumstances shall, redeem all of the Notes then outstanding in accordance with such Terms and Conditions.

Furthermore, if 80 per cent. or more in principal amount of the Notes (including any notes assimilated to the Notes issued pursuant to Condition 11 of the Terms and Conditions of the Notes) have been redeemed or purchased, the Issuer will have the option to redeem all (but not some only) of the relevant remaining Notes outstanding at their principal amount together with any accrued interest as provided in Condition 4.4 The Issuer has no obligation to inform investors if and when the 80 per cent. threshold referred to herein has been reached or is about to be reached.

Further, if an Event of Default occurred and has not been cured, as provided in "Terms and Conditions of the Notes – Events of Default", then any Noteholder may cause all, but not some only, of the Notes held by it to become immediately due and payable in accordance with such Terms and Conditions.

Any early redemption of the Notes may result, for the Noteholders, in a yield that is considerably lower than anticipated. In addition, investors may not be able to reinvest the moneys they receive upon such early redemption in securities with the same yield as the redeemed Notes.

During the period when the Issuer may redeem the Notes at their principal amount, the market price of the Notes is unlikely to exceed their principal amount.

2.2.2 Change of Control - put option

In the event of a Change of Control of the Issuer (as more fully described in "Terms and Conditions of the Notes - Redemption following a Change of Control"), each Noteholder will have the right to request the Issuer to redeem or, at the Issuer's option to procure the purchase of all, but not some only, of its Notes at their principal amount together with any accrued interest. In such case, any trading market in respect of those Notes in respect of which such redemption right is not exercised may become illiquid. In addition, investors may not be able to reinvest the moneys they receive upon such early redemption in securities with the same yield as the redeemed Notes.

2.2.3 The Notes are not protected by restrictive covenants and do not prevent the Issuer from incurring additional indebtedness including indebtedness that would come prior to or rank equally with the Notes

The Terms and Conditions of the Notes contain a negative pledge that prohibits the Issuer and its Principal Subsidiaries in certain circumstances from creating security over assets but only to the extent that such is used to secure other notes or similar debt instruments which are listed or capable of being listed. See "Terms and Conditions of the Notes – Negative Pledge". The Terms and Conditions of the Notes do not contain any other covenants restricting the operations of the Issuer.

Subject to this negative pledge, the Issuer and its Subsidiaries may incur significant additional debt that could be considered before or rank equally with the Notes. Accordingly, if the Issuer incurs significant additional debt ranking equally with the Notes, it will increase the number of claims that would be entitled to share rateably with the Noteholders in any proceeds distributed in connection with an insolvency, bankruptcy or similar proceeding.

2.2.4 Sale of the Notes prior to maturity

The financial terms of the Notes were determined with a view to holding the Notes until their maturity, namely 13 July 2020. As a result, if a Noteholder sells

the Notes any time before such date, the sale may occur at a price that is not equal to the nominal value of the Notes.

2.2.5 Modification of the Terms and Conditions of the Notes

Noteholders will be grouped automatically for the defence of their common interests in a *Masse*, as defined in "Terms and Conditions of the Notes - Representation of the Noteholders" and a general meeting of Noteholders can be held or a consultation in writing can be made. The Terms and Conditions of the Notes permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not participate in the relevant general meeting or the relevant consultation in writing and Noteholders who voted in a manner contrary to the majority.

The general meeting or the consultation in writing of Noteholders may, subject to the provisions set out in "Terms and Conditions of the Notes - Representation of the Noteholders", decide on any proposal relating to the modification of the Terms and Conditions of the Notes, including on any proposal, whether for arbitration or settlement, relating to rights in controversy or which were subject of judicial decisions.

2.2.6 Absence of Rating

Neither the Notes nor the long-term debt of the Issuer are rated. One or more independent credit rating agencies may assign credit ratings to the Notes on an unsolicited basis. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

2.2.7 Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for the Notes. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only these advisers are in a position to duly consider the specific situation of the potential investor. This risk factor has to be read in connection with the taxation sections of this Prospectus and in the additional tax sections, if any, contained in any relevant supplement to the Prospectus.

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Notes.

A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes. A Noteholder's actual yield on the Notes may be reduced from the stated yield by transaction costs.

2.2.8 Potential Conflicts of Interest

Certain of the Joint Lead Managers (as defined under "Subscription and Sale" below) and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Joint Lead Managers or their affiliates that have a lending

relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

2.2.9 Transactions on the Notes could be subject to the European financial transaction tax, if adopted

On 14 February 2013, the European Commission has published a proposal for a Directive for a common financial transaction tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). However, Estonia has since then stated that it will not participate.

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

2.2.10 French Insolvency Law

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if an accelerated safeguard procedure (*procédure de sauvegarde accélérée*), an accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*), a safeguard procedure (*procédure de sauvegarde*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme and regardless of their governing law.

The Assembly deliberates on the draft accelerated safeguard plan (*projet de plan de sauvegarde accélérée*), draft safeguard plan (*projet de plan de sauvegarde*), draft accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or draft judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling and/or writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or

- decide to convert debt securities (including the Notes) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders casting a vote at the Assembly). No quorum is required on convocation of the Assembly.

For the avoidance of doubt, the provisions relating to the representation of the Noteholders described in Condition 8 will not be applicable to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances.

2.2.11 Change of law

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial or administrative decision or change to French law or administrative practice after the date of this Prospectus.

2.3 Risks related to the market generally

2.3.1 There is no active trading market for the Notes

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although application have been made for the Notes to be admitted to listing on Euronext Paris, there is no assurance that such application will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes.

2.3.2 Market value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including market interest and yield rates.

The value of the Notes depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchange on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

2.3.3 A secondary market for the Notes might not develop nor be liquid

An investment in the Notes should be considered primarily with a view to holding them until their maturity. The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have an adverse effect on the market value of Notes.

2.3.4 Credit Risk of the Issuer

An investment in the Notes involves taking credit risk on the Issuer. If the credit worthiness of the Issuer deteriorates, it may not be able to fulfil all or part of its payment obligations under the Notes, and investors may lose all or part of their investment.

2.3.5 Exchange rate risks

The Issuer will pay principal and interest on the Notes in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than euro. These

include the risk that exchange rates may significantly change (including changes due to devaluation of euro or revaluation of the investor's currency) and the risk that authorities with jurisdiction over the investor's currency may impose or modify exchange controls. As a result, investors may receive less interest or principal than expected.

Exchange rates between currencies are determined by factors of supply and demand in the international currency markets which are influenced by macro-economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Notes or the reference assets.

2.3.6 Interest rate risks

The Notes bearing interest at a floating rate, investors will not be able to calculate in advance their rate of return on the Notes in respect of Floating Rate Interest Periods.

Due to varying interest income, investors are not able to determine a definite yield on the Notes in respect of Floating Rate Interest Periods. As the terms and conditions of the Notes provide for quarterly interest payment dates in respect of the Floating Rate of Interest, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

2.3.7 Regulation of "benchmarks" risks

Rates and indices which are deemed to be "benchmarks" are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted.

Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**") was published in the Official Journal of the EU on 29 June 2016 and has been in force since 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Euro Interbank Offered Rate ("**EURIBOR**") is used for the purposes of determining the Euribor Reference Rate in order to calculate the rate of interest on the Notes. Accordingly, the Benchmarks Regulation could have a material impact on the Notes and a material adverse effect on their value and return if the methodology or other terms of EURIBOR as a "benchmark" are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "benchmark".

More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

Such factors may have the following effects on certain "benchmarks": (i) discourage market participants from continuing to administer or contribute to such "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmarks" or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international,

national or other proposals for reform or other initiatives or investigations, could have a material adverse effect on the value of and return on the Notes.

Moreover, if a benchmark ceases to be calculated or administered and no replacement base rate is identified or selected (including, with respect to the Euribor Reference Rate, EURIBOR ceasing to be calculated or administered and no replacement base rate being identified or selected, or otherwise), the fallback provisions for the interest rate calculations under the Notes may result in interest thereafter accruing at the last Euribor Reference Rate, effectively converting the Notes into fixed rate securities.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms, investigations and licensing issues in making any investment decision with respect to the Notes.

2.3.8 The actual yield of the Notes may be reduced by transaction costs

When the Notes are purchased or sold, several types of incidental costs are incurred in addition to the current price of the Notes (including transaction fees, commissions and any additional or follow-up costs in connection with the purchase, custody or sale of the Notes) which may significantly reduce or even exclude the potential profit of the Notes.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus shall be read and construed in conjunction with the following documents which have been previously published and have been filed with the *Autorité des marchés financiers* ("**AMF**"). Such documents shall be incorporated in, and shall be deemed to form part of, this Prospectus:

- (a) the 2017 *Document de Référence* in the French language relating to the Issuer filed with the AMF on 29 March 2018 under no. D.18-0225, including the statutory audited consolidated financial statements of the Issuer as at, and for the year ended, 31 December 2016 and the related notes thereto (the "**2017 Reference Document**");
- (b) the 2016 *Document de Référence* in the French language relating to the Issuer filed with the AMF on 30 March 2017 under no. D.17-0275, including the statutory audited consolidated financial statements of the Issuer as at, and for the year ended, 31 December 2015 and the related notes thereto (the "**2016 Reference Document**"); and
- (c) the press release dated 25 April 2018 in the French language relating to the Group's first quarter 2018,

save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Copies of the documents incorporated by reference are available without charge (i) on the website of the Issuer (www.safran-group.com) and (ii) upon request at the principal office of the Issuer or of Caceis Corporate Trust (the "**Paying Agent**") during normal business hours so long as any of the Notes is outstanding, as described in "General Information" below. Copies of the 2017 Registration Document and of the 2016 Registration Document are available on the website of the AMF (www.amf-france.org).

Free translations in the English language of the 2017 Registration Document and the 2016 Registration Document, are available on the Issuer's website (www.safran-group.com).

The information incorporated by reference in this Prospectus shall be read in connection with the cross-reference list below. Any information contained in the documents incorporated by reference that is not cross-referenced in the following table is for information purposes only.

CROSS-REFERENCE LIST

Rule	Prospectus Regulation – Annex IX	2017 Registration Document (page number)	2016 Registration Document (page number)
2.	STATUTORY AUDITORS		
2.1.	Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).	350 (Section 9.2 <i>Commissaires aux Comptes</i>)	
3.	RISK FACTORS		
3.1.	Prominent disclosure of risk factors that may affect the issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors".	181 – 189 (Chapter 4.3 <i>Facteurs de Risques</i>)	
4.	INFORMATION ABOUT THE ISSUER		
4.1.	<u>History and development of the Issuer</u>		
4.1.1.	the legal and commercial name of the issuer;	291 (Section 7.1 <i>Renseignements généraux et statuts</i>)	
4.1.2.	the place of registration of the issuer and its registration number;	291 (Section 7.1 <i>Renseignements généraux et statuts</i>)	
4.1.3.	the date of incorporation and the length of life of the issuer, except where indefinite;	291 (Section 7.1 <i>Renseignements généraux et statuts</i>)	
4.1.4.	the domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office);	291 (Section 7.1 <i>Renseignements généraux et statuts</i>)	
5.	BUSINESS OVERVIEW		
5.1.	<u>Principal activities</u>		
5.1.1.	A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed.	17 – 31 (Section 1.3 <i>Les Activités</i>)	
5.1.2.	The basis for any statements in the registration document made by the issuer regarding its competitive position.	31 (Section 1.4 <i>Position concurrentielle</i>)	

Rule	Prospectus Regulation – Annex IX	2017 Registration Document (page number)	2016 Registration Document (page number)
6.	ORGANISATIONAL STRUCTURE		
6.1.	If the issuer is part of a group, a brief description of the group and of the issuer's position within it.	13 – 15 (Paragraph 1.1.2 to 1.1.4)	
6.2.	If the Issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	13-14 (Paragraph 1.1.2 <i>Organisation et place de l'émetteur dans le Groupe</i> and 1.1.3 <i>Organigramme simplifié</i>) 139 - 142 (<i>Note 33 liste des sociétés consolidées</i>)	
9.	ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES		
9.1.	Names, business addresses and functions in the issuer of the following persons, and an indication of the principal activities performed by them outside the issuer where these are significant with respect to that issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital.	230 – 248 (Sections 6.2.1 <i>Tableau de synthèse</i> and 6.2.2 <i>Présentation des administrateurs</i>)	
9.2.	<u>Administrative, Management, and Supervisory bodies conflicts of interests</u> Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect.	253 (Section 6.2.5 <i>Gestion des conflits d'intérêts au niveau du Conseil d'administration et de la direction générale</i>)	
10.	MAJOR SHAREHOLDERS		
10.1.	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom, and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.	301 - 304 (Section 7.3 <i>Actionnariat</i>)	
10.2.	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in	304 (Section 7.3.6 <i>Accords dont la mise en œuvre pourrait</i>	

Rule	Prospectus Regulation – Annex IX	2017 Registration Document (page number)	2016 Registration Document (page number)
	control of the issuer.	entraîner un changement dans le contrôle de la société)	
11.	FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES		
11.1.	<p><u>Historical Financial Information</u></p> <p>Audited historical financial information covering the latest 2 financial years (or such shorter period that the issuer has been in operation).</p> <ul style="list-style-type: none"> – Balance sheet – Income statement – Accounting policies and explanatory notes 	<p>77 (Section 3.1 <i>Comptes consolidés du groupe Safran au 31 décembre 2017 – Bilan consolidé</i>)</p> <p>75 (Section 3.1 <i>Comptes consolidés du groupe Safran au 31 décembre 2017 – Compte de résultat consolidé</i>)</p> <p>80 – 143 (Section 3.1 <i>Comptes consolidés du groupe Safran au 31 décembre 2017 – Notes annexes aux comptes consolidés du groupe Safran</i>)</p>	<p>76 (Section 3.1 <i>Comptes consolidés du groupe Safran au 31 décembre 2016 – Bilan consolidé</i>)</p> <p>74 (Section 3.1 <i>Comptes consolidés du groupe Safran au 31 décembre 2016 – Compte de résultat consolidé</i>)</p> <p>80 – 154 (Section 3.1 <i>Comptes consolidés du groupe Safran au 31 décembre 2016 – Notes annexes aux comptes consolidés du groupe Safran</i>)</p>
11.2.	<p><u>Financial statements</u></p> <p>If the issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document.</p>	73 – 143 (Section 3.1 <i>Comptes consolidés du groupe Safran au 31 décembre 2017</i>)	72 – 154 (Section 3.1 <i>Comptes consolidés du groupe Safran au 31 décembre 2016</i>)
11.3.	<u>Auditing of historical annual financial information</u>		

Rule	Prospectus Regulation – Annex IX	2017 Registration Document (page number)	2016 Registration Document (page number)
11.3.1.	A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers, must be reproduced in full and the reasons given.	144 – 147 (Section 3.2 <i>Rapport des commissaires aux comptes sur les comptes consolidés</i>)	155 – 156 (Section 3.2 <i>Rapport des commissaires aux comptes sur les comptes consolidés</i>)
11.5.	<u>Legal and arbitration proceedings</u> Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	138 – 149 (Note 31 <i>Litiges</i>)	
11.6.	<u>Significant change in the issuer's financial or trading position</u> A description of any significant change in the financial or trading position of the group which has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published, or an appropriate negative statement.	68 - 70 (Section 2.5 <i>Acquisition de Zodiac Aerospace</i>) 71 (Section 2.6 <i>Événements postérieurs à la clôture</i>) 138 (Note 32 <i>Événements postérieurs à la date de clôture</i>)	
12.	MATERIAL CONTRACTS		
	A brief summary of all material contracts that are not entered into in the ordinary course of the issuer's business, which could result in any group member being under an obligation or entitlement that is material to the issuer's ability to meet its obligation to security holders in respect of the securities being issued.	296 - 297 (Section 7.1.4.2 <i>Convention avec l'État relative aux actifs et filiales stratégiques</i>)	
14.	DOCUMENTS ON DISPLAY		
	A statement that for the life of the registration document the following documents (or copies thereof), where applicable, may be inspected:	351 (Section 9.4 <i>Documents Accessibles au public</i>)	

Rule	Prospectus Regulation – Annex IX	2017 Registration Document (page number)	2016 Registration Document (page number)
	<p>(a) the memorandum and articles of association of the issuer;</p> <p>(b) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the issuer's request any part of which is included or referred to in the registration document;</p> <p>(c) the historical financial information of the issuer or, in the case of a group, the historical financial information of the issuer and its subsidiary undertakings for each of the two financial years preceding the publication of the registration document.</p> <p>An indication of where the documents on display may be inspected, by physical or electronic means.</p>		

TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Notes will be as follows:

The issue of € 500,000,000 Floating Rate Notes due July 2020 (the "**Notes**") by Safran (the "**Issuer**") was authorised by the *Conseil d'administration* of the Issuer on 25 May 2018.

The Issuer will enter into an agency agreement (the "**Agency Agreement**") to be dated 11 July 2018 with Caceis Corporate Trust as fiscal agent and principal paying agent. The fiscal agent, principal paying agent and paying agent for the time being are referred to in these Conditions as the "**Fiscal Agent**", the "**Principal Paying Agent**" and the "**Paying Agents**" and the "**Calculation Agent**" (which expression shall include the Principal Paying Agent), respectively. Each of such expressions shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement, and are collectively referred to as the "**Agents**". Copies of the Agency Agreement are available for inspection during normal business hours at the specified offices of the Paying Agents. References below to "**Conditions**" are, unless the context otherwise requires, to the numbered paragraphs contained in the terms and conditions set forth herein. In these Conditions, "**holder of Notes**", "**holder of any Note**" or "**Noteholder**" means the person whose name appears in the account of the relevant Account Holder as being entitled to such Notes.

1. FORM, DENOMINATION AND TITLE

The Notes will be issued on 13 July 2018 (the "**Issue Date**") in dematerialised bearer form (*au porteur*) in the denomination of €100,000 per Note. Title to the Notes will be established and evidenced in accordance with articles L.211-3 *et seq.* and R.211-1 *et seq.* of the French *Code Monétaire et Financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* pursuant to article R.211-7 of the French *Code Monétaire et Financier*) will be issued in respect of the Notes.

The Notes will, upon issue, be inscribed in the books of Euroclear France ("**Euroclear France**") which shall credit the accounts of the Account Holders. For the purposes of these Conditions, "**Account Holder**" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France and includes Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**").

Title to the Notes shall be evidenced by entries in the books of Account Holders and transfer of Notes may only be effected through registration of the transfer in such books and in denominations of €100,000.

2. STATUS AND NEGATIVE PLEDGE

2.1 Status of the Notes

The obligations of the Issuer in respect of the Notes constitute direct, unconditional, unsecured (except as provided in "Negative Pledge" below) and unsubordinated obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

2.2 Negative Pledge

- (i) So long as any of the Notes remains outstanding (as defined below), the Issuer will not create or permit to subsist and will procure that none of its Principal Subsidiaries (as defined below) will create or permit to subsist any mortgage, charge, pledge or other security interest upon any of its assets, revenues or rights, present or future, to secure any Relevant Indebtedness (as defined below) incurred by the Issuer or such Principal Subsidiary, or any guarantee or indemnity in respect of any Relevant Indebtedness unless the Issuer's obligations under the Notes are equally and rateably secured therewith.
- (ii) For the purposes of these Conditions,

"Assets" means, in relation to any person, all or part of their goodwill, business, property, goods, income and all or part of their unpaid share capital receivables, irrespective of the location of such assets.

"EBITDA" means earnings before interest, tax, depreciation and amortisation, calculated on the basis of (i) the Group's consolidated accounts or (ii) a Subsidiary's accounts, as the case may be, adjusted for:

- (a) the allocation of the acquisition price of all material business groups (and not exclusively those in relation to the Sagem/Snecma merger), in particular the amortisation of intangible assets with long amortisation periods recognised as at the time of the acquisition, due to the length of the economic cycles in the sectors in which the Group operates; and
- (b) the valuation of foreign exchange derivatives in order to establish the real economic value of the Group's overall foreign exchange risk hedging strategy.

"Group" means the Issuer and its Subsidiaries.

"Original Financial Statements" means the audited consolidated financial statements of the Group for the financial year ended 31 December 2017.

"outstanding" means, in relation to the Notes, all the Notes issued other than: (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable under Condition after such date) have been duly paid to the Fiscal Agent, (c) those which have been purchased and cancelled as provided in Condition 4.6 and (d) those in respect of which claims have been prescribed under Condition 10.

"Principal Subsidiary" means any consolidated Subsidiary with an EBITDA representing more than five (5) per cent. of the consolidated EBITDA of the Group or whose Total Assets represent more than five (5) per cent. of the Total Assets of the Group based on the most recent published annual audited consolidated accounts of the Group,

provided that:

- (a) the EBITDA and the Total Assets of a Subsidiary of the Issuer shall be determined based on its contribution used for the establishment of the latest published annual audited consolidated accounts of the Group;
- (b) if a Subsidiary becomes a member of the Group after the date on which the latest annual audited consolidated accounts of the Group were prepared, the EBITDA and Total Assets of such Subsidiary shall be established based on its latest annual accounts (its own accounts or consolidated accounts, as the case may be);
- (c) the EBITDA and Total Assets of the Group will be established based on the latest annual audited consolidated accounts, adjusted (as the case may be) in order to take into account the impact of EBITDA on a full year basis of any company or business acquired or disposed of following the date of the relevant accounts; and
- (d) if a Principal Subsidiary has transferred all or a substantial part of its Assets to another Subsidiary of the Issuer, the former shall cease to be, as the case may be, a Principal Subsidiary and the latter shall become, as the case may be, a Principal Subsidiary (to the extent it is not already).

"Relevant Indebtedness" means any present or future indebtedness for borrowed monies in the form of, or represented by, bonds, notes or other securities which are, are to be, or are capable of being, quoted, listed, or ordinarily traded on any stock exchange, or on any over-the-counter securities market or other securities market.

"Subsidiary" means in relation to any company, another company which is controlled by it within the meaning of articles L. 233-1 and L. 233-3 of the French Code de commerce.

"Total Assets" means at any time, the total amount (as calculated in accordance with the accounting principles used for the preparation of the Original Financial Statements of the

Issuer) of all property and assets of the Group listed as assets on the consolidated balance sheet of the Issuer in its then most recent published annual audited consolidated accounts.

3. INTEREST

The Notes will bear interest from, and including, 13 July 2018 (the "**Interest Commencement Date**") to, but excluding, the Maturity Date (as defined in Condition 4.1) at the rate being the higher of (i) zero per cent. *per annum* and (ii) the Euribor Reference Rate (as defined in Condition 3.1) plus 0.33 per cent. *per annum* (the "**Floating Rate**") payable quarterly in arrear on or about 13 October, 13 January, 13 April and 13 July in each year (each, a "**Floating Rate Interest Payment Date**") commencing on 13 October 2018 (the "**First Floating Rate Interest Payment Date**").

Each Note will cease to bear interest from the date on which it is to be redeemed, unless payment of the full amount due in respect of the Note is improperly withheld or refused on such due date. In such event, such Note shall continue to bear interest in accordance with this Condition (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day after the Fiscal Agent has notified Noteholders in accordance with Condition 9 of receipt of all sums due in respect of all Notes up to that day (except if and to the extent the subsequent payment to the relevant Noteholders is not made in accordance with these Conditions).

Interest payments will be made subject to, and in accordance with, the provisions of Condition 5.

3.1 The Euribor Reference Rate in respect of the Notes for each Floating Rate Interest Period shall be calculated on the basis of the following provisions:

- (A) on every second TARGET business day (as defined in Condition 5.2) before the first day of the Floating Interest Rate Period for which the rate will apply (the "**Floating Rate Determination Date**"), the Calculation Agent will determine the Euribor Reference Rate for each Floating Rate Interest Period which appears, at or about 11.00 a.m. (Central European time) on the relevant Floating Rate Determination Date, on the display designated as page EUR003M index on Bloomberg (or such other page or service as may replace it for the purpose of displaying EURIBOR). If the Euribor Reference Rate is unavailable, the Calculation Agent shall request each of the principal Euro-zone office of each of the Euribor Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for the Euribor Reference Rate at or about 11.00 a.m. (Central European time) on the relevant Floating Rate Determination Date. If two or more Euribor Reference Banks provide the Calculation Agent with such offered quotations, the Euribor Reference Rate for such Floating Rate Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations as determined by the Calculation Agent; and
- (B) if on any Floating Rate Determination Date the Euribor Reference Rate cannot be determined in accordance with the provisions of paragraph A above, the Euribor Reference Rate for the relevant Floating Rate Interest Period shall be the arithmetic mean of the rates *per annum* (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Euribor Reference Banks or any two or more of them, at which such banks were offered, at approximately 11.00 a.m. (Central European time) on the relevant Floating Rate Determination Date, deposits in Euro for a period of three (3) months by leading banks in the Euro-zone inter-bank market or, if fewer than two of the Euribor Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in Euro for a period of three (3) months, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in Euro for a period of three (3) months, at which, at approximately 11.00 a.m. (Central European time), on the relevant Floating Rate Determination Date, any one or more banks (which bank or

banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in the Euro-zone inter-bank market, provided that, if the Euribor Reference Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Euribor Reference Rate shall be the last successfully determined Euribor Reference Rate.

For the purposes of these Conditions:

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union.

"Floating Rate Interest Period" means the period from, and including, the Issue Date to, but excluding, the First Floating Rate Interest Payment Date and each successive period commencing on and including a Floating Rate Interest Payment Date in any year to, but excluding, the next Floating Rate Interest Payment Date.

"Euribor Reference Banks" means four major banks in the Euro-zone inter-bank market (excluding for such purposes the Calculation Agent and its affiliates) acting through their principal Euro zone office.

"Euribor Reference Rate" means the euro interbank offered rate, expressed as a rate *per annum*, for three (3) month Euro deposits commencing on the first day of the relevant Floating Rate Interest Period, as administered by the European Money Markets Institute (or any other person which takes over the administration of that rate).

3.2 Determination of Euribor Reference Rate and Floating Rate Interest Amount with respect to the Floating Rate Interest Period

The Calculation Agent shall, as soon as practicable after 11.00 a.m. (Central European time) on each Floating Rate Determination Date, determine the Euribor Reference Rate and amount of interest (each a **"Floating Rate Interest Amount"**) payable (if any) on the relevant Floating Rate Interest Payment Date on each Note for the relevant Floating Rate Interest Period, which will be equal to the product of the principal amount of such Note and the relevant Floating Rate, multiplied by the actual number of days in the relevant Floating Rate Interest Period divided by three hundred and sixty (360) and rounding the resultant figure to the nearest cent (half a cent being rounded upwards).

3.3 Publication of Euribor Reference Rate and Floating Rate Interest Amount with respect to the Floating Rate Interest Period

The Calculation Agent shall cause the Euribor Reference Rate and the Interest Amount for each Floating Rate Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Fiscal Agent (if different from the Calculation Agent) and each other Paying Agent (if any), to any stock exchange on which the Notes are at the relevant time listed, for so long as the rules of such stock exchange so require, and to the Noteholders through Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared as soon as possible after their determination but in no event later than (i) the commencement of the relevant Floating Rate Interest Period, in the case of notification to any regulated market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth TARGET business day after such determination. Where any Interest Payment Date or Interest Period is subject to adjustment, the Floating Rate Interest Amount and the Floating Rate Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Floating Rate Interest Period.

4. REDEMPTION AND PURCHASE

The Notes may not be redeemed other than in accordance with this Condition 4 or Condition 7.

4.1 Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, the Notes will be redeemed in cash at their principal amount (i.e. €100,000 per Note) on 13 July 2020 (the **"Maturity Date"**).

4.2 Redemption for Taxation Reasons

- (i) If, by reason of change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 6, the Issuer may, on any date, subject to having given not more than 60 nor less than 30 calendar days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 9, redeem all, but, not some only, of the Notes at their principal amount together with accrued interest (if any) to the date set for redemption, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.
- (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes, notwithstanding the undertaking to pay additional amounts contained in Condition 6, be prevented by French law from making payment to the Noteholders of the full amount then due and payable, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven calendar days' prior notice to the Noteholders in accordance with Condition 9, redeem all, but not some only, of the Notes then outstanding at their principal amount plus any accrued interest to the date set for redemption provided that the due date for redemption shall be a date on which the Issuer could make payment of the full amount of principal and interest payable without for French taxes or if such date has passed, as soon as practicable thereafter.

4.3 Early Redemption of the Notes at the option of the Noteholders following a Change of Control

- (i) If at any time while any Note remains outstanding, there occurs a Change of Control (as defined below), the holder of each Note will have the option (the "**Put Option**") (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives notice to redeem the Notes under Condition 4.2) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of that Note, on the Optional Redemption Date (as defined below) at its principal amount outstanding of such Notes together with (or where purchased, together with an amount equal to) interest accrued to, but excluding, the Optional Redemption Date (the "**Early Redemption Amount**").

A "**Change of Control**" means any person or group of persons acting in concert or any person or persons acting on behalf of any such person(s) acquires directly or indirectly the control of the Issuer.

"**control**" has the meaning given in article L.233-3 of the French *Code de commerce* and "**acting in concert**" has the meaning given in article L.233-10 of the French *Code de commerce*.

- (ii) Promptly upon the Issuer becoming aware that a Change of Control has occurred, the Issuer shall give notice (a "**Put Event Notice**") to the Noteholders in accordance with Condition 9 specifying the nature of the Change of Control and the circumstances giving rise to it and the procedure for exercising the Put Option contained in this Condition 4.3.
- (iii) To exercise the Put Option to require redemption or, as the case may be, purchase of the Notes under this Condition 4.3, a Noteholder must transfer or cause to be transferred its Notes to be so redeemed or purchased to the account of the Fiscal Agent specified in the Put Option Notice (as defined below) for the account of the Issuer within the period (the "**Put Period**") of 45 calendar days after a Put Event Notice is given together with a duly signed and completed notice of exercise in the then current form obtainable from the specified office of any Paying Agent (a "**Put**

Option Notice") and in which the holder may specify a bank account to which payment is to be made under this Condition 4.3.

A Put Option Notice once given shall be irrevocable. The Issuer shall redeem or, at the option of the Issuer procure the purchase of, the Notes in respect of which the Put Option has been validly exercised as provided above, and subject to the transfer of such Notes to the account of the Fiscal Agent for the account of the Issuer as described above on the date which is the fifth Business Day following the end of the Put Period (the "**Optional Redemption Date**"). Payment in respect of such Notes will be made on the Optional Redemption Date by transfer to the bank account specified in the Put Option Notice and otherwise subject to the provisions of Condition 5.

- (iv) For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which the Noteholder may incur as a result of or in connection with such Noteholder's exercise or purported exercise of, or otherwise in connection with, any Put Option (whether as a result of any purchase or redemption arising there from or otherwise).

4.4 **Issuer's Squeeze Out Redemption**

In the event that at least 80 per cent. of the initial aggregate principal amount of the Notes (including any assimilated notes issued pursuant to Condition 11) has been redeemed or purchased, by the Issuer, the Issuer may, at its option but subject to having given not more than 60 nor less than 30 calendar days' notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 9, given within 30 calendar days after the Optional Redemption Date, redeem all, but not some only, of the outstanding Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption.

4.5 **Purchases**

The Issuer may at any time purchase Notes together with rights to interest relating thereto in the open market or otherwise at any price. Notes so purchased by or on behalf of the Issuer may be cancelled or held and resold in accordance with applicable regulation.

4.6 **Cancellation**

All Notes which are redeemed (including upon exchange) or purchased by the Issuer for cancellation will be promptly cancelled and accordingly may not be reissued or resold.

5. **PAYMENTS**

5.1 **Method of Payment**

Payments of principal, interest and other amounts in respect of the Notes will be made in Euros by credit or transfer to a Euro-denominated account (or any other account to which Euros may be credited or transferred). Such payments shall be made for the benefit of the Noteholders to the Account Holders and all such payments so made to the relevant Account Holders shall discharge the liability of the Issuer and any Paying Agents, as the case may be, under the Notes to the extent of the sums so paid.

Payments of principal, interest and other amounts on the Notes will, in all cases, be made subject to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 6. No commission or expenses shall be charged by the Issuer or the Agents to the Noteholders in respect of such payments.

5.2 **Payments on Business Days**

If any due date for payment of principal, interest or any other amount in respect of any Note is not a TARGET business day, then the Noteholder shall not be entitled to payment of the amount due until the next following day which is a TARGET business day and the Noteholder shall not be entitled to any interest or other sums in respect of such postponed payment.

"TARGET business day" means a day (other than a Saturday or a Sunday) on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System (TARGET 2) is operating.

5.3 Fiscal Agent, Paying Agents and Calculation Agent

The names of the initial Agents and their specified offices are set forth below.

FISCAL AGENT, PRINCIPAL PAYING AGENT AND CALCULATION AGENT

CACEIS CORPORATE TRUST

14 rue Rouget de Lisle
92130 Issy-les-Moulineaux

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent and/or appoint other Paying Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be a Paying Agent having a specified office in Paris. Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than 45 nor less than 30 calendar days' notice thereof shall have been given to the Noteholders by the Issuer in accordance with Condition 9.

6. TAXATION

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

If any French law or regulation should require that any payment of principal or interest in respect of the Notes be subject to deduction or withholding with respect to any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of France or any political subdivision or authority therein or thereof having power to tax, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the Noteholders, after such deduction or withholding, receive the full amount provided in such Notes to be then due and payable; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Note to a holder (or beneficial owner (*ayant droit*)): who is subject to such taxes, duties, assessments or other governmental charges, in respect of such Note (i) by reason of his having some connection with France other than the mere holding of such Note and/or (ii) when such withholding or deduction is required to be made by reason of that principal or interest, being (x) paid to a bank account opened in a financial institution established in, or (y) paid or accrued to a person established or domiciled in, a non-cooperative State or territory (*Etat ou territoire non-coopératif*) as defined in article 238-0 A of the French *Code général des impôts* pursuant to articles 125 A III, 119 bis 2 and 238 A of the same code or any future French legislation.

No such additional amounts shall be payable with respect to any Note if excess interest paid to a shareholder of the Issuer to, or to a third party of, a noteholder, as the case may be, who is liable to such taxes in respect of such Notes, solely by reason of (x) his being a shareholder of the Issuer and (y) the payment of interest being made to him at a rate in excess of the limit set forth in the French *Code général des impôts* (article 39, 1, 3°) for the deduction of interest paid to shareholders of a borrowing company.

Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition 6.

7. EVENTS OF DEFAULT

If any of the following events (each an **"Event of Default"**) occurs, the Representative (as defined in Condition 8) upon request of any Noteholder shall, and any Noteholder may, upon written notice given to the Fiscal Agent (copy to the Issuer) cause the Notes held by such Noteholder to become

due and payable, at their principal amount together with accrued interest thereon, as of the date on which such demand for payment is received by the Fiscal Agent:

- (i) the Issuer defaults in any payment when due on any amount on any Note (including any additional amounts as specified in Condition 6), if such default continues for a period of more than 15 calendar days from such due date; or
- (ii) the Issuer defaults in the performance of, or compliance with, any other provision of the Conditions, if such default shall not have been cured within 30 calendar days after receipt by the Fiscal Agent of written notice of such default; or
- (iii) (a) any other present or future indebtedness for borrowed monies or guarantee thereof of the Issuer or any Principal Subsidiary is due and payable prior to its stated maturity as a result of a default thereunder, or (b) any amount due under such indebtedness for borrowed monies or guarantee thereof of the Issuer or any Principal Subsidiary is not paid when due or within any original grace period or (c) as a result of a default, any *in rem* security interests (*sûretés réelles*) is enforced over all or any substantial part of the assets of the Issuer, or any Principal Subsidiary in respect of any such indebtedness for borrowed monies or guarantee thereof of the Issuer or any Principal Subsidiary and the enforcement of any such *in rem* security interests (*sûretés réelles*) is not withdrawn or stayed within 30 calendar days,

provided that an Event of Default will only occur under this Condition 7(iii) if at the relevant time the aggregate amount of indebtedness for borrowed monies or guarantee thereof falling within paragraph (a), (b) or (c) above (without double counting) is more than €100,000,000 or its equivalent in any other currency unless such default is challenged in good faith by the Issuer before a competent court, in which case the early redemption of the Notes will be mandatory only if the court has decided in a manner adverse to the Issuer on the merits of the case (*statué au fond*); or

- (iv) (a) the Issuer or a Principal Subsidiary makes any proposal for a general moratorium in relation to its debt or (b) a judgment is issued by a court having competent jurisdiction over the Issuer or such Principal Subsidiary for the opening of a conciliation procedure (*procédure de conciliation*) with its creditors in accordance with articles L.611-4 to L.611-15 of the French *Code de commerce* or for the judicial liquidation (*liquidation judiciaire*) or for a transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or any Principal Subsidiary in accordance with articles L.640-1 to L. 644-6 of the French *Code de commerce*, or (c) the Issuer or any Principal Subsidiary makes any conveyance, assignment or other arrangement for the benefit of, or enters into a composition with, its creditors or (d) the Issuer or any Principal Subsidiary is subject to any proceedings under any applicable laws before a court having competent jurisdiction over the Issuer or such Principal Subsidiary which has an analogous effect to any of the proceedings referred to in this paragraph (iv); or
- (v) the Issuer is dissolved or liquidated, or is merged or consolidated into another entity unless (a) the pro-forma balance sheet of the legal entity surviving such merger or consolidation shows, as at the effective date of such merger or consolidation, a shareholders' equity not less than that of the Issuer on the day before the date of such merger or consolidation and (b) the legal entity surviving such merger or consolidation is a corporation established in a member country of the European Community, Switzerland or in the United States of America and expressly assumes all the obligations of the Issuer under the Notes and has obtained all necessary authorisation therefor (if any), and (c) notice of such merger or consolidation shall have been given to the Noteholders as provided under Condition 9 below not later than the effective date thereof.

8. REPRESENTATION OF THE NOTEHOLDERS

The Noteholders will be grouped for the defence of their respective common interests in a single *masse* (hereinafter referred to as the "**Masse**").

The *Masse* will be governed by the provisions of articles L.228-46 *et seq.* of the French *Code de commerce* (the "**Code**") with the exception of articles L.228-48, L.228-65 II and R.228-69 of the French *Code de commerce*.

a. Legal personality

The Masse will be a separate legal entity, by virtue of article L.228-46 of the French *Code de commerce*, acting in part through a representative (the "**Representative**") and in part through collective decisions of the Noteholders (the "**Collective Decision**").

b. Representative

The initial representative of the *Masse* shall be Aether Financial Services
36 rue de Monceau, 75008 Paris.

The Alternate Representative of the *Masse* (the "**Alternate Representative**") shall be Edouard Narboux 76 rue Volant 92000 Nanterre.

The Alternate Representative shall replace the Representative should the Representative resign or no longer be able to fulfill its duties. In the event of death, resignation or revocation of the Alternate Representative, a replacement will be elected through a Collective Decision.

The Representative will not receive any remuneration for its services.

All interested Noteholders may at all times obtain the names and addresses of the Representative and the Alternate Representative at the principal office of the Issuer and the specified office of any of the Paying Agents.

c. Collective Decisions

Collective Decisions are adopted either (i) in a general meeting (the "**General Meeting**"), or (ii) further to a consultation in writing (the "**Consultation in Writing**").

In accordance with article R.228-71 of the French Code de commerce, the rights of each Noteholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of 0:00 Paris time, on the second (2nd) business day in Paris preceding the date set for the Collective Decision.

Collective Decisions of the meetings must be published in accordance with the provisions set out in Condition 9.

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of the Notes.

i. General Meetings

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the aggregate principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two (2) months after such demand, the Noteholders may commission one of their members to petition a competent court to appoint an agent (*mandataire*) who will call the General Meeting.

General Meetings may deliberate validly on first convocation only if the Noteholders present or represented hold at least one-fifth (1/5) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. The decisions of the General Meeting shall be taken by a two-third (2/3) majority of votes cast by the Noteholders attending such General Meetings or represented thereat.

Notice of the date, time, place and agenda of any General Meeting will be published in accordance with Condition 9 not less than fifteen (15) calendar days prior to the date of the General Meeting on first convocation and not less than five (5) calendar days prior to the date of the General Meeting on second convocation.

Each Noteholder has the right to participate in a General Meeting in person, by proxy, by correspondence.

ii. Consultation in Writing

Pursuant to article L.228-46-1 of the French *Code de commerce*, the Issuer shall be entitled in lieu of the holding of a General Meeting to seek approval of a resolution from the Noteholders by way of a consultation in writing (a "**Consultation in Writing**"). Subject to the following sentence, a Consultation in Writing may be contained in one document or in several documents in like form,

each signed by or on behalf of one or more of the Noteholders. Pursuant to articles L.228-46-1 and R.225-97 of the French *Code de commerce*, approval of a Consultation in Writing may also be given by way of electronic communication allowing the identification of Noteholders ("**Electronic Consent**").

Notice seeking the approval of a Consultation in Writing (including by way of Electronic Consent) will be published as provided under Condition 9 not less than fifteen (15) days prior to the date fixed for the passing of such Consultation in Writing (the Consultation Date) on first notice and five (5) days prior to the Consultation Date on second notice. Notices seeking the approval of a Consultation in Writing will contain the conditions of form and time-limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Consultation in Writing. Noteholders expressing their approval or rejection before the Consultation in Writing Date will undertake not to dispose of their Notes until after the Consultation Date.

A Consultation in Writing will be deemed to have been approved if, on first notice, (i) Noteholders expressing their approval or rejection of such proposed Consultation in Writing hold at least one fifth of the principal amount of the Notes then outstanding and (ii) Noteholders expressing their approval hold at least 66.6 per cent. of such quorum.

If such quorum is not met, a Consultation in Writing will be deemed to have been approved if, on second notice, Noteholders expressing their approval represent at least 66.6 per cent. of principal amount of the Notes held by Noteholders expressing their approval or rejection of such proposed Consultation in Writing.

d. Information to Noteholders

Each Noteholder or representative thereof will have the right to consult or make a copy of the text of the resolutions which will be proposed and of the reports, if any, which will be presented prepared in connection with such resolutions, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer and at any other place specified in the notice of the General Meeting or Consultation in Writing, during the fifteen (15) calendar day period preceding the holding of the General Meeting on first convocation and Consultation Date on first notice, or during the five (5) calendar day period preceding the holding of the General Meeting on second convocation and Consultation in Writing on second notice.

9. NOTICES

Any notice to the Noteholders will be valid if delivered to the Noteholders through Euroclear France, Euroclear or Clearstream, for so long as the Notes are cleared through such clearing systems and published on the website of the Issuer (www.safran-group.com); and so long as the Notes are admitted to trading on Euronext Paris and the rules of Euronext Paris so require, on the website of Euronext Paris (www.euronext.fr). Any such notice shall be deemed to have been given on the date of such delivery or, if delivered more than once or on different dates, on the first date on which such delivery is made.

10. PRESCRIPTION

Claims against the Issuer for the payment of principal and interest in respect of the Notes shall become prescribed 5 years from the due date for payment thereof.

11. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders issue further Notes to be assimilated (*assimilables*) with the Notes as regards their financial service, provided that such further Notes and the Notes shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further Notes shall provide for such assimilation. In the event of such assimilation, the Noteholders and the holders of any assimilated Notes may, for the defence of their common interests, be grouped in a single *masse* having legal personality.

12. HARDSHIP (IMPRÉVISION)

In relation to these Conditions, the Issuer, the Representative and each Noteholder waive any right under article 1195 of the French *Code civil*.

13. **GOVERNING LAW AND JURISDICTION**

The Notes are governed by, and shall be construed in accordance with, French law.

Any dispute arising out of or in connection with the Notes will be submitted to the competent courts within the jurisdiction of the *Cour d'Appel de Paris*.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be applied by the Issuer for its general corporate purposes.

RECENT DEVELOPMENTS RELATING TO THE ISSUER

- **Press release of 27 March 2018 - Acquisition of shares**

"On May 24, 2017 Safran (Euronext Paris: SAF) announced its intention to implement a Euro 2.3 billion ordinary share buyback program to run over the two years following completion of the tender offer for Zodiac Aerospace shares. The tender offer having been successfully achieved with a mandatory squeeze-out of Zodiac Aerospace's shares on March 23, 2018 Safran will proceed with this repurchase of its own shares in accordance with the 15th resolution approved at its June 15, 2017 Shareholders' Meeting with the objective of cancelling them. Such cancellation will be decided by the Board of Directors at a later stage.

To this end, Safran signed on March 27, 2018 a share purchase agreement with an investment services provider for an initial repurchase tranche. Several subsequent tranches will follow to complete the share buyback program. According to this agreement, Safran will acquire for this first tranche up to Euro 230 million worth of shares no later than May 18, 2018. The unit price may not exceed the maximum of Euro 95 per share set by the June 15, 2017 Annual Shareholders' Meeting."

- **Press release of 25 April 2018 - Group's first quarter 2018**

The press release relating to the Group's first quarter 2018 is incorporated by reference in this Prospectus.

- **Press release of 24 May 2018 - Zodiac Aerospace - Results for H1 2017/2018 fiscal year**

The Supervisory Board of Zodiac Aerospace Group, chaired by Louis Desanges, met on April 24, 2018 and reviewed the financial performance of H1 2017/2018 (September 2017 to February 2018).

H1 2017/2018 Revenue and Current Operating Income

<i>In millions euros *</i>	H1 2018	H1 2017	Var%
Revenue	2,142.8	2,447.0	-12.4%
Current Operating Income	35.3	-11.5	n.s.
COI / Revenue	1.6%	-0.5%	
€/\$(Transaction)	1.10	1.11	
€/\$(Conversion)	1.20	1.08	

* excluding impacts related to the application of IFRS3

Zodiac Aerospace sales of € 2,142.8m in H1 2017/2018 were down €304.2m or -12.4% compared to the year-ago period. Excluding the net impact of currency variations (€(159.2)m), revenue fell -6.8% on an organic basis. There was no change to the consolidation scope at Group level. As expected, Aerosystems revenue continued to grow (+2.7% on an organic basis) and Aircraft Interiors sales fell (-13.9% on an organic basis).

Current Operating Income before IFRS3 was a profit of €35.3m compared to a loss of €(11.5)m in H1 2016/2017 reflecting increases in Aerosystems and Aircraft Interiors, driven by operational improvements. Group current operating margin in the first half was +1.6% of revenue compared with -0.5% in the year-ago period. The contribution of currency to the Current Operating Income evolution was €9.9m, of which a conversion impact of €8.8m and a transaction impact of €1.1m.

As in the previous year, Zodiac Aerospace's revenue, current operating income and cash generation are expected to be imbalanced with H2 significantly stronger than H1.

Revenue breakdown

In millions of euros	First half 2017/2018	First half 2016/2017	% change	Exchange rate	Consolidation scope	Organic growth
Aerosystems Activities	1,007.2	1,035.7	-2.8%	-5.5%	+0.0%	+2.7%
Aircraft Interiors Activities	1,135.6	1,411.3	-19.5%	-5.6%	+0.0%	-13.9%
Zodiac Seats	449.4	607.4	-26.0%	-4.2%	+0.0%	-21.8%
Zodiac Cabin	686.2	803.9	-14.6%	-7.1%	+0.0%	-7.5%
Group Total	2,142.8	2,447.0	-12.4%	-5.6%	+0.0%	-6.8%
€/\$(conversion)	1.20	1.08				

Revenue and Current Operating Income by segment

Aerosystems sales decreased by -2.8% in the first half to €1,007.2m on a reported basis reflecting growth in sales on an organic basis (+2.7%) and an unfavorable foreign exchange impact (-5.5%). Growth was driven by continuing ramp-up in Connected Cabin and a good performance from Electrical & Cockpit Systems and Fluid businesses.

Current Operating Income increased by €2.6m, or 2%, to €132.0m (13.1% of branch revenue), reflecting a €8.6m organic improvement driven mainly by growth at Connected Cabin and improved profitability in the Electrical & Cockpit Systems and Control Systems businesses. The impact of currency on current operating income was

- €-6.0m
- (€-5.2m for conversion and €-0.8m for transaction).

Aircraft Interiors sales were down -19.5% to €1,135.6m. Excluding the impact of foreign exchange in the first half, revenue fell -13.9% on an organic basis.

- **La branche Cabin (32 % du chiffre d'affaires total)** enregistre un chiffre d'affaires publié de 686,2 M€, en diminution de -14,6 %, incluant un effet de change défavorable de -7,1 % et une baisse organique de -7,5 % de l'activité. L'activité d'intégration de cabines pour avions d'affaires a démarré l'année lentement, comme indiqué précédemment, et de nouveaux projets de cabines d'avions VIP sont identifiés.
- **Seats branch sales (21% of total sales)** were down, -26.0% to €449.4m, affected as expected principally by the commercial impacts of previous design and execution issues. Excluding a -4.2% forex headwind, sales were down -21.8% on an organic basis.

The Current Operating Income before IFRS3 of Aircraft Interiors was €-97.3m in the first half, a €31.6m improvement compared with the performance in the year-ago period. Seats contributed positively with operational improvements driving a better performance particularly at Seats UK and Seat Shells. Cabin profitability reflects cost reduction initiatives on main programs (A350XWB, A320 Spaceflex, C Series). These increases were partially offset by the impact of lower volumes and to a lesser extent, persistent delays of VIP projects and business jet programs. Currency contributed €14.6m to the first half Current Operating Income with a conversion impact of €14.0m and a transaction impact of €0.6m.

Net debt

Net debt at the end of the first half was €957.9m¹. Cash flow from operations before change in working capital amounted to €13m and included non-current items primarily related to the operation with Safran and substantial restructuring costs. The seasonal

¹ Net debt excludes the €250m hybrid financing accounted for in shareholder's equity under applicable accounting principles and for which the early retirement was initiated during March 2018.

increase in working capital was limited to €42m. Tangible and intangible capex in the first half amounted to €90.1m, flat compared with the year ago period.

Currency hedging

For 2017/2018, Zodiac Aerospace has hedged 94% of estimated EUR/USD exposure at 1.0986 \$/€ (spot rate), 54% of USD/CAD, 68% of USD/GBP, 87% of USD/MXN and 65% of USD/THB exposure.

Consistent with Safran's policy, Zodiac Aerospace's exchange rate exposure beyond the currently hedged horizon is integrated into Safran's hedging program since February."

- **Press release of 25 May 2018 - Annual General Meeting of Shareholders approves dividend payment of €1.60 per share and all proposed resolutions**

"The combined Annual General Meeting of Shareholders of Safran (Euronext Paris: SAF) met today at the Grande Arche, Paris - La Défense, under the chairmanship of Ross McInnes, Chairman of the Board of Safran.

The meeting provided a unique opportunity for the Group for information, exchange and discussion in the company of shareholders. Philippe Petitcolin, Chief Executive Officer, and Bernard Delpit, Chief Financial Officer, reviewed Safran's activity in 2017, the Group's annual results, the outlook for 2018 and the acquisition of Zodiac Aerospace. The Chairman of the Board also presented the main highlights of the year in terms of governance, notably the Board's decision to renew the term of office of the Chief Executive Officer until the close of the Annual General Meeting to be held in 2020. Monique Cohen, Chair of the Appointments and compensation committee and appointed by the Board as Lead Independent Director, then presented the various components of the compensation of corporate officers.

Ross McInnes declared: "I am delighted that all resolutions submitted and recommended by the Board of Directors were massively approved by our shareholders. This is a renewed mark of confidence in the choices and decisions made by Safran's management and Board."

Voting results

All resolutions submitted for a vote by the Annual General Meeting were approved.

Shareholders approved notably:

- the financial statements for the fiscal year 2017 and voted for the payment of a dividend of 1.60 euro per share, to be paid as of May 31, 2018;
- the consolidated and updated agreement between the French State and Safran related to the defense of national interests;
- named as directors Monique Cohen (re-appointment), Didier Domange and F&P represented by Robert Peugeot;
- components of the 2017 compensation to the executive corporate officers as well as compensation policies applicable to them;
- the authorization required to keep carrying out the announced share buyback program.

Upon the expiry of their terms as directors, the Board and Committee duties of Christian Streiff and Jean-Marc Forneri ceased. The Board expressed its thanks for their input and contributions during their terms. Following new appointments by the Annual General Meeting, Didier Domange will join the Appointments and Compensation Committee. Robert Peugeot, permanent representative of F&P, will join the Audit and Risk Committee.

Lastly, Patrick Pélata replaces Christian Streiff as Chairman of the Innovation and Technology Committee. Vincent Imbert and Brigitte Lesschaeve will also join this Committee.

The independence rate of the Board of directors, still composed of 17 directors, is 53.8%, unchanged from last year.

The results of the vote will be published in the Finance section of the Group's website, www.safran-group.com."

- **Press release of 1 June 2018 - Envisaged merger by absorption of Zodiac Aerospace by Safran**

"Governing bodies of Safran and Zodiac Aerospace and the employee representatives at the two companies were informed of an envisaged merger of the entities via the absorption of Zodiac Aerospace by Safran.

The contemplated merger is consistent with the intentions laid out in the information memorandum dated December 21, 2017 relating to the Tender Offer and in which Safran reserved its right to consider the best way to integrate Zodiac Aerospace.

The conditions of the contemplated merger would be subject to prior authorizations as well as consultation of the employee representative bodies of Safran and Zodiac. The contemplated merger is expected to be completed before the end of 2018."

- **Press release of 4 June 2018 - Boeing, Safran Agree to Design, Build and Service Auxiliary Power Units**

"Boeing [NYSE: BA] and Safran [EPA: SAF] have agreed to jointly design, build and service Auxiliary Power Units (APUs), creating better value for customers and for both companies. An APU is an onboard engine that is used to primarily start the main engines and power aircraft systems on the ground and, if necessary, in flight.

The agreement will establish an important relationship between two of the world's leading aerospace companies to work together on products and expanded service capabilities to benefit both customers and the industry at large. Both companies will have a 50 percent stake in the partnership, which will be based in the United States. The completion of the transaction is subject to customary conditions including regulatory and antitrust clearance. The deal is expected to close in the second-half of 2018.

"This strategic partnership will leverage Boeing's deep customer and airplane knowledge along with Safran's experience in designing and producing complex propulsion assemblies to deliver expanded, innovative services solutions to our customers," said Stan Deal, President and CEO, Boeing Global Services.

Safran currently supplies a wide range of components to Boeing commercial and defense programs, including as a partner to produce CFM's LEAP-1B engine for the 737 MAX (through CFM International, a 50/50 JV between Safran Aircraft Engines and GE). Boeing and Safran also are partners in MATIS, a joint venture in Morocco producing wiring products for several airframe and engine companies.

"This will represent a new step in the long-lasting and fruitful partnership between Safran and Boeing. We are extremely proud of the continued confidence that Boeing has placed in our company. Safran has contributed to prestigious international military and civil programs, providing reliable, high-performance APU systems since 1962. Together we are committed to delivering advanced APUs and world-class support to our customers," said Philippe Petitcolin, Chief Executive Officer of Safran. "This partnership will have no impact on our 2018 guidance nor on our plan to return Euro 2.3 billion cash to shareholders over 18 to 24 months," he added.

"This move will strengthen Boeing's vertical capabilities as we continue to expand our services portfolio and make strategic investments that accelerate our growth plans," Greg

Smith, Boeing Chief Financial Officer and Executive Vice President of Enterprise Performance & Strategy. "The establishment of the joint venture will have no impact on Boeing's 2018 guidance or on our commitment to returning approximately 100 percent of free cash flow to shareholders".

- **Launch press release of 18 June 2018 relating to the issue of convertible bonds**

"This press release does not constitute or form a part of an offer of or solicitation to purchase securities in the United States of America or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the US Securities Act of 1933, as amended (the "Securities Act"). The securities mentioned herein have not been, and will not be, registered under the Securities Act and may not be offered or sold in the United States of America except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. The Bonds (as defined below) and the shares of the Company to be issued or granted upon conversion of the Bonds will be offered or sold only in offshore transactions outside of the United States of America, in accordance with Regulation S of the Securities Act. Safran does not intend to register any portion of the proposed offering in the United States of America and no public offering will be made in the United States of America. Neither this press release nor anything contained herein shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction.

The Bonds may not be offered or sold or otherwise made available to retail investors (as defined below). No key information document under regulation 1286/2014 (as amended, the "PRIIPs Regulation") has been and will be prepared.

Safran launches an offering of Bonds Convertible into New Shares and/or Exchangeable for Existing Shares (OCEANes) due 21 June 2023 of approximately €700 million

Paris, 18 June 2018

Safran (the "**Company**") announces today the launch of an offering of bonds convertible into and/or exchangeable for new and/or existing shares (OCEANes) due 21 June 2023 (the "**Bonds**") by way of private placement to institutional investors, of a nominal amount of approximately €700 million (the "**Offering**").

The net proceeds of the Offering will be used for general corporate purposes.

The Bonds will bear no interest and will be marketed with an issue price range of 100% to 104% of par, corresponding to an annual gross yield to maturity of between -0.78% and 0.00%.

The nominal unit value of the Bonds is expected to be set at a premium of between 37.5% and 45.0% above the reference price of Safran's ordinary shares² (the "**Shares**") on the regulated market of Euronext in Paris.

The final terms and conditions of the Bonds are expected to be determined today and settlement is expected to take place on 21 June 2018 (the "**Issue Date**").

Unless previously converted or exchanged, redeemed or repurchased and cancelled, the Bonds will be redeemed at par on 21 June 2023 (or on the following business day if this date is not a business day).

² The reference Share price is equal to the volume-weighted average price of the Shares recorded on the regulated market of Euronext in Paris between the launch of the Offering today until the determination of the final terms and conditions of the Bonds.

The Bonds may be redeemed prior to maturity at the discretion of the Company, under certain conditions, and at the discretion of bondholders in case of Change of Control (as defined in the terms and conditions of the Bonds).

An application for the listing of the Bonds on the Open Market ("Freiverkehr") of the Frankfurt Stock Exchange will be made. Such listing is expected no later than one month after the Issue Date.

This Offering is managed by Citigroup Global Markets Limited and Société Générale acting as Global Coordinators, Joint Lead Managers and Joint Bookrunners (the "Global Coordinators") in relation to the Offering.

CACEIS Corporate Trust will be in charge of the settlement of the Offering and Aether Financial Services will be the Calculation Agent (as defined in the terms and conditions of the Bonds).

Conversion Right

Bondholders may exercise their conversion right (the "Conversion Right") at any time from the Issue Date until the 7th trading day (excluded) preceding the maturity date or the early redemption date.

The conversion ratio is set at one Share per Bond subject to subsequent adjustments (as set out in the terms and conditions of the Bonds).

Upon exercise of their Conversion Right, bondholders will receive at the option of the Company new and/or existing Shares of the Company. The new and/or existing Shares eventually delivered shall carry current dividend rights.

Lock-up

In the context of the Offering, the Company will agree to a lock-up undertaking of 90 calendar days as of the Issue Date, subject to certain customary exceptions or waiver by the Global Coordinators.

Legal Framework of the Issue and Placement

The Bonds will be offered only by way of a private placement, as per the authorization granted by the Company's extraordinary general meeting held on 15 June 2017 (20th resolution), in France and outside France (excluding the United States of America, South Africa, Canada, Australia or Japan) to persons referred to in Article L. 411-2-II of the French monetary and financial code (*Code monétaire et financier*).

Other financing transaction contemplated by the Company

The Company is also considering, subject to market conditions, a two-year floating rate bond transaction in the coming days for a targeted size of 500 million euros. This transaction would not be managed by the Global Coordinators.

Available Information

The Offering and the admission to trading on the *Freiverkehr* of the Bonds is not subject to a prospectus approved by the French Financial Market Authority (*Autorité des marchés financiers*) (the "AMF"). No key information document the PRIIPs Regulation has been and will be prepared.

Detailed information on Safran, including its business, results, prospects and related risk factors are described in the Company's reference document filed with the AMF on 29

March 2018 under number D.18-0225, which is available together with all the press releases and other regulated information about the Company, on Safran's website (<http://www.safran-group.com>).

DISCLAIMER

Important Information

This press release may not be published, distributed or released directly or indirectly in the United States of America, Australia, Canada, South Africa or Japan or in any jurisdiction to whom or in which such offer is unlawful, and the Offering of the Bonds is not an offer to the public in any jurisdiction, including France. The distribution of this press release may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes, should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No communication or information relating to the offering may be transmitted to the public in a country where there is a registration obligation or where an approval is required. No action has been or will be taken in any country in which such registration or approval would be required. The issuance or the subscription of the Bonds may be subject to legal and regulatory restrictions in certain jurisdictions; none of Safran and the Global Coordinators assumes any liability in connection with the breach by any person of such restrictions.

This press release is an advertisement and not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4, 2003 as amended (the "**Prospectus Directive**").

The Bonds will be offered only by way of a private placement in France to persons referred to in Article L.411-2-II of the French monetary and financial code (*Code monétaire et financier*) and outside France (excluding the United States of America, Australia, Canada, South Africa and Japan), and there will be no public offering in any country (including France). This press release does not constitute a recommendation concerning the issue of the Bonds. The value of the Bonds and the Shares can decrease as well as increase. Potential investors should consult a professional adviser as to the suitability of the Bonds for the person concerned.

Prohibition of sales to European Economic Area retail investors

No action has been undertaken or will be undertaken to make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
- (b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds.

Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

France

The Bonds have not been and will not be offered or sold or cause to be offered or sold, directly or indirectly, to the public in France. Any offer or sale of the Bonds and distribution of any offering material relating to the Bonds have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals, acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D. 411-1 of the French monetary and financial Code (*Code monétaire et financier*).

United Kingdom

This press release is addressed and directed only (i) to persons located outside the United Kingdom, (ii) to investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (iii) to people designated by Article 49(2) (a) to (d) of the Order or (iv) to any other person to whom this press release could be addressed pursuant to applicable law (the persons mentioned in paragraphs (i), (ii), (iii) and (iv) all deemed relevant persons ("**Relevant Persons**"). The Bonds and the new shares or the existing shares of the Company to be delivered upon exercise of the Conversion Right are intended only for Relevant Persons and any invitation, offer of contract related to the subscription, tender, or acquisition of the Bonds may be addressed and/or concluded only with Relevant Persons. All persons other than Relevant Persons must abstain from using or relying on this document and all information contained therein.

This press release is not a prospectus which has been approved by the Financial Conduct Authority or any other United Kingdom regulatory authority for the purposes of Section 85 of the Financial Services and Markets Act 2000.

United States of America

This press release may not be published, distributed or transmitted in the United States of America (including its territories and dependencies, any State of the United States of America and the District of Columbia). This press release does not constitute or form a part of any offer or solicitation to purchase for securities in the United States of America or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act). The securities mentioned herein have not been, and will not be, registered under the Securities Act, the law of any state of the United States of America and may not be offered or sold in the United States of America except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act or the law of the above states. The Bonds and the shares of the Company to be issued or granted upon conversion of the Bonds will be offered or sold only in offshore transactions outside of the United States of America, in accordance with Regulation S of the Securities Act. Safran does not intend to register any portion of the proposed offering in the United States of America and no public offering will be made in the United States of America.

Australia, Canada, South Africa and Japan

The Bonds and the new shares or the existing shares of the Company to be delivered upon exercise of the Conversion Right may not and will not be offered, sold or purchased in Australia, Canada, South Africa or Japan. The information contained in this press release does not constitute an offer of securities for sale in Australia, Canada, South Africa or Japan.

The distribution of this press release in certain countries may constitute a breach of applicable law.

The Global Coordinators are acting exclusively on behalf of Safran and no-one else in connection with the offering. They will not regard any other person as their respective client in relation to the offering and will not be responsible to anyone other than Safran for providing the same protections as to any of their clients or to provide advice in connection with the offering, the Bonds, the contents of this press release or any other transaction, arrangement or other matter described in this press release.

In connection with the offering, the Global Coordinators and any of their respective affiliates, may take up a portion of the Bonds as a principal position and in that capacity may subscribe for, acquire, retain, purchase, sell, offer, offer to sell or negotiate for their own account such Bonds and other securities of Safran or related investments in connection with the offering, the Bonds, Safran or otherwise.

Accordingly, references to securities issued, offered, subscribed, acquired, placed or dealt should be read as including any issue, offer, subscription, acquisition, placement, dealing or negotiation made by the Global Coordinators and any of their affiliates acting as investors for their own account. The Global Coordinators do not intend to disclose the extent of any such above mentioned investments or transactions otherwise than in accordance with any applicable legal or regulatory requirements.

None of the Global Coordinators or any of their respective affiliates accept any responsibility whatsoever which could result from the use of this press release with respect to its inaccuracy or completeness.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS

TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process in respect of the Bonds, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “distributor”) should take into consideration the manufacturers’ target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels. Distributors should note that the product approval process and target market assessment of a product similar to the Bonds by a manufacturer may, in other circumstances, lead to the conclusion that such a product may be compatible for retail investors (as defined in MIFID II).

- **Results press release of 18 June 2018 relating to the issue of convertible bonds**

This press release does not constitute or form a part of an offer of or solicitation to purchase securities in the United States of America or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the US Securities Act of 1933, as amended (the “Securities Act”). The securities mentioned herein have not been, and will not be, registered under the Securities Act and may not be offered or sold in the United States of America except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. The Bonds (as defined below) and the shares of the Company to be issued or granted upon conversion of the Bonds will be offered or sold only in offshore transactions outside of the United States of America, in accordance with Regulation S of the Securities Act. Safran does not intend to register any portion of the proposed offering in the United States of America and no public offering will be made in the United States of America. Neither this press release nor anything contained herein shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction.

The Bonds may not be offered or sold or otherwise made available to retail investors (as defined below). No key information document under regulation 1286/2014 (as amended, the “PRIIPs Regulation”) has been and will be prepared.

Safran announces the success of its offering of Bonds Convertible into and/or Exchangeable for New and/or Existing Shares (OCEANEs) due 21 June 2023 of approximately €700 million

Paris, 18 June 2018

Safran (the "**Company**") has successfully placed today an offering of bonds convertible into and/or exchangeable for new and/or existing shares (OCEANEs) due 21 June 2023 (the "**Bonds**") by way of private placement to institutional investors, of a nominal amount of €699,999,983.10 (the "**Offering**").

The net proceeds of the Offering will be used for general corporate purposes.

The Bonds will bear no interest and the issue price has been set at 100% of par, corresponding to an annual gross yield to maturity of 0.00%.

The nominal unit value of the Bonds has been set at €140.10, representing a premium of 37.5% above the reference price of Safran's ordinary shares³ (the "**Shares**") on the regulated market of Euronext in Paris.

Settlement is expected to take place on 21 June 2018 (the "**Issue Date**")

Unless previously converted or exchanged, redeemed or repurchased and cancelled, the Bonds will be redeemed at par on 21 June 2023 (or on the following business day if this date is not a business day).

The Bonds may be redeemed prior to maturity at the discretion of the Company, under certain conditions, and at the discretion of bondholders in case of Change of Control (as defined in the terms and conditions of the Bonds).

An application for the listing of the Bonds on the Open Market ("**Freiverkehr**") of the Frankfurt Stock Exchange will be made. Such listing is expected no later than one month after the Issue Date.

This Offering is managed by Citigroup Global Markets Limited and Société Générale acting as Global Coordinators, Joint Lead Managers and Joint Bookrunners (the "**Global Coordinators**") in relation to the Offering.

CACEIS Corporate Trust will be in charge of the settlement of the Offering and Aether Financial Services will be the Calculation Agent (as defined in the terms and conditions of the Bonds).

Conversion Right

Bondholders may exercise their conversion right (the "**Conversion Right**") at any time from the Issue Date until the 7th trading day (excluded) preceding the maturity date or the early redemption date.

The conversion ratio is set at one Share per Bond subject to subsequent adjustments (as set out in the terms and conditions of the Bonds).

Upon exercise of their Conversion Right, bondholders will receive at the option of the Company new and/or existing Shares of the Company.

The new and/or existing Shares eventually delivered shall carry current dividend rights.

³ The reference Share price is equal to the volume-weighted average price of the Shares recorded today on the regulated market of Euronext in Paris between the launch of the Offering and the determination of the final terms and conditions of the Bonds.

Dilution

Considering a Bond issue of €699,999,983.10, represented by 4,996,431 Bonds of a nominal unit value of €140.10, the maximum dilution would be of 1.13% if the Company decided to pay solely in new shares.

Lock-up

In the context of the Offering, the Company will agree to a lock-up undertaking of 90 calendar days as of the Issue Date, subject to certain customary exceptions or waiver by the Global Coordinators.

Legal Framework of the Issue and Placement

The Bonds will be offered only by way of a private placement, as per the authorization granted by the Company's extraordinary general meeting held on 15 June 2017 (20th resolution), in France and outside France (excluding the United States of America, South Africa, Canada, Australia or Japan) to persons referred to in Article L. 411-2-II of the French monetary and financial code (*Code monétaire et financier*).

Other financing transaction contemplated by the Company

The Company is also considering, subject to market conditions, a two-year floating rate bond transaction in the coming days for a targeted size of 500 million euros. This transaction would not be managed by the Global Coordinators.

Available Information

The Offering and the admission to trading on the *Freiverkehr* of the Bonds is not subject to a prospectus approved by the French Financial Market Authority (*Autorité des marchés financiers*) (the "AMF"). No key information document the PRIIPs Regulation has been and will be prepared.

Detailed information on Safran, including its business, results, prospects and related risk factors are described in the Company's reference document filed with the AMF on 29 March 2018 under number D.18-0225, which is available together with all the press releases and other regulated information about the Company, on Safran's website (<http://www.safran-group.com>).

DISCLAIMER

Important Information

This press release may not be published, distributed or released directly or indirectly in the United States of America, Australia, Canada, South Africa or Japan or in any jurisdiction to whom or in which such offer is unlawful, and the Offering of the Bonds is not an offer to the public in any jurisdiction, including France. The distribution of this press release may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes, should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No communication or information relating to the offering may be transmitted to the public in a country where there is a registration obligation or where an approval is required. No action has been or will be taken in any country in which such registration or approval would be required. The issuance or the subscription of the Bonds may be subject to legal and regulatory restrictions in certain jurisdictions; none of Safran and the Global Coordinators assumes any liability in connection with the breach by any person of such restrictions.

This press release is an advertisement and not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4, 2003 as amended (the "**Prospectus Directive**").

The Bonds will be offered only by way of a private placement in France to persons referred to in Article L.411-2-II of the French monetary and financial code (*Code monétaire et financier*) and outside France (excluding the United States of America, Australia, Canada, South Africa and Japan), and there will be no public offering in any country (including France). This press release does not constitute a recommendation concerning the issue of the Bonds. The value of the Bonds and the Shares can decrease as well as increase. Potential investors should consult a professional adviser as to the suitability of the Bonds for the person concerned.

Prohibition of sales to European Economic Area retail investors

No action has been undertaken or will be undertaken to make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision:

- (c) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (iii) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (iv) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
- (d) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds.

Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

France

The Bonds have not been and will not be offered or sold or cause to be offered or sold, directly or indirectly, to the public in France. Any offer or sale of the Bonds and distribution of any offering material relating to the Bonds have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals, acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D. 411-1 of the French monetary and financial Code (*Code monétaire et financier*).

United Kingdom

This press release is addressed and directed only (i) to persons located outside the United Kingdom, (ii) to investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (iii) to people designated by Article 49(2) (a) to (d) of the Order or (iv) to any other person to whom this press release could be addressed pursuant to applicable law (the persons mentioned in paragraphs (i), (ii), (iii) and (iv) all deemed relevant persons ("**Relevant Persons**"). The Bonds and the new shares or the existing shares of the Company to be delivered upon exercise of the Conversion Right are intended only for Relevant Persons and any invitation, offer of contract related to the subscription, tender, or acquisition of the

Bonds may be addressed and/or concluded only with Relevant Persons. All persons other than Relevant Persons must abstain from using or relying on this document and all information contained therein.

This press release is not a prospectus which has been approved by the Financial Conduct Authority or any other United Kingdom regulatory authority for the purposes of Section 85 of the Financial Services and Markets Act 2000.

United States of America

This press release may not be published, distributed or transmitted in the United States of America (including its territories and dependencies, any State of the United States of America and the District of Columbia). This press release does not constitute or form a part of any offer or solicitation to purchase for securities in the United States of America or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act). The securities mentioned herein have not been, and will not be, registered under the Securities Act, the law of any state of the United States of America and may not be offered or sold in the United States of America except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act or the law of the above states. The Bonds and the shares of the Company to be issued or granted upon conversion of the Bonds will be offered or sold only in offshore transactions outside of the United States of America, in accordance with Regulation S of the Securities Act. Safran does not intend to register any portion of the proposed offering in the United States of America and no public offering will be made in the United States of America.

Australia, Canada, South Africa and Japan

The Bonds and the new shares or the existing shares of the Company to be delivered upon exercise of the Conversion Right may not and will not be offered, sold or purchased in Australia, Canada, South Africa or Japan. The information contained in this press release does not constitute an offer of securities for sale in Australia, Canada, South Africa or Japan.

The distribution of this press release in certain countries may constitute a breach of applicable law.

The Global Coordinators are acting exclusively on behalf of Safran and no-one else in connection with the offering. They will not regard any other person as their respective client in relation to the offering and will not be responsible to anyone other than Safran for providing the same protections as to any of their clients or to provide advice in connection with the offering, the Bonds, the contents of this press release or any other transaction, arrangement or other matter described in this press release.

In connection with the offering, the Global Coordinators and any of their respective affiliates, may take up a portion of the Bonds as a principal position and in that capacity may subscribe for, acquire, retain, purchase, sell, offer, offer to sell or negotiate for their own account such Bonds and other securities of Safran or related investments in connection with the offering, the Bonds, Safran or otherwise.

Accordingly, references to securities issued, offered, subscribed, acquired, placed or dealt should be read as including any issue, offer, subscription, acquisition, placement, dealing or negotiation made by the Global Coordinators and any of their affiliates acting as investors for their own account. The Global Coordinators do not intend to disclose the extent of any such above mentioned investments or transactions otherwise than in accordance with any applicable legal or regulatory requirements.

None of the Global Coordinators or any of their respective affiliates accept any responsibility whatsoever which could result from the use of this press release with respect to its inaccuracy or completeness.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process in respect of the Bonds, the target market assessment in respect

of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “distributor”) should take into consideration the manufacturers’ target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels. Distributors should note that the product approval process and target market assessment of a product similar to the Bonds by a manufacturer may, in other circumstances, lead to the conclusion that such a product may be compatible for retail investors (as defined in MIFID II).

- **Press release of 29 June 2018 - Share buyback program**

"On May 24, 2017 Safran (Euronext Paris: SAF) announced its intention to implement a Euro 2.3 billion ordinary share buyback program to run over the two years following completion of the tender offer for Zodiac Aerospace shares.

Having completed the repurchase of the initial tranche signed on March 27, 2018 with an investment services provider for a total amount of Euro 122 million, Safran signed a follow-on repurchase tranche on June 29, 2018 with a different investment service provider. According to this agreement, Safran will acquire up to Euro 400 million worth of shares no later than October 31, 2018. The average price per share will be determined based on the mean volume-weighted market price observed during the entire duration of the agreement. The unit price may not exceed the maximum of Euro 118 per share set by the May 25, 2018 annual shareholders’ meeting."

TAXATION

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in France or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Note and the consequences of such actions under the tax laws of those countries. This general description is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date or that could apply retroactively.

French Taxation

The following is a summary of certain withholding tax considerations that may be relevant to holders of Notes who (i) are non-French residents, (ii) do not hold their Notes in connection with a business or profession conducted in France, as a permanent establishment or fixed base situated in France, and (iii) do not concurrently hold shares in the Issuer.

Withholding Tax

Payments of interest and other assimilated revenues made by a debtor with respect to certain debt securities (including debt in the form of notes) are not subject to the withholding tax set out under article 125 A III of the *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory within the meaning of article 238-0 A of the *Code général des impôts* (a "Non-Cooperative State"), in which case a 75 per cent. withholding tax is applicable subject to exceptions, certain of which being set forth below, and to more favourable provisions of any applicable double tax treaty. The 75 per cent. withholding tax is applicable irrespective of the tax residence of the Noteholder. The list of Non-Cooperative States is published by a ministerial executive order, which is updated on a yearly basis.

Furthermore, according to article 238 A of the *Code général des impôts*, interest and other assimilated revenues are not deductible from the Issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a Non-Cooperative State. Under certain conditions, any such non-deductible interest or other securities income may be re-characterised as constructive dividends pursuant to articles 109 *et seq.* of the *Code général des impôts*, in which case it may be subject to the withholding tax provided under article 119-bis 2 of the same Code, at rates of (i) 30 per cent. (to be aligned with the standard corporate income tax rate set forth in article 219-I of the French *Code général des impôts* as from 1 January 2020) for legal persons, (ii) 12,8 per cent. for individuals or (iii) 75 per cent., subject to more favourable provisions of any applicable double tax treaty.

Notwithstanding the foregoing, neither the 75 per cent. withholding tax provided by article 125 A III of the *Code général des impôts*, the non-deductibility of the interest and other assimilated revenues nor the withholding tax set out in article 119-bis 2 of the same Code that may be levied as a result of such non-deductibility, to the extent the relevant interest or other assimilated revenues to genuine transactions and is not in an abnormal or exaggerated amount, will apply in respect of a particular issue of notes provided that the Issuer can prove that the main purpose and effect of such issue of notes is not that of allowing the payments of interest or other assimilated revenues to be made in a Non-Cooperative State (the "**Exception**").

Pursuant to French administrative guidelines published in the *Bulletin Officiel des Finances Publiques – Impôts* under reference BOI-RPPM-RCM-30-10-20-40-20140211, n°70, BOI-INT-DG-20-50-20140211, n°550 and 990 and BOI-IR-DOMIC-10-20-20-60-20150320, n°10, an issue of notes benefits from the Exception without the Issuer having to provide any evidence supporting the main purpose and effect of such issue of notes, if such notes are:

- (i) offered by means of a public offer within the meaning of article L. 411-1 of the *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of article L.561-2 of the *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depositories or operators are not located in a Non-Cooperative State.

As the Notes are admitted at the time of their issue to the operations of a securities clearing and delivery and payments system – Euroclear France, payments of interest or other assimilated revenues made by or on behalf of the Issuer with respect to the Notes will not be subject to the withholding tax set out under article 125 A III of the *Code général des impôts*.

Payments made to individuals who are fiscally domiciled in France

Pursuant to article 125 A of the *Code général des impôts* and subject to certain limited exceptions, interest and other assimilated revenues received under the Notes by individuals who are fiscally domiciled in France are subject to a 12.8% withholding tax. This withholding tax is an advance payment made in respect of the personal income tax of the individual receiving the interest or revenue, which is deductible from his personal income tax liability in respect of the year during which the withholding has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding at an aggregate rate of 17.2% on interest and similar revenues paid by the Issuer under the Notes, to individuals who are fiscally domiciled in France.

All prospective investors should seek independent advice as to their tax positions.

SUBSCRIPTION AND SALE

Crédit Agricole Corporate and Investment Bank, Crédit Industriel et Commercial S.A. and SMBC Nikko Capital Markets Limited (the "**Joint Lead Managers**") have, pursuant to a Subscription Agreement dated 11 July 2018 (the "**Subscription Agreement**"), agreed jointly and severally with the Issuer, subject to the satisfaction of certain conditions, to subscribe and pay for, the Notes at a price equal to 100 per cent. of the principal amount of the Notes. The Issuer will also pay certain costs incurred by it and the Joint Lead Managers in connection with the issue of the Notes.

The Joint Lead Managers are entitled to terminate the Subscription Agreement in certain limited circumstances prior to the issue of the Notes. The Issuer has agreed to indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Notes.

Selling Restrictions

General

No action has been or will be taken in any jurisdiction by the Joint Lead Managers or the Issuer that would, or is intended to, permit a public offering of the Notes, or possession or distribution of the Prospectus (in proof or final form) or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Accordingly, each of the Joint Lead Managers has agreed that it will not, directly or indirectly, offer, sell or deliver any Notes or distribute or publish any prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

Neither the Issuer, the Joint Lead Managers nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

Republic of France

Each of the Joint Lead Managers has represented and agreed that it has not offered or sold or caused to be offered or sold, and will not offer or sell or cause to be offered or sold, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, articles L. 411-1, L. 411-2 and D. 411-1 of the French *Code monétaire et financier*.

United States

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Joint Lead Manager has agreed that it will not offer or sell the Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 calendar days after the later of the commencement of the offering and the date of issue of the Notes, within the United States or to, or for the account or benefit of, U.S. persons and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 calendar days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each Joint Lead Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Prohibition of Sales to European Economic Area Investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA.

For the purposes of this provision:

- 1) the expression "retail investor" means a person who is one (or more) of the following:
 - (a) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (as amended, MiFID II); or
 - (b) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; and
- 2) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to purchase or subscribe to the Notes.

GENERAL INFORMATION

Corporate Authorisations

The issue of the Notes was authorised by the *Conseil d'administration* of the Issuer on 25 May 2018.

Listing and Admission to trading of the Notes

For the sole purpose of the admission to trading of the Notes on Euronext Paris, and pursuant to articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier*, this Prospectus has been submitted to the AMF and received a visa no. 18-302 dated 11 July 2018.

The total expenses related to the admission to trading of the Notes are estimated to € 9,800 (including the AMF fees).

Clearing of the Notes

The Notes have been accepted for clearance through Clearstream, (42 avenue JF Kennedy, 1855 Luxembourg, Luxembourg), Euroclear (boulevard du Roi Albert II, 1210 Bruxelles, Belgium) and Euroclear France (66, rue de la Victoire, 75009 Paris, France) under the following reference numbers:

ISIN: FR0013344447

Common Code: 184876256

No Material Adverse Change

There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2017.

No Significant Change

Except as mentioned in the Prospectus, there has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2017.

No Litigation

Except as mentioned in pages 138 – 149 (Note 31 *Litiges*) of the 2017 Registration Document, the Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects, in the context of the issue of the Notes, on the financial position or profitability of the Issuer or the Group.

No Material Interests

Save for any fees payable to the Joint Lead Managers as referred to in "**Subscription and Sale**", as far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the issue.

No Material Contracts

Except as mentioned in pages 296-297 (*Section 7.1.4.2 Convention avec l'État relative aux actifs et filiales stratégiques*) of the 2017 Registration Document, the Issuer has not entered into contracts outside the ordinary course of the Issuer's business, which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to holders of Notes in respect of the Notes being issued.

No Conflicts of Interest

To the Issuer's knowledge, there are no potential conflicts of interest between the private interests and/or other duties of members of the *Conseil d'administration* of the Issuer and the duties they owe to the Issuer.

Auditors

Mazars (Exaltis, 61, rue Henri Regnault, 92400 Courbevoie, France) and Ernst & Young et Autres (1/2, place des Saisons 92400 Courbevoie - Paris - La Défense 1 France) are the statutory auditors of the Issuer. They have audited and rendered audit reports on the financial statements of the Issuer for each of the financial years ended 31 December 2016 and 31 December 2017. Mazars and Ernst & Young et Autres are regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *commissaires aux comptes*. They are members of the *Compagnie Régionale des Commissaires aux Comptes de Versailles*.

Documents Available

So long as any of the Notes remain outstanding, copies of this Prospectus, the documents incorporated by reference in this Prospectus, the Agency Agreement and the *statuts* (by-laws) of the Issuer will be available for inspection and copies of the most recent annual financial statements of the Issuer will be made available or obtainable, free of charge, at the specified offices for the time being of the Paying Agent during normal business hours. This Prospectus is also available on the websites of the AMF (www.amf-france.org) and of the Issuer (www.safran-group.com). All the documents incorporated by reference in this Prospectus are also available on the websites of the AMF (www.amf-france.org) and of the Issuer (www.safran-group.com).

Stabilisation

In connection with the issue of the Notes, Crédit Industriel et Commercial S.A. (the "**Stabilising Manager**") (or persons acting on behalf of the Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 calendar days after the Issue Date of the Notes and 60 calendar days after the date of the allotment of the Notes. Such stabilisation will be carried out in accordance with all applicable rules and regulations.

Forward-Looking Statements

This Prospectus contains certain statements that are forward-looking including statements with respect to the Issuer's and the Group's business strategies, expansion and growth of operations, trends in the business, competitive advantage, and technological and regulatory changes, information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words "believe", "expect", "project", "anticipate", "seek", "estimate" or similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof, and the Issuer undertakes no obligation to update publicly any of them in light of new information or future events.

Benchmarks Regulation

Amounts payable on the Notes will be calculated by reference to EURIBOR. As at the date of this Prospectus, the European Money Markets Institute is not included in ESMA's register of administrators under article 36 of the Benchmarks Regulation. As far as the Issuer is aware, the transitional provisions in article 51 of the Benchmarks Regulation apply, such that the European Money Markets Institute (as administrator of EURIBOR) is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).

Legal Entity Identifier

The Legal Entity Identifier (LEI) of the Issuer is 969500UIC89GT3UL7L24

PERSONS RESPONSIBLE FOR THE INFORMATION SET OUT IN THE PROSPECTUS

To the best of the knowledge of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained or incorporated by reference in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Safran

2, boulevard du Général Martial-Valin
75015 Paris

Duly represented by:

Bernard Delpit,
Group Chief Financial Officer
dated 11 July 2018



In accordance with articles L. 412-1 and L. 621-8 of the *Code monétaire et financier* and its General Regulations (*Règlement général*), in particular articles 211-1 to 216-1, the *Autorité des marchés financiers* ("**AMF**") has granted to this Prospectus the *visa* n°18-302 on 11 July 2018. This Prospectus has been prepared by the Issuer and its signatories assume responsibility for it. In accordance with article L. 621-8-1-I of the *Code monétaire et financier*, the *visa* has been granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information in it is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it and the appropriateness of the issue of the Notes.

REGISTERED OFFICE OF THE ISSUER

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JOINT LEAD MANAGERS

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