



## PRESS RELEASE

### **Signing of the agreement to merge Zodiac Aerospace into Safran and setting of the exchange ratio**

**Paris, October 19, 2018**

Safran (Euronext Paris : SAF) and Zodiac Aerospace today signed an agreement for the merger of Zodiac Aerospace into Safran, as announced on June 1, 2018. The planned merger will be submitted for the approval of Safran's Extraordinary Shareholders' Meeting to be held on November 27, 2018.

The transaction follows on from Safran's acquisition of Zodiac Aerospace in the first quarter of 2018, further to the close of Safran's tender offer for Zodiac Aerospace shares. The merger will allow Safran to continue to streamline the structure of the new Group.

The exchange ratio proposed for the merger has been set at 0.2745 ordinary Safran shares for one Zodiac Aerospace share, representing an exchange ratio adjusted from that proposed under the subsidiary exchange offer to the tender offer, to take into account the fact that the ordinary Safran shares to be issued as part of the merger are immediately transferable ordinary shares and not preferred shares subject to a 36-month transferability restriction as from their issue date. The proposed exchange ratio was backed up by multi-criteria analyses based on commonly used valuation methods.

Given that no consideration is to be transferred for Safran's direct interest in Zodiac Aerospace, the merger will have a limited dilutive impact and will give rise to the issuance of Safran shares representing approximately 0.79% of the share capital.

The merger appraisers appointed by way of an order of the Presiding Judge of the Paris Commercial Court, will draw up reports on the terms and conditions of the merger and on the value of the transferred assets and liabilities, which will be made available to shareholders.

The agenda and draft resolutions of Safran's Shareholders' Meeting will be published in the French legal gazette (Bulletin des annonces légales obligatoires – BALO) in the coming days. Shareholders will shortly be provided with a set of information materials, including a detailed press release<sup>1</sup>, on the planned merger.

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<sup>1</sup> In accordance with Article 17 of instruction DOC-2016-04 dated October 21, 2016, as amended, of the French financial markets authority (*Autorité des marchés financiers* – AMF).

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*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](http://www.safran-group.com) / Follow @Safran on Twitter 

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