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PRESS RELEASE

Safran announces:

- 1. its intention to repurchase its outstanding Bonds Convertible into and/or Exchangeable for New and/or Existing Shares (OCEANEs) due 31 December 2020, via a reverse bookbuilding process; and**
- 2. the exercise of its early redemption option of the OCEANEs**

Paris, 30 October 2018

Safran (the “**Company**”) hereby announces its intention to repurchase the outstanding bonds convertible into and/or exchangeable for new and/or existing shares of Safran due 31 December 2020 (ISIN FR0013087186) (the “**2020 OCEANEs**” or alone, a “**2020 OCEANE**”).

In order to repurchase the 2020 OCEANEs (the “**Repurchase**”), Safran will conduct today and outside the United States of America, via BNP Paribas and Crédit Agricole CIB, acting as Dealer Managers, a reverse bookbuilding process to collect irrevocable orders from holders of the 2020 OCEANEs (the “**Holders**”) to sell their 2020 OCEANEs. The Company reserves the right at any time not to proceed with the Repurchase.

The orderbook is expected to close at 5:00 p.m. (CET) today, subject to the right of the Company to close it or extend its opening period at any time, in its sole and absolute discretion and without prior notice.

The repurchase price of the 2020 OCEANEs, pursuant to the reverse bookbuilding, will be set after market close on 2 November 2018 and will be equal to the arithmetic mean of the daily volume-weighted average prices (VWAP) of Safran’s shares (ISIN FR0000073272) quoted on the regulated market of Euronext in Paris (“**Euronext Paris**”) from 30 October 2018 (inclusive) to 2 November 2018 (inclusive), increased by €0.90 per 2020 OCEANE.

The settlement of the Repurchase is expected to take place on 7 November 2018. The 2020 OCEANEs accepted in the Repurchase will be cancelled in accordance with their terms and conditions.

The Company also informed today the Holders of the early redemption in cash at par (i.e. €89.32) on 31 December 2018, in accordance with the terms and conditions of the 2020 OCEANEs, of all 2020 OCEANEs that will still be outstanding on such date.

Aether Financial Services, acting as calculation agent of the 2020 OCEANEs, verified that the arithmetic mean, calculated over a period of 20 consecutive trading days from and including 19 September 2018 to and including 16 October 2018, chosen from among 40 consecutive trading days from and including 4 September 2018 to and including 29 October 2018, of the daily products of (i) the opening trading price of the Safran share (ISIN FR0000073272) on Euronext Paris and (ii) the conversion ratio applicable at each of these dates (i.e. 1) is €116.395 which exceeds 130% of the par value of the 2020 OCEANEs (i.e. €116.116).



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In accordance with the terms and conditions of the 2020 OCEANES, the Holders have the ability to exercise their conversion/exchange rights no later than 14 December 2018, 5:00 p.m. (CET). The notices of exercise of the conversion/exchange rights (the "**Exercise Notices**") together with the corresponding 2020 OCEANES must be delivered by the Holders, no later than that date and time, to CACEIS Corporate Trust, acting as centralising agent. The Safran shares will be delivered no later than the seventh trading day following the effective date of the Exercise Notices.

The terms and the timetable of the exercise by the Company of its early redemption option are also available in a notice published this day on the Company's website.

As of today, 7,276,195 2020 OCEANES remain outstanding out of a total of 7,277,205 2020 OCEANES initially issued.

Disclaimer

The Repurchase is addressed solely to qualified investors, excluding the United States of America and U.S. Persons, Australia, Canada or Japan and any other jurisdiction where the Repurchase would be prohibited by applicable law.

This press release does not constitute an invitation to participate in the Repurchase or an offer to purchase the 2020 OCEANE in or from any jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such repurchase or offer under applicable securities laws. The release, publication or distribution of this press release in certain jurisdictions may be restricted by law. Consequently, any persons in such jurisdiction in which this press release is released, published or distributed are required by each of the Company and the Dealer Managers to inform themselves about, and to observe, any such restrictions.

None of the Company and the Dealer Managers makes any recommendation as to whether or not the Holders should participate in the Repurchase.

United States of America

The Repurchase is not being made and will not be made directly or indirectly in or into the United States of America, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, email and other forms of electronic transmission) of interstate or foreign commerce of, or any facility of a national securities exchange of the United States of America, or to holders of 2020 OCEANE who are located in the United States of America or to U.S. Persons as defined in Regulation S of the U.S. Securities Act of 1933, as amended (the "Securities Act") (each a "U.S. Person") and the 2020 OCEANE may not be tendered in the Repurchase by any such use, means, instrumentality or facility from or within the United States of America, by persons located or resident in the United States of America or by U.S. Persons. Accordingly, this press release may not be published, distributed or transmitted in the United States of America. Copies of any documents or materials related to the Repurchase are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees, trustees) in or into the United States of America or to any persons located or resident in the United States of America. Any purported offer to sell in response to the Repurchase resulting directly or indirectly from a violation of these restrictions will be invalid, and offers to sell made by a person located or resident in the United States of America or any agent, fiduciary or other intermediary acting on a non-

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discretionary basis for a principal giving instructions from within the United States of America or any U.S. Person will not be accepted.

For the purposes of the above paragraph, "United States of America" means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

United Kingdom

The communication of any materials relating to the Repurchase is not being made, and such materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the "FSMA"). Accordingly, such materials will not be distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such materials is exempt from the restriction on financial promotions under section 21 of the FSMA on the basis that it is only directed at and may be communicated to (1) those persons who are existing members or creditors of the Company or other persons within Article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, and (2) to any other persons to whom these materials may lawfully be communicated.

France

The Repurchase is not addressed, directly or indirectly, to the public in the Republic of France. Materials relating to the Repurchase may only be distributed or caused to be distributed in the Republic of France to 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. None of the Repurchase materials has been submitted for clearance to the French Autorité des marchés financiers.

Safran is an international high-technology group, operating in the aircraft propulsion and equipment, space and defense markets. Safran has a global presence, with more than 58,000 employees and sales of 16.5 billion euros in 2017. Working alone or in partnership, Safran holds world or European leadership positions in its core markets. Safran undertakes Research & Development programs to meet fast-changing market requirements, with total R&D expenditures of around 1.4 billion euros in 2017. Safran is listed on the Euronext Paris stock exchange, and is part of the CAC 40 and Euro Stoxx 50 indices. In February 2018, Safran took control of Zodiac Aerospace, significantly expanding its aircraft equipment activities. Together with Zodiac Aerospace, Safran has more than 91,000 employees and would have around €21 billion in adjusted revenue (pro forma 2016).

For more information : www.safran-group.com / Follow @Safran on Twitter 

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