I – DECISIONS OF GENERAL MEETINGS

The general meetings of SNECMA on 10 May 2005 and SAGEM SA on 11 May 2005, after having taken note of the reports by the Board of Directors and the appendices (document E registered on 8 April 2005 under no. E.05-039 by the Autorité des marchés financiers), approved the merger per absorption of SNECMA by SAGEM SA.

The exchange parity was fixed at 15 SAGEM SA shares, participating from 1\textsuperscript{st} January 2004, for 13 SNECMA shares.

In accordance with L.236-3 of the Code de Commerce, there will be no exchange of SNECMA shares held by SAGEM SA. Therefore, \textbf{51,755,415 new SAGEM SA shares} will be created each with a face value of 0.20 €, and participating from 1\textsuperscript{st} January 2004.

\textbf{Exchange operations: From 13 May 2005:}

BNP Paribas Securities Services will receive the exchange requests of SNECMA shares against SAGEM SA shares (according to a parity of 15 SAGEM SA shares for 13 SNECMA shares).

Securities will have to be credited on the 030-affiliate account of BNP Paribas Securities Services GCT Services aux Emetteurs, into Euroclear France, in type of account 051.

It is specified that shareholders which do not hold a number of SNECMA shares multiple of the exchange parity (i.e. 15/13) will be responsible of the odd lots.

SAGEM SA General Meeting has noted that an interim dividend of EUR 0.10 per share was paid in March 2005.

Because new SAGEM SA shares originating from the merger are participating from 1\textsuperscript{st} January 2004, General Meeting decided to attribute to holders of those new shares, the same interim dividend (i.e. EUR 0.10 per share).

Moreover, it decided to attribute to all the shares a dividend of 0.12 EUR per share (Total dividend for the year 2004: EUR 0.22 par share).

The payment date of those dividends will be 20 May 2005.

Therefore, shares delivered in exchange will be, taking into account the interim dividend of EUR 0.10 per share, will be delivered and traded under a specific code (ISIN FR0010192351), until their assimilation.
II – CHANGE OF BUSINESS NAME

SAGEM SA General Meeting decided to change its business name into SAFRAN.

From **13 May 2005**, SAFRAN shares will be traded under the following name:


From 13 May 2005, intermediaries will no longer use the trading symbol SAG of the old SAFRAN shares.

III – LISTING OF THE NEW SAFRAN SHARES

From **13 May 2005**, listing on the Eurolist, on a second line of **51,755,415** new shares originating from the merger absorption of SNECMA, participating from 1st January 2004, interim dividend included, and traded into the following conditions:

- Continue, trading group 16, ISIN code FR0010192351 – symbol SAF04
- Trades in these new shares will be settled and delivered according to RELIT procedures.

**SHARES OUTSTANDING** on the Eurolist, of SAFRAN (EUR 0.20 of nominal value and participating from 1st January 2004):

- **365,274,170** existing shares (ISIN code FR0000073272 – symbol SAF).
- **51,755,415** new shares, Name “SAFRAN ACPTE04” (ISIN code FR0010192351 – Symbol SAF04).

IV – CANCELLATION OF THE SNECMA SHARES FROM THE EUROLIST AND TEMPORARY REGISTRATION IN THE STRUCK-OFF SECURITIES SECTOR OF THE REGULATED MARKETS.

The SNECMA shares will stay registered onto the Eurolist until and inclusive 12 August 2005.

On **15 August 2005**, the 270,092,310 SNECMA shares will be cancelled from the Eurolist (ISIN code FR0005328747 – mnemonic SCA).

From 15 August 2005 to 15 February 2006 inclusive, the SNECMA shares will be traded into the struck-off securities sector of the regulated markets under the following conditions: fixing, value group 39, ISIN code and Euronext Paris code FR0005328747 – mnemonic SCA). They will stay listed in the stock exchange network of the RELIT settlement/delivery procedures. Negotiations will be compensated and guaranteed.

Due to the transfer of SNECMA shares to the struck off securities sector of the regulated markets, the orders that are not executed on the evening of 12 August 2005 will be eliminated. The clients should renew their orders on the morning of 15 August.

On **16 February 2006**, the SNECMA shares will be finally removed from the struck-off securities sector of the regulated markets.

V – ASSIMILATION OF THE SAFRAN SHARES

1 - From **20 May 2005**, 51,755,415 new shares participating from 1st January 2004 will be assimilated with the **365,274,170** old shares participating from 1st January 2004 on a single line of shares participating from 1st January 2005.

2 - From **20 May 2005**, the **417,029,585** SAFRAN shares, participating from 1st January 2005 will be quoted as a single line on the Eurolist.

Orders for the new shares (ISIN and Euronext code: FR0010192351) will expire automatically at the end of the trading session on 19 May 2005.

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