

NOTICE OF MEETING

**ORDINARY AND EXTRAORDINARY
SHAREHOLDERS' MEETING**

THURSDAY MAY 31, 2012 AT 10.00 A.M.

**CNIT de Paris-La Défense
Amphithéâtre Léonard de Vinci — Porte A — Niveau D
2, place de la Défense
92090 Paris-La Défense**

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How to participate in the Meeting

YOU WILL NEED TO PROVIDE EVIDENCE OF SHARE OWNERSHIP

All shareholders are entitled to participate in the Meeting whether in person, by proxy or by casting a postal vote, regardless of the number of shares owned, in accordance with French law.

In accordance with article R.225-85 of the French Commercial Code (*Code de commerce*), in order for shareholders to attend the Annual General Meeting, cast a postal vote or appoint a proxy, their shares must be recorded in their name or in the name of an authorized intermediary on their behalf no later than midnight (CET) on the third business day preceding the Meeting (**May 28, 2012**) as follows:

- for registered shares: in the Company's share register managed by BNP Paribas Securities Services;
- for bearer shares: in a securities account managed by an authorized intermediary, as provided for in article L.211-3 of the French Monetary and Financial Code (*Code monétaire et financier*).

The recording of shares in bearer share accounts kept by an authorized intermediary must be certified by a share ownership certificate issued by the latter. This certificate should be attached to your proxy/postal voting form or to your admittance card request drawn up in your name or in the name of the registered intermediary acting on your behalf.

Shareholders may sell their shares at any time:

- if the sale occurs before midnight (CET) on **May 28, 2012**, the postal vote, proxy, admittance card and any share ownership certificates will be cancelled or modified accordingly. In such an event, the authorized intermediary must notify the Company or BNP Paribas Securities Services of the sale and forward the required information;
- if the sale occurs after midnight (CET) on **May 28, 2012**, it will not be notified by the authorized intermediary and will not be taken into consideration by the Company, regardless of the means of communication, notwithstanding any agreement to the contrary.

Shareholders may participate in the Annual General Meeting in any of the following ways:

- they may attend the Annual General Meeting in person;
- they may send a proxy form to the Company without specifying their representative, in which case the Chairman of the Meeting will vote to adopt the proposed resolutions presented or approved by the Board of Directors and vote against all other proposed resolutions;
- they may cast a postal vote; or
- they may give proxy to another shareholder, their spouse, their partner with whom they have entered into a civil union or any other individual or legal entity of their choice in accordance with the requirements of article L.225-106 of the French Commercial Code.

How to participate in the Meeting

IF YOU PLAN TO ATTEND THE MEETING IN PERSON

IF YOU PLAN TO ATTEND THE MEETING IN PERSON

Holders of registered shares

If you hold registered shares and plan to attend the Meeting in person you should request an admittance card from BNP Paribas by filling out the attached proxy/postal voting form as follows:

- check box A in the upper section of the form;
- date and sign the form in the section at the bottom;
- send the form in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France.

You will receive your admittance card by return mail. If you do not receive your admittance card in time you will still be able to attend the Meeting subject to providing proof of identity.

Holders of bearer shares

If you hold bearer shares and plan to attend the Meeting in person you should request a share ownership certificate from your authorized intermediary. The latter will forward the certificate to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France, which will send you an admittance card.

If you do not receive your admittance card by midnight (CET) on the third business day preceding the Meeting (**May 28, 2012**) you should ask your authorized intermediary to issue you with a share ownership certificate proving that you own the shares and are therefore entitled to attend the Meeting.

IF YOU WISH TO GIVE PROXY TO THE CHAIRMAN OF THE MEETING

If you wish to give proxy to the Chairman of the Meeting you should fill out the attached proxy/postal voting form as follows:

- check box B in the upper section of the form;
- check the "I hereby give my proxy to the Chairman of the General Meeting" box;
- date and sign the form in the section at the bottom;
- send the form in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France.

The Chairman of the Meeting will vote to adopt the proposed resolutions presented or approved by the Board of Directors and vote against all other proposed resolutions.

NB: If you hold bearer shares you must attach to your proxy/postal voting form the above-described share ownership certificate issued by your authorized intermediary.

IF YOU WISH TO GIVE PROXY TO ANOTHER PERSON OR ENTITY

You may give proxy to another shareholder, your spouse, your partner with whom you have entered into a civil union or any other individual or legal entity of your choice in accordance with the requirements of article L.225-106 of the French Commercial Code.

In this case you should fill out the attached proxy/postal voting form as follows:

- check box B in the upper section of the form;
- check the "I hereby appoint" box and state the name and address of the person who will represent you at the Meeting;
- date and sign the form in the section at the bottom;
- send the form in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France.

In accordance with the provisions of article R.225-79 of the French Commercial Code, you can send this form electronically, by following the procedure set out below:

How to participate in the Meeting

IF YOU WISH TO CAST A POSTAL VOTE

Holders of registered shares

- send an email to **paris.bp2s.france.cts.mandats@bnpparibas.com** with the following information: a signed digital copy of the proxy form stating your name, address and the registered account number, as well as the name and, if possible, address of the representative;
- confirm your request by logging on to your account on the **PlanetShares/My Shares** or **PlanetShares/My Plans website**. From **“My shareholder space – My Annual General Meetings”** click on **“Proxy designation or revocation request”** and enter the above-described information.

Holders of bearer shares or administered registered shares

- send an email to **paris.bp2s.france.cts.mandats@bnpparibas.com** with the following information: a signed digital copy of the proxy form stating your name, address and banking details, as well as the name and, if possible, address of the representative;
- ask your authorized intermediary to send a written confirmation to Assemblées Générales de BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France.

Digital copies of the proxy form must be signed in order to be valid.

You can revoke your proxy by written confirmation following the procedure described above. To appoint a new proxy, you must request a “Change of proxy” form from BNP Paribas Securities Services (for holders of registered shares) or from your authorized intermediary (for holders of bearer shares). The completed form must be returned to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France, at the latest three calendar days before the Annual General Meeting, (i.e., by **May 28, 2012**).

To be valid, the Company must receive confirmation of appointed or revoked proxies notified electronically, **at the latest at 3.00 p.m. (CET) the day before the Annual General Meeting**.

NB: If you hold bearer shares you must attach to your proxy/postal voting form the above-described share ownership certificate issued by your authorized intermediary.

IF YOU WISH TO CAST A POSTAL VOTE

If you wish to cast a postal vote you should fill out the attached proxy/postal voting form as follows:

- check box B in the upper section of the form;
- check the box “I vote by post”;
- complete the postal voting section in accordance with the instructions on the form;
- date and sign the form in the section at the bottom;
- send the form in the enclosed prepaid envelope or by letter addressed to BNP Paribas Securities Services, CTS Assemblées, Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex, France.

Duly completed and signed postal voting forms must reach BNP Paribas Securities Services at least three days before the Meeting (i.e., by **May 28, 2012**).

NB: If you hold bearer shares you must attach to your proxy/postal voting form the above-described share ownership certificate issued by your authorized intermediary.

Once you have cast a postal vote, appointed a proxy or requested an admittance card you will not be able to participate in the Meeting in another way.

How to fill out the attached proxy/postal voting form

If you plan to attend the Meeting
Check box A

If you cannot attend the Meeting
Check box B

If you hold bearer shares
Please send this form to your authorized financial intermediary

IMPORTANT - avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / Before selecting, please refer to instructions on reverse side.

A. Je désire assister à cette assemblée et demandé une carte d'admission : dater et signer au bas du formulaire / I wish to attend the shareholder's meeting and request an admission card : date and sign at the bottom of the form.

B. J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / I prefer to use the postal voting form or the proxy form as specified below.

SAFRAN
S.A. à Conseil d'Administration
Au capital de 83 405 917 €
Siège social : 2, boulevard du Général Martial Valin
75015 PARIS
562 082 909 R.C.S. PARIS

ASSEMBLÉE GÉNÉRALE MIXTE
convoquée le jeudi 31 mai 2012 à 10 heures
au CNIT, Amphithéâtre Léonard de Vinci
2, place de La Défense - 92090 PARIS LA DEFENSE

COMBINED GENERAL MEETING
to be held on Thursday, May 31, 2012, at 10:00 am
at CNIT, Amphithéâtre Léonard de Vinci
2, place de La Défense - 92090 PARIS LA DEFENSE

CADRE RÉSERVÉ À LA SOCIÉTÉ / For Company's use only

Identifiant / Account

Nombre d'actions / Number of shares

Nominatif / Registered

Porteur / Bearer

Vote simple / Single vote

Vote double / Double vote

Nombre de voix / Number of voting rights

JE VOTE PAR CORRESPONDANCE / I VOTE BY POST
Cf. au verso renvoi (2) - See reverse (2)

Je vote **OUI** à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en noirissant comme ceci ■ la case correspondante et pour lesquels je vote **NON** ou je m'abstiens.

Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en noirissant comme ceci ■ la case correspondante à mon choix.

JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE
cf. au verso renvoi (3)
I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING
See reverse (3)

JE DONNE POUVOIR A : cf. au verso renvoi (4)
I HEREBY APPOINT see reverse (4)
M., Mme ou Mlle, Raison Sociale / M; Ms or Miss, Corporate Name
Adresse / Address

ATTENTION : S'il s'agit de titres au porteur, les présentes instructions ne seront valables que si elles sont directement retournées à votre banque.
CAUTION : If it is about bearer securities, the present instructions will be valid only if they are directly returned to your bank.

Nom, Prénom, Adresse de l'actionnaire (si ces informations figurent déjà, les vérifier et les rectifier éventuellement)
- Surname, first name, address of the shareholder (if this information is already supplied, please verify and correct if necessary)
Cf. au verso renvoi (1) - See reverse (1)

Please date and sign here whatever your chosen method of voting

Please state your first name, surname and address or verify that the details are correct

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée / In case amendments or new resolutions are proposed during the meeting
- Je donne pouvoir au Président de l'A.G. de voter en mon nom. / I appoint the Chairman of the general meeting to vote on my behalf
- Je m'abstiens (l'abstention équivaut à un vote contre). / I abstain from voting (is equivalent to a vote NO)
- Je donne procuration (cf. au verso renvoi 4) à M., Mme ou Mlle, Raison Sociale, pour voter en mon nom / I appoint (see reverse (4)) M; Ms or Miss, Corporate Name to vote on my behalf

Pour être prise en considération, toute formule doit parvenir au plus tard :
sur 1^{ère} convocation / on 1st notification sur 2^{ème} convocation / on 2nd notification
28/05/2012 / May 28, 2012
à / to BNP PARIBAS SECURITIES SERVICES, CTS Assemblées, Grands Moulins de Pantin - 93761 PANTIN Cedex

If you wish to cast a postal vote
Check this box and follow the instructions

If you wish to give proxy to the Chairman of the Meeting
Check this box

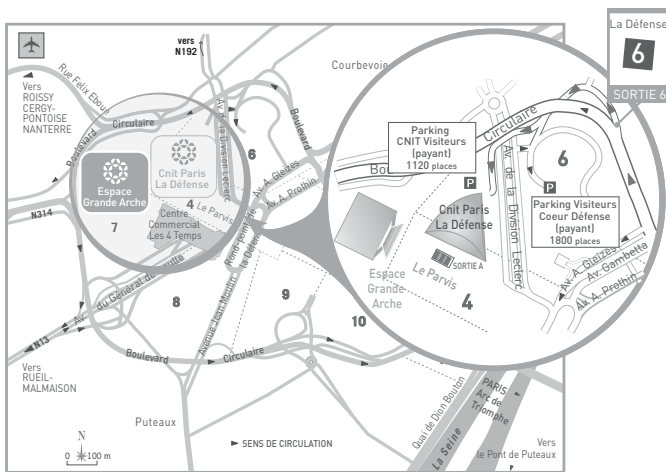
If you wish to appoint a proxy
Check this box and state the name and address of your representative

For any further information please contact:
SAFRAN – Investor relations
2, boulevard du Général Martial Valin – 75724 Paris Cedex 15, France
Toll-free number (France only): 0 800 17 17 17 – Fax: +33 (0)1 40 60 84 36
www.safran-group.com – Finance section



How to get to the Annual General Meeting

CNIT de Paris-La Défense
Amphithéâtre Léonard de Vinci – Porte A – Niveau D
2, place de la Défense – 92090 Paris-La Défense
Tel: +33 (0)1 46 92 19 28



BY ROAD

From Paris and the Boulevard Périphérique (ring road):

- Exit at Porte Maillot, follow signs to La Défense
- From La Défense, follow Boulevard Circulaire
- Exit at La Défense 6 then follow the signs to the parking lot "Parking Visiteurs ou Exposants CNIT"



BY PUBLIC TRANSPORT

Station: "La Défense Grande Arche":

- (M) Metro:** Line 1 (Château-de-Vincennes/La Défense – Grande-Arche)
- (RER) RER A** (Boissy-Saint-Léger/Marne-la-Vallée – Poissy/Cergy)
- (T) Tramway T2** (Porte-de-Versailles/La Défense)

(SNCF) By train:

SNCF (Paris Saint-Lazare/Saint-Nom-la-Bretèche or Versailles-RD/Saint-Quentin-en-Yvelines/La Verrière)

(BUS) Bus

- from Paris (No. 73 La Défense/Musée d'Orsay)
- from western Paris (141, 144, 159, 258, 262, 272, 275, 278, 360, 378)
- from northern Paris (161,174,178)

From the rail station, follow Exit E "CNIT"



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Agenda

ORDINARY RESOLUTIONS

- First resolution:** Approval of the parent company financial statements for the year ended December 31, 2011 – Discharge given to the members of the Board of Directors for the performance of their duties
- Second resolution:** Approval of the consolidated financial statements for the year ended December 31, 2011
- Third resolution:** Appropriation of profit for the year and approval of the recommended dividend
- Fourth resolution:** Approval of related-party agreements governed by article L.225-38 of the French Commercial Code (*Code de commerce*)
- Fifth resolution:** Approval of a related-party commitment (governed by article L.225-42-1 paragraph 1 of the French Commercial Code) given to the Chairman and Chief Executive Officer concerning a termination benefit payable in the event he is removed from office
- Sixth resolution:** Approval of related-party commitments (governed by article L.225-42-1 of the French Commercial Code) given to the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers relating to pension and personal risk insurance plans
- Seventh resolution:** Setting the amount of attendance fees to be allocated to the Board of Directors
- Eighth resolution:** Authorization for the Board of Directors to implement a share buyback program

EXTRAORDINARY RESOLUTIONS

- Ninth resolution:** Authorization for the Board of Directors to reduce the Company's capital by canceling treasury shares
- Tenth resolution:** Authorization for the Board of Directors to issue free stock warrants in the event of a tender offer for the Company
- Eleventh resolution:** Authorization for the Board of Directors to increase the share capital through the issue of shares of common stock reserved for employees who are members of the Safran Group employee savings plan (employee rights issues)

POWERS

- Twelfth resolution:** Powers to carry out formalities



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Proposed resolutions presented at the Annual General Meeting

ORDINARY RESOLUTIONS

APPROVAL OF THE PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

Presentation of the first and second resolutions

In the first and second resolutions shareholders are invited to (i) approve the parent company and consolidated financial statements for the year ended December 31, 2011 as well as the expenses incurred during the year that are not deductible for tax purposes, and (ii) give discharge to the members of the Board of Directors for the performance of their duties during 2011.

- The parent company financial statements show that the Company ended 2011 with profit of €352.9 million compared with €497.1 million in 2010.
- The consolidated financial statements show attributable profit for the year amounting to €478 million (€1.18 per share) versus €207 million (€0.51 per share) in 2010.

Text of the first resolution

Approval of the parent company financial statements for the year ended December 31, 2011 – Discharge given to the members of the Board of Directors for the performance of their duties

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings and having considered the Management Report prepared by the Board of Directors and the report of the statutory auditors on the parent company financial statements, the shareholders approve the financial statements of the parent company for the year ended December 31, 2011 as presented – showing profit for the year of €352,862,622.20 – together with the transactions reflected in these financial statements and referred to in these reports.

Pursuant to article 223 *quater* of the French Tax Code (*Code général des impôts*), the shareholders approve the non-deductible expenses governed by article 39-4 of said Code, which totaled €119,540.34 and gave rise to a tax charge of €43,154.06.

Consequently, the shareholders give discharge to the members of the Board of Directors for the performance of their management duties during from April 21 to December 31, 2011.

Text of the second resolution

Approval of the consolidated financial statements for the year ended December 31, 2011

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings and having considered the Management Report prepared by the Board of Directors and the report of the statutory auditors on the consolidated financial statements, the shareholders approve the consolidated financial statements for the year ended December 31, 2011 as presented, together with the transactions reflected in these financial statements and referred to in these reports.

Proposed resolutions presented at the Annual General Meeting

ORDINARY RESOLUTIONS

APPROPRIATION OF PROFIT FOR THE YEAR AND APPROVAL OF THE RECOMMENDED DIVIDEND

Presentation of the third resolution

Safran SA's distributable profit for 2011 totals €359.4 million, breaking down as €352.9 million in profit for the year plus €6.5 million in retained earnings brought forward from prior years.

The Board of Directors is recommending a total dividend payout of €258 million, representing a per-share dividend of €0.62, up 24% on 2010. An interim dividend of €0.25 per share was paid on December 22, 2011 with the ex-dividend date having been set as December 19, 2011. If the third resolution is approved, the ex-dividend date for the balance of the 2011 dividend – corresponding to €0.37 per share – will be set as June 5, 2011 and the dividend payment will be made on June 8, 2012.

Out of the remaining amount of profit available for distribution, €100 million would be allocated to an optional reserve and the residual €0.8 million to the retained earnings account.

Text of the third resolution

Appropriation of profit for the year and approval of the recommended dividend

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, the shareholders approve the Board of Directors' proposal and resolve to appropriate profit for the year ended December 31, 2011 as follows:

• Profit for 2011	€352,862,622.20
• Retained earnings ⁽¹⁾	€6,489,489.56
• Profit available for distribution	€359,352,111.76
Appropriation:	
• Dividend	€258,558,342.70
• Optional reserves	€100,000,000.00
• Retained earnings	€793,769.06

(1) Including €5,347,130.50 corresponding to the 2010 dividend due on shares held in treasury at the dividend payment date.

Based on the above appropriation the per-share dividend will amount to €0.62.

An interim dividend of €0.25 per share was paid on December 22, 2011 with the ex-dividend date having been set as December 19, 2011. The ex-dividend date for the remaining payout of €0.37 per share will be June 5, 2012 and the dividend will be paid on June 8, 2012.

Individuals domiciled for tax purposes in France are eligible for the 40% tax relief on the dividend (including the interim dividend already paid), as provided for under article 158.3.2 of the French Tax Code, unless they have elected to pay the 21% dividend withholding tax provided for under article 117 *quater* of said Code.

The shareholders further resolve that shares held in treasury at the dividend payment date will not carry dividend rights and the amounts corresponding to the dividends on these shares will be credited to retained earnings.

The shareholders note that dividends paid for the past three years were as follows:

Year	Number of shares carrying dividend rights ⁽¹⁾	Net dividend per share	Total payout ⁽³⁾
2010	406,335,324	€0.50	€203,167,662
2009	402,833,124	€0.38	€153,076,587
2008	402,443,027 ⁽²⁾	€0.25	€100,610,161

(1) Total number of shares making up the Company's capital (417,029,585) less the number of Safran shares held in treasury at the dividend payment date.

(2) An interim dividend (€0.08) was paid on 402,435,575 shares and the final dividend (€0.17) was paid on 402,443,027 shares.

(3) Fully eligible for the 40% tax relief provided for under article 158.3.2 of the French Tax Code.

APPROVAL OF RELATED-PARTY AGREEMENTS AND COMMITMENTS

Presentation of the fourth, fifth and sixth resolutions

The purpose of the fourth, fifth and sixth resolutions is to obtain shareholder approval for the related-party agreements and commitments entered into in 2011 as described in the statutory auditors' special report.

Fourth resolution

Related-party agreements governed by articles L.225-86 and L.225-38 of the French Commercial Code

These agreements include agreements – other than those falling within the scope of routine operations – that are entered into between the Company and (i) any companies with which it has a member of management in common, or (ii) a shareholder owning more than 10% of the Company's voting rights. Until April 21, 2011, these agreements required the prior approval of the Supervisory Board. Since that date, following the change in the Company's governance structure, they now require the prior approval of the Board of Directors. In addition the Statutory Auditors are required to draw up a special report on these types of related-party agreement.

Six new agreements subject to this procedure were entered into in 2011.

Acquisition by Safran from SNPE of SNPE Matériaux Énergétiques (SME) and a 40% stake in Regulus

The members of the Supervisory Board representing the French State (Pierre Aubouin and Christophe Burg – who also represent the French State as members of the Board of Directors of SNPE – as well as Patrick Gandil and Jean-Bernard Pène) did not take part in the Supervisory Board's discussions or vote on these agreements.

Following the signature of a letter of intent dated October 5, 2010:

- On February 14, 2011 Safran and SNPE entered into a share transfer agreement concerning the sale of 15,899,999 shares in SME (representing the company's entire share capital less one share held by the French State) and 15,998 shares in Regulus, representing 40% of that company's capital.
- On April 5, 2011 Safran and SNPE entered into a reiterative agreement setting out the main provisions of the share transfer agreement, exclusively for the purposes of carrying out the required formalities for the sales concerned and the payment of the related transfer taxes.

Both of these agreements were signed using the authorization given to the Executive Board by the Supervisory Board on July 27, 2010.

Under the terms of the share transfer agreement, SNPE granted Safran a specific guarantee for a period of 30 to 40 years concerning environmental liabilities arising from past operations at eight sites. This guarantee is capped at €240 million for 15 years and at €200 million thereafter, with Safran required to bear 10% of the costs concerned. The agreement also provides for sub-limits within this specific guarantee, representing €91 million for clean-up works during operations and €40 million for pollution resulting from the use of ammonium and sodium perchlorates, which is to be managed within the framework of the Perchlorate Plan. In connection with these sub-limits Safran will be required to bear 10% of the costs of clean-up works and 50% of the Perchlorate Plan costs. This Plan must be drawn up jointly by Safran and SNPE within 18 months of the acquisition date. Its underlying aim is to define, reduce and/or confine sources of ammonium perchlorate pollution and it must be implemented over a period of five years. These guarantees granted by SNPE to Safran are counter-guaranteed by the French State for €216 million.

The share transfer agreement also provides for other guarantees granted by SNPE which are capped at €25 million and have time limits of 3 to 10 years depending on the type of guarantee concerned.

Amendment no. 1 to the three-way agreement in lieu of a "golden share" entered into by Sagem SA, Snecma and the French state on December 21, 2004

The members of the Supervisory Board representing the French State (Pierre Aubouin and Christophe Burg – who also represent the French State as members of the Board of Directors of SNPE – as well as Patrick Gandil and Jean-Bernard Pène) did not take part in the Supervisory Board's discussions or vote on this amendment.

Following Safran's acquisition of (i) the entire interest owned by SNPE in SNPE Matériaux Énergétiques (subsequently renamed SME), except for one share held by the French State, and (ii) a 40% stake in Regulus, the French State's contractual rights concerning the protection of national interests as provided for in the December 21, 2004 agreement were extended by way of an amendment to said agreement (Amendment no. 1). This extension covers Safran's newly-acquired 40% interest in Regulus as well as a number of strategic assets held by Roxel France, in which SME holds an indirect 50% stake (mainly corresponding to propellant chambers for statoreactor located on the national territory and owned by Roxel France, and limited to the rights Safran holds pertaining to its indirect 50% interest in Roxel France).

The signature of this amendment was authorized by the Supervisory Board on March 30, 2011. It was signed on March 31, 2011 and entered into force on April 5, 2011.

Amendment no. 2 to the three-way agreement in lieu of a "golden share" entered into by Sagem SA, Snecma and the French State on December 21, 2004

The members of the Board of Directors representing the French State (Pierre Aubouin and Christophe Burg – who also represent the French State as members of the Board of Directors of SNPE – as well as Michèle Rousseau and Laure Reinhart) did not take part in the Board of Directors' discussions or vote on this amendment.

Following its April 21, 2011 Annual General Meeting, Safran changed its corporate governance structure from a two-tier system with an Executive Board and a Supervisory Board to a single-tier system with a Board of Directors. The provisions of the December 21, 2004 agreement were consequently amended for the sole purpose of harmonization with Safran's new governance structure.

Proposed resolutions presented at the Annual General Meeting

ORDINARY RESOLUTIONS

The signature of this amendment was authorized by the Board of Directors on May 26, 2011. It was signed on June 29, 2011 and entered into force on the same date.

Amendment no. 3 to the three-way agreement in lieu of a “golden share” entered into by Sagem SA, Snecma and the French State on December 21, 2004

The members of the Board of Directors representing the French State (Astrid Milsan and Christophe Burg – who also represent the French State as members of the Board of Directors of SNPE – as well as Michèle Rousseau and Laure Reinhart) did not take part in the Board of Directors’ discussions or vote on this amendment.

Following its acquisition of all of the shares in SME (except for one share held by the French State) Safran intends to merge SPS into SME.

Consequently, it was deemed necessary to add SME to the list of strategic subsidiaries whose shares and assets are protected by the December 21, 2004 three-way agreement. SME was formally added to this list by way of Amendment no. 3 to the agreement.

The signature of this amendment was authorized by the Board of Directors on December 15, 2011. It was signed on December 16, 2011 and entered into force on the same date.

Agreement concerning a syndicated credit line entered into with a group of seven banks, including Crédit Industriel et Commercial (Crédit Mutuel-CIC group)

Michel Lucas – who is a Director of Safran and the Chairman and CEO of CIC – did not take part in the Board of Directors’ discussion or vote on this agreement.

This agreement was authorized by the Board of Directors on October 20, 2011 and signed on October 21, 2011.

It concerns a €950 million five-year revolving credit facility maturing in October 2016 granted by (i) Bank of Tokyo-Mitsubishi, CIC, Natixis and Société Générale CIB in their capacity as bookrunners and lead arrangers, (ii) BNP Paribas, Crédit Agricole CIB and HSBC France in their capacity as lead arrangers, and (iii) Crédit Agricole CIB in its capacity as facility agent.

This new credit facility – which will be used for the Group’s general financing requirements – is an addition to the existing €1.6 billion facility put in place in 2010.

The expense recorded in the 2011 financial statements related to the new facility amounted to €4,815,000, corresponding to arrangement, participation and documentation agent fees which are payable on signature of the related contract, as well as the agent’s annual commission.

Commitments governed by article L.225-42-1 of the French Commercial Code

Under French law, certain commitments given by the Company – or by companies that it controls – to the Chairman, Chief Executive Officer(s) or Deputy Chief Executive Officer(s) are subject to the procedure applicable for related-party agreements. Such commitments include commitments given in relation to (i) benefits due or payable as a result of the termination or a change in position, (ii) supplementary pension benefits, and (iii) collective and compulsory retirement and personal risk insurance plans, as referred to in article L.242-1 of the French Social Security Code (*Code de la sécurité sociale*).

Several new commitments subject to this procedure have been given as a result of the change in the Company’s governance structure in 2011.

Fifth resolution

Commitment given to Jean-Paul Herteman, Chairman and Chief Executive Officer, concerning a termination benefit payable in the event that he is removed from office by the Board of Directors

According to the Board of Directors decision of April 21, 2011, in the case of early termination of the term of office of Jean-Paul Herteman as Chairman and Chief Executive Officer, for any reason whatsoever, save serious or gross misconduct (including the consequences of a merger with another company or absorption by another company, a health incident or strategic differences with the other Board members), he will be entitled to a termination payment equal to two years of fixed and variable compensation.

The reference compensation will be equal to the average fixed and variable compensation received during the three years preceding his termination.

This payment will be made only if the variable compensation received over the three fiscal years preceding his termination is equal to or higher than 80% of the target variable compensation.

Otherwise, the amount of the termination payment will be reduced or eliminated as decided by the Board of Directors.

Sixth resolution

Related-party commitment given to Jean-Paul Herteman, Chairman and Chief Executive Officer

Supplementary pension benefits: At its meeting on April 21, 2011, the Board of Directors decided that if a supplementary pension plan were put in place for all of the Group’s senior managers, the Chairman and Chief Executive Officer would be eligible to participate in the plan provided the applicable performance conditions are met, which are the same as those that apply to his termination benefit.

Continuation of personal risk insurance benefits for the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers

In their former capacity as employees, the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers were previously members of the personal risk insurance plan set up for all Safran Group employees.

At its meeting of July 27, 2011 the Board of Directors decided to authorize Jean-Paul Herteman, Chairman and Chief Executive Officer, and Dominique-Jean Chertier, Ross McInnes and Marc Ventre, Deputy Chief Executive Officers, to continue to be covered by this plan. The contributions and benefits are based on the compensation (fixed and variable) that they receive for their role as Chief Executive Officer and Deputy Chief Executive Officer.

Continuation of supplementary pension benefits for the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers

In their former capacity as employees, the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers were previously members of the defined contribution supplementary pension plans set up for the Company's executives.

At its meeting of July 27, 2011 the Board of Directors decided to authorize Jean-Paul Herteman, Chairman and Chief Executive Officer, and Dominique-Jean Chertier, Ross McInnes and Marc Ventre, Deputy Chief Executive Officers, to continue to be covered by these supplementary pension plans. The contributions and benefits are based on the compensation (fixed and variable) that they receive for their role as Chief Executive Officer and Deputy Chief Executive Officer.

Text of the fourth resolution

Approval of related-party agreements governed by article L.225-38 of the French Commercial Code

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Statutory Auditors' special report on related-party agreements governed by article L.225-38 of the French Commercial Code (*Code de commerce*), the shareholders approve the new agreements entered into in 2011 as presented in this report.

Text of the fifth resolution

Approval of a related-party commitment (governed by article L.225-42-1 of the French Commercial Code) given to the Chairman and Chief Executive Officer concerning a termination benefit payable in the event he is removed from office

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Statutory Auditors' special report on related-party commitments governed by article L.225-42-1 of the French Commercial Code, the shareholders approve the commitment described therein concerning a termination benefit payable to Jean-Paul Herteman in the event he is removed from office.

Text of the sixth resolution

Approval of related-party commitments (governed by article L.225-42-1 of the French Commercial Code) given to the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers relating to pension and personal risk insurance plans

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Statutory Auditors' special report on commitments governed by article L.225-42-1 of the French Commercial Code, the shareholders approve the commitments described therein given to (i) the Chairman and Chief Executive Officer, concerning supplementary pension benefits and (ii) the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers, concerning their continued membership of defined contribution supplementary pension plans and a personal risk insurance plan.

SETTING THE AMOUNT OF ATTENDANCE FEES TO BE ALLOCATED TO THE BOARD OF DIRECTORS

Presentation of the seventh resolution

In the seventh resolution shareholders are invited to set the total maximum amount of attendance fees to be allocated to members of the Board of Directors at €670,000.

Proposed resolutions presented at the Annual General Meeting

ORDINARY RESOLUTIONS

Text of the seventh resolution

Setting the amount of attendance fees to be allocated to the Board of Directors

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the report of the Board of Directors, the shareholders set the total maximum amount of attendance fees to be allocated to members of the Board of Directors for 2012 at €670,000.

AUTHORIZATION FOR THE BOARD OF DIRECTORS TO IMPLEMENT A SHARE BUYBACK PROGRAM

Presentation of the eighth resolution

The purpose of the eighth resolution is for shareholders to authorize the Board of Directors to implement a share buyback program with the following main conditions:

- The number of shares that may be bought back may not exceed 10% of the Company's total outstanding shares (e.g., 41,702,958 shares based on the issued capital at December 31, 2011) and the Company may at no time directly or indirectly hold a number of Safran shares representing more than 10% of the Company's share capital.
- The shares may be purchased, sold or transferred at any time (including during a public tender offer for the Company's shares) and by any authorized method, including through block trades or the use of derivatives, subject to the limitations set down in the applicable laws and regulations.
- The per-share purchase price of shares acquired using this authorization may not exceed €35 and the maximum amount that may be invested in the program is €1.4 billion.

The buyback program would be used for the purposes authorized in the applicable regulations, notably to purchase shares:

- for allocation or sale to employees or corporate officers, notably in connection with a profit-sharing plan, free share grant plan or employee stock ownership plan;
- for cancelation;
- to maintain a liquid market in the Company's shares via a liquidity contract entered into with an investments services firm;
- to deliver shares in connection with the exercise of rights attached to securities that give access to the Company's capital by reimbursement, conversion, exchange, presentation of a warrant or by any other means;
- for delivery as payment or exchange for external growth transactions.

This authorization would be given for a period of 18 months as from the date of the Annual General Meeting and would supersede the previous authorization granted for the same purpose in the twenty-second resolution of the April 21, 2011 Annual General Meeting.

Report on the utilization in 2011 of previous share buyback programs authorized at the Annual General Meetings of May 27, 2010 and April 21, 2011

In 2011, the aggregate number of shares purchased under the liquidity contracts entered into successively with Rothschild & Cie Banque and Kepler Capital Market amounted to 3,732,645.

During the year, the Company also purchased 2,430,825 Safran shares from its indirectly wholly-owned subsidiaries Lexvall 13 and Lexvall 2 at a unit price of €21.745.

The total number of shares sold under these liquidity contracts amounted to 3,426,916.

In addition, 6,500,000 treasury shares (representing 1.56% of the Company's capital) were sold on the market at a unit price of €29 through an accelerated placement in accordance with a placement agreement.

No treasury shares purchased under a buyback program were canceled in 2011.

At December 31, 2011, the Company directly held 6,930,515 Safran shares, representing 1.66% of its share capital.

These treasury shares were held for the following purposes:

- allocating or selling to employees or corporate officers: 6,624,786 shares;
- maintaining a liquid market in Safran's shares under a liquidity contract: 305,729 shares.

At the same date, Safran also indirectly held, through the intermediary of its indirectly wholly-owned subsidiary Lexvall 2, 828,282 shares representing 0.20% of the Company's capital.

Text of the eighth resolution

Authorization for the Board of Directors to implement a share buyback program

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the report of the Board of Directors, the shareholders grant the Board of Directors an authorization – which may be delegated pursuant to the law – to purchase, directly or indirectly, the Company's shares in accordance with the conditions set out in articles L.225-209 *et seq.* of the French Commercial Code, EC Regulation 2273/2003 dated December 22, 2003, the General Regulations of the French financial market authority (*Autorité des Marchés Financiers* – AMF), as well as any other laws and regulations that may be applicable in the future.

The authorization may be used to purchase shares:

- for allocation or sale to employees or officers of the Company or of other Group companies, in accordance with the law, notably in connection with a profit-sharing plan, free share grant plan, stock option plan or employee stock ownership plan;
- for cancellation subject to the approval of the ninth resolution below;
- to maintain a liquid market in the Company's shares via a liquidity contract that complies with the code of ethics drawn up by the French Association of Financial and Investment Firms (*Association Française des Marchés Financiers* – AMAFI) approved by the AMF, entered into with an investments services firm;
- to deliver shares in connection with the exercise of rights attached to securities that give access to the Company's capital by reimbursement, conversion, exchange, presentation of a warrant or by any other means; and
- to hold shares in treasury for subsequent delivery as payment or exchange for external growth transactions.

Shares may be purchased, sold, or transferred by any method allowed under the laws and regulations applicable at the transaction date, on one or more occasions, including over-the-counter and through a block trade for all or part of the program, as well as through the use of derivative financial instruments.

The Board of Directors may use this authorization at any time subject to the limitations set down by the applicable regulations, including during a tender offer for the Company's shares, subject to strict compliance with article 232-15 of the AMF's General Regulations, and solely for the purpose of enabling the Company to respect commitments made prior to the launch of such tender offer.

The number of shares that may be bought back under this authorization may not exceed 10% of the Company's total shares (e.g., 41,702,958 shares based on the issued capital at December 31, 2011). This ceiling is reduced to 5% for shares acquired for the purpose of being held in treasury for subsequent delivery as payment or exchange for external growth transactions. When shares are bought back for the purpose of maintaining a liquid market in the Company's shares under a liquidity contract, the number of shares included for the calculation of the 10% ceiling corresponds to the number of shares purchased less any shares sold during the authorization period.

Under no circumstances may the use of this authorization have the effect of increasing the number of Safran shares held by the Company, either directly or indirectly, to more than 10% of its share capital.

The shares may not be purchased at a price of more than €35 per share and the maximum amount that may be invested in the program is €1.4 billion. The Board of Directors may adjust the maximum purchase price to reflect the impact on the share price of any share capital transactions carried out by the Company.

The shareholders give the Board of Directors full powers – which may be delegated in accordance with the law – to implement this share buyback program, to set the applicable terms and conditions, make the required adjustments as a result of any share capital transactions, place any and all buy and sell orders, enter into any and all agreements notably for the keeping of registers of share purchases and sales, make any and all filings with the AMF and any other organization, carry out all other formalities, and generally do everything necessary to use this authorization.

This authorization is given for a period of 18 months from the date of this Meeting.

It supersedes the authorization given to the Board of Directors for the same purpose in the twenty-second resolution of the Annual General Meeting held on April 21, 2011.

EXTRAORDINARY RESOLUTIONS

FINANCIAL AUTHORIZATIONS

Presentation of the ninth and tenth resolutions

Certain of the financial authorizations given to the Board of Directors at the April 21, 2011 Annual General Meeting – which were not used in 2011 – are due to expire shortly. Shareholders are therefore being asked to renew the authorizations that were granted for a period of less than twenty-six months.

Ninth resolution

Authorization for the Board of Directors to reduce the Company's capital by canceling treasury shares

In the ninth resolution the Board of Directors is seeking an authorization to reduce the Company's capital by canceling all or some of the treasury shares purchased under share buyback programs previously authorized by shareholders as well as the new program proposed in the eighth resolution.

In compliance with the applicable law, the number of shares canceled in any 24-month period would not be able to exceed 10% of the Company's capital.

This authorization would be given for a period of 24 months and would supersede the unused authorization given for the same purpose in the thirty-fifth resolution of the Annual General Meeting held on April 21, 2011.

Tenth resolution

Authorization for the Board of Directors to issue free stock warrants in the event of a tender offer for the Company

The purpose of the tenth resolution is to authorize the Board of Directors to issue free stock warrants in the event that a tender offer for the Company is filed within the 18 months following the Annual General Meeting. This authorization would only be used if the entity launching the offer is not itself required to obtain approval from its own shareholders to take defensive measures during an offer period, or is controlled by an entity that is not subject to such a requirement (the reciprocity rule).

The ability to issue stock warrants if a tender offer is launched for the Company's shares is not aimed at attempting to thwart a hostile bid and would be in the interests of both the Company and its shareholders. Such an authorization (i) constitutes a mechanism for ensuring the best valuation of the Company in the event of a tender offer as it would incite the bidder to increase its offer price if it were deemed too low, and (ii) would only be used by the Board of Directors in the event of an offer that is considered to be against the interests of the Company and its shareholders.

Any issue of stock warrants using this authorization would be carried out in accordance with the strict terms and conditions applicable to such issues set down in the French Commercial Code and the AMF's General Regulations.

The Board of Directors would be able to request any independent expert of its choosing to assist it with assessing any such offer and with determining whether or not the reciprocity rule applies.

If the Board uses this authorization to issue stock warrants it will be required to report to shareholders at the time of the issue on (i) the circumstances and reasons underlying why it does not consider the offer as being in the interests of the Company and its shareholders and which justify its decision to carry out an issue of stock warrants, and (ii) the criteria and methods used for determining the exercise price of the warrants.

The maximum number of stock warrants issued would not be able to exceed the number of shares making up the Company's capital at the warrant issue date and the maximum nominal amount of any capital increase resulting from their exercise would be set at €40 million, i.e., approximately 48% of the Company's share capital. This ceiling would apply independently of any other ceiling relating to issues of shares or securities carrying rights to shares in the Company.

This authorization could only be used by the Board of Directors in the event that a tender offer for the Company is launched within 18 months of the date of the Annual General Meeting.

It would supersede the previous authorization granted for the same purpose in the thirty-sixth resolution of the April 21, 2011 Annual General Meeting.

Text of the ninth resolution

Authorization for the Board of Directors to reduce the Company's capital by canceling treasury shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the statutory auditors' special report, in accordance with article L.225-209 of the French Commercial Code, the shareholders:

1. authorize the Board of Directors to reduce the Company's capital on one or more occasions, in the proportions and at the times it deems appropriate, by canceling all or some of the treasury shares held by the Company as a result of implementing a share buyback program. The number of treasury shares that may be canceled within any 24 month period may not exceed 10% of the Company's capital. This 10% ceiling shall apply to the amount of the Company's capital as adjusted, where applicable, to take into consideration any capital transactions that may be carried out after this Annual General Meeting;
2. resolve that the Board of Directors will have full powers – which may be delegated in accordance with the law – to implement this resolution and in particular to:
 - set the definitive amount of the capital reduction(s),
 - set the terms and conditions of the capital reduction(s) and to carry them out,
 - charge the difference between the carrying amount of the canceled shares and their par value against any available reserves and additional paid-in capital accounts,
 - place on record the completion of the capital reduction(s) and amend the Company's bylaws accordingly; and
 - carry out any formalities and other measures and generally do everything necessary to complete the capital reduction(s).

This authorization is given for a period of 24 months from the date of this Meeting.

It supersedes, as of that date, the authorization given to the Board of Directors for the same purpose in the thirty-fifth resolution of the Annual General Meeting held on April 21, 2011.

Text of the tenth resolution

Authorization for the Board of Directors to issue free stock warrants in the event of a tender offer for the Company

Deliberating in extraordinary session and in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with articles L.233-32-II and L.233-33 of the French Commercial Code, the shareholders:

1. authorize the Board of Directors to decide in the event of a tender offer for the Company to:
 - issue, on one or several occasions, warrants entitling their holders to subscribe for one or more shares of the Company under preferential conditions, with the possibility of deferring the exercise thereof or waiving the right thereto. The amounts and timing of such warrant issues shall be determined at the Board's discretion,
 - grant such warrants free of consideration to all of the Company's shareholders who have such capacity before the expiration of the tender offer period,
 - determine the exercise terms and conditions of the warrants as well as their features, such as their exercise price, and generally to set all of the terms and conditions of any issue of stock warrants made pursuant to this resolution;
2. resolve that the total nominal amount of any capital increase resulting from the exercise of these warrants may not exceed €40 million. This ceiling (i) is set independently of any other ceiling relating to issues of shares or securities carrying rights to shares in the Company authorized at the April 21, 2011 Annual General Meeting, and (ii) does not include the par value of any Safran shares to be issued, where applicable, in respect of adjustments made to protect the rights of holders of securities carrying rights to the Company's shares, in accordance with the law and any applicable contractual provisions;
3. resolve that the maximum number of stock warrants that may be issued may not in any circumstances exceed the number of shares making up the Company's capital at the time of issue of the warrants;
4. resolve that this authorization may only be used in the event of a tender offer for the Company and that these stock warrants will automatically lapse as soon as the tender offer and any potential rival offer fail, lapse or are withdrawn;
5. resolve that if the Board of Directors uses this authorization it shall report to the shareholders at the time of issue of the warrants on:
 - the circumstances and reasons for which it considers that the offer is not in the interests of the Company and its shareholders and which justify the issue of such warrants;
 - the criteria and methods used for determining the exercise price of the warrants;
6. resolve that the Board of Directors will have full powers – which may be delegated in accordance with the law – to use this authorization under the conditions provided for by law.

Proposed resolutions presented at the Annual General Meeting

EXTRAORDINARY RESOLUTIONS

This authorization is given to the Board of Directors for a term expiring at the end of the offer period in respect of any tender offer for the Company filed within 18 months of this Meeting.

It supersedes the authorization given to the Board of Directors for the same purpose in the thirty-sixth resolution of the Annual General Meeting held on April 21, 2011.

Presentation of the eleventh resolution

Authorization for the Board of Directors to increase the share capital through the issue of shares of common stock reserved for employees who are members of the Safran Group employee savings plan (employee rights issues)

In the eleventh resolution shareholders are invited to renew for a period of 26 months, the authorization granted to the Board of Directors to offer the possibility of acquiring shares to employees who are members of a company savings plan set up within the Group. The purpose of such rights issues is to involve employees more closely in the Group's development. This resolution is being submitted in accordance with paragraph 1 of article L.225-129 6 of the French Commercial Code which states that shareholders must vote on a resolution relating to employee rights issues when they approve resolutions to issue shares for cash.

If this authorization is approved it will necessarily entail the waiver of existing shareholders' pre-emptive rights to subscribe for the shares covered by the employee rights issue(s) concerned.

The maximum nominal amount of any capital increase(s) under this authorization may not represent over 1.5% of the Company's capital and this amount would be included in the blanket ceiling applicable to capital increases set in the thirty-third resolution of the Annual General Meeting held on April 21, 2011.

In accordance with article L.3332-19 of the French Labor Code, the purchase price of the shares offered to employees may not be lower than the average of the closing prices quoted for the Company's shares over the twenty trading days preceding the Board of Directors' decision setting the opening date for the subscription period, less the maximum discount provided by law at the date of the Board's decision.

This authorization would supersede, as from the date of this Meeting, the authorization granted to the Board of Directors for the same purpose in the thirty-first resolution of the Annual General Meeting held on April 21, 2011.

Text of the eleventh resolution

Authorization for the Board of Directors to increase the share capital through the issue of shares of common stock reserved for employees who are members of the Safran Group employee savings plan (employee rights issues)

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the report of the Board of Directors and the Statutory Auditors' special report, in accordance with the provisions articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code, and articles L.3332-18 *et seq.* of the French Labor Code (*Code du travail*), the shareholders:

1. grant the Board of Directors an authorization – which may be delegated in accordance with the law – to increase the Company's capital, on one or more occasions, by issuing ordinary shares of the Company to employees of the Company and of any French or foreign companies affiliated with it within the meaning of article L.225-180 of the French Commercial Code, who are members of the Group employee savings plan or any company employee savings plan in place within the Safran Group. The amounts and timing of such transactions shall be determined at the Board's discretion;
2. resolve that the maximum nominal amount of any capital increase(s) carried out under this authorization may not represent over 1.5% of the Company's capital at the date of the Board of Directors' decision to carry out the issue. This ceiling shall be included in the blanket ceiling applicable to capital increases set in paragraph 2 of the thirty-third resolution of the Annual General Meeting held on April 21, 2011;
3. resolve that the purchase price of the shares offered to employees under this authorization may not be lower than the average of the closing prices quoted for the Company's shares over the twenty trading days preceding the Board of Directors' decision setting the opening date for the subscription period, less the maximum discount provided by law at the date of the Board's decision;
4. note that this authorization automatically entails the waiver by existing shareholders of their pre-emptive right to subscribe for the shares offered to employees under the rights issue(s).

The shareholders give the Board of Directors full powers – which may be delegated in accordance with the law – to use this authorization, and in particular to (i) set the terms and conditions of the capital increase(s); (ii) draw up the list of companies whose employees will be eligible to benefit from the share issue; (iii) set the conditions, particularly in terms of length of service, that the beneficiaries will have to meet in order to subscribe, on an individual basis or through an investment fund, for the shares issued pursuant to this authorization; (iv) set the dates and terms and conditions of the share issues; (v) set the opening and closing dates of the subscription periods; (vi) determine the price and date when the shares issued will grant entitlement to dividend and other rights; (vii) determine the method by which the shares will be paid up; (viii) charge the issuance costs against the related premium and deduct from the premium the amounts necessary to raise the legal reserve to the required level; and more generally, take all appropriate measures and enter into any agreements to complete the proposed share issue(s) successfully, place on record the completion of the capital increase(s), amend the Company's bylaws accordingly and carry out all the formalities required for the admission to trading of the shares issued.

This authorization is given for a period of twenty-six months from the date of this Meeting.

It supersedes, as of that date, the authorization granted to the Board of Directors for the same purpose in the thirty-first resolution of the Annual General Meeting held on April 21, 2011.

POWERS

POWERS TO CARRY OUT FORMALITIES

Presentation of the twelfth resolution

The twelfth resolution concerns the powers that are necessary to carry out the filing and other legal formalities required for the ordinary and extraordinary resolutions adopted at this Meeting.

Text of the twelfth resolution

Powers to carry out formalities

The shareholders give full powers to the bearer of an original, extract or copy of the minutes of this Meeting to carry out any and all filing, publication, declaration and other formalities required by the applicable laws and regulations.



The Safran Group in 2011

ADJUSTED 2011 KEY FIGURES

<i>(in € millions)</i>	2010	2011
Revenue	10,760	11,736
Recurring operating income	878	1,189
<i>% of revenue</i>	8.2%	10.1%
Profit from operations	865	1,160
Profit for the period attributable to owners of the parent	508	644
Earnings per share <i>(in €)</i>	1.27	1.59

Adjusted data.

Definitions

Adjusted data

To reflect the Group's actual economic performance and enable it to be monitored and benchmarked against competitors, Safran prepares an adjusted income statement alongside its consolidated financial statements.

Readers are reminded that the Safran Group:

- is the result of the May 11, 2005 merger of the Sagem and Snecma groups, accounted for in accordance with IFRS 3, Business Combinations, in its consolidated financial statements;
- recognizes, as of July 1, 2005, all changes in the fair value of its foreign currency derivatives in "Financial income (loss)", in accordance with the provisions of IAS 39 applicable to transactions not qualifying for hedge accounting.

Accordingly, Safran's consolidated income statement has been adjusted for the impact of:

- purchase price allocations with respect to business combinations. Since 2005, this adjustment concerns the amortization charged against intangible assets relating to aeronautical programs that were revalued at the time of the Sagem-Snecma merger. With effect from the 2010 interim financial statements, the Group decided to restate the impact of purchase price allocations for business combinations. In particular, this concerns the amortization of intangible assets recognized at the time of the acquisition, and amortized over extended periods due to the length of the Group's business cycles;
- the mark-to-market of foreign currency derivatives, in order to better reflect the economic substance of the Group's overall foreign currency risk hedging strategy:
 - revenue net of purchases denominated in foreign currencies is measured using the effective exchange rate for the period, i.e., including the costs of the hedging strategy, and
 - all mark-to-market changes on outstanding hedging instruments at the closing date are neutralized.

Recurring operating income

To make the Group's operating performance more transparent, Safran includes an intermediate operating indicator known as "Recurring operating income" in its reporting.

This sub-total excludes income and expenses which are largely unpredictable because of their unusual, infrequent and/or material nature, such as:

- impairment losses recognized against goodwill, impairment losses or reversals of impairment losses recognized against intangible assets relating to programs, projects or product families as a result of an event that substantially alters the economic profitability of such programs, projects or product families (e.g., negotiated sales agreements or changes in production processes);
- capital gains and losses on disposals of operations;
- other unusual and/or material items not directly related to the Group's ordinary operations.

2011 BUSINESS REVIEW

Safran demonstrated its growth potential despite the current financial and confidence crisis in Europe, delivering 35% growth in recurring operating income while also generating significant net cash from operations to support increasing investment in its businesses. The Group invested in new products and technology, expanded its growth market footprint and consolidated its worldwide leadership in the next-generation single aisle aircraft market.

New order intake during 2011 improved by 60% to €21 billion, providing evidence of robust and resilient demand. The backlog grew to €43 billion, including recent CFM56 and Leap firm orders. 2011 was a record year for CFM, Safran's partnership with General Electric, with the Leap engine making a perfect takeoff and recording more than 3,000 orders on the A320neo, B737 MAX and C919. This backlog does not include flows of non-contractual future CFM56 spares activity structurally deemed to provide significant revenue streams in future decades.

Safran's adjusted consolidated revenue for 2011 rose 9.1% year on year, or 6.3% like-for-like, to €11,736 million from €10,760 million in 2010. This €976 million increase in revenue is the result of rising original aircraft equipment volumes, improving trends for aerospace business services, continuing strength in the Defence business (optronics) and bullish momentum in Security (biometry, e-Documents).

In 2011, Safran generated adjusted recurring operating income of €1,189 million (10.1% of revenue), up 35% compared to €878 million in 2010 (8.2% of revenue). This performance was primarily driven by the Aerospace Propulsion and Aircraft Equipment businesses, which enjoyed robust growth in original equipment and upbeat trends in services, while scaling back costs.

Adjusted profit attributable to owners of the parent jumped 27% year on year to €644 million in 2011 (€1.59 per share), versus €508 million in 2010 (€1.27 per share).

The Group's financial position remained sound with net debt representing 20% of equity at December 31, 2011 at €997 million. Free cash flow totaling €532 million resulted from €1,185 million in net cash from operations and a €62 million reduction in working capital requirements, part of which has been set aside for R&D investments and capital spending. At December 31, 2011, Safran had €1.4 billion in cash and €2.6 billion in undrawn confirmed credit lines.

The Group also successfully completed several strategic moves strengthening its position: the acquisition of SNPE Matériaux Énergétiques (SME) in solid propulsion, the acquisition of L-1 Identity Solutions in biometric solutions, the partnership with Honeywell in green taxiing, and the combination of optronics capabilities with Thales for certain new-generation Defence equipment.

REVENUE AND RESULTS BY ACTIVITY

Revenue (in € millions)	2010	2011
Aerospace Propulsion	5,604	6,110
Aircraft Equipment	2,834	3,097
Defence	1,240	1,264
Security	1,041	1,249
Holding company and other	41	16
TOTAL	10,760	11,736

Recurring operating income (in € millions)	2010	2011
Aerospace Propulsion	663	909
Aircraft Equipment	127	202
Defence	55	58
Security	128	139
Holding company and other	(95)	(119)
TOTAL	878	1,189

Aerospace Propulsion

Revenue for the Aerospace Propulsion business came in at €6,110 million in 2011, up 9% (5.8% like-for-like) on 2010. Revenue growth reflects the ramp-up of service activities for CFM engines, high-thrust civil engines and helicopter turbine engines, along with the rise in original equipment deliveries.

At 1,308 units, new CFM56 engine deliveries were up by 57 units compared to 2010. After an exceptional year, orders and purchase intentions for CFM56 and Leap engines represent more than 9,400 units, or around seven years of production. Excluding the contribution of SME, aerospace propulsion and missile revenue was flat in 2011.

Over the year as a whole, service revenue accounted for 49% of total Aerospace Propulsion revenue. Worldwide sales of CFM International spare parts rose steadily over the year, climbing 8% in USD terms, buoyed by second-generation engines. In the fourth quarter of 2011, revenue from CFM International spare parts was up 14% compared to the three months to September 30 (and 3% in USD terms compared to fourth-quarter 2010).

The total number of estimated⁽¹⁾ CFM civil aircraft engine maintenance operations ("shop visits") increased to 2,329 from 2,131 in 2010.

Recurring operating income totaled €909 million in 2011 (14.9% of revenue), up 37% compared to €663 million in the same year-ago period (11.8% of revenue). This improvement results from upbeat activity in the civil aviation aftermarket and the ramp-up of recent Support-By-The-Hour maintenance contracts for helicopter engines, as well as from increased unit revenue on CFM56 engines.

Performance was also driven by the Safran+ cost-cutting program despite higher R&D costs, chiefly for Leap engines. Currency hedging had a positive impact on profitability.

SME (consolidated since April 5) contributed €202 million in revenue.

Aircraft Equipment

The Aircraft Equipment segment reported **revenue** totaling €3,097 million in 2011, up 9.3%, or 8.7% like-for-like, on 2010. Revenue gains were powered mainly by double-digit growth in nacelles, wheels and brakes, original equipment and services. Deliveries of small nacelles jumped 37%, while deliveries of nacelles for the A380 (104 units in 2011 versus 74 in 2010) also performed well. The harnessing activity put in a strong performance, driven by the ramp-up of production for all product lines.

Service revenue in 2011 advanced 8%, buoyed by civil aftermarket services, particularly concerning nacelles. However, service revenue as a proportion of total Aircraft Equipment revenue slipped to 31% from 31.3% in 2010 as a result of higher revenue growth for original equipment deliveries.

Recurring operating income came in at €202 million in 2011 (6.5% of revenue), up 59% from €127 million (4.5% of revenue) in 2010. This strong advance was driven by the expected upturn in the nacelles business, which reported a profit for the first time in many years, and by a favorable product mix and volume effect for harnesses and landing systems. The nacelles business reported a small profit, spurred by the fall in manufacturing costs for more A380 units, a pick-up in demand for small nacelles, and an upturn in services. Currency hedging had a positive impact on profitability.

(1) Shop visit numbers are estimates and may be revised in the future as airlines finalize reports.

Defence

Revenue for the Defence business came in at €1,264 million in 2011, up 1.9%, or 2.7% like-for-like, compared to 2010. The advance was mainly driven by double-digit revenue growth in the optronics business buoyed by a robust order backlog (Felin integrated equipment suites for the French Armed Forces, long-range infrared goggles for export markets).

However, this upward momentum was dampened by a slowdown in the avionics business following a fall in volumes of infrared seekers and aircraft retrofit programs.

Recurring operating income came in at €58 million (4.6% of revenue), up 5% from €55 million in 2010 (4.4% of revenue).

The optronics business performed well, aided by the favorable product mix and volume effect. The avionics business reported a fall in volumes on certain long-standing programs. Safran Electronics reached operating breakeven for the first time after absorbing its start-up costs.

Security

The Security business delivered a 20% increase in **revenue** year on year, at €1,249 million. Like-for-like, revenue advanced 9.6%, spurred by a bullish year for e-Documents, particularly in the banking and telecommunications sectors in Latin America, and by a robust performance from the identity systems business in emerging countries.

After a sluggish performance in the first nine months of the year, the detection business rallied sharply in fourth-quarter 2011 and revenue for the year moved up 3% like-for-like compared to 2010.

Recurring operating income climbed 9% (11% like-for-like) to €139 million, or 11.1% of revenue, compared to €128 million, or 12.3% of revenue, in 2010. The rise in profitability reflects high-margin identity solution contracts as well as a favorable product and volume mix for the e-Documents business. The detection business reported solid earnings, albeit slightly down on 2010 due to a negative price effect on the US market.

OUTLOOK FOR 2012

Despite the volatility that is set to continue in 2012, Safran expects on a full-year basis:

- revenue to increase by around 10% (at an estimated average spot rate of USD 1.37 to the euro);
- recurring operating income to increase by around 20% (at a hedged rate of USD 1.32 to the euro);
- free cash flow to represent about one-third of recurring operating income taking into account the expected increase in R&D investments and capex.

The full-year 2012 outlook is based on the following underlying assumptions:

- healthy increase in aerospace OE deliveries;
- civil aftermarket up in the high single digits;
- incremental R&D cash effort of around €200 million;
- strong and profitable growth for the Security business, notably MorphoTrust (formerly L-1 Identity Solutions);
- profitability improvement in Defence, notably in Avionics;
- continued improvement in Equipment;
- ongoing Safran+ plan to enhance the cost structure and reduce overheads.

Five-year financial summary

(in €)	2007	2008	2009	2010	2011
Capital at December 31					
Share capital	83,405,917	83,405,917	83,405,917	83,405,917	83,405,917
Number of ordinary shares outstanding	417,029,585	417,029,585	417,029,585	417,029,585	417,029,585
Financial results					
Net profit before tax and statutory employee profit-sharing, depreciation, amortization and provisions	278,589,207	404,777,762	259,026,592	460,950,316	311,960,503
Income tax expense	(125,473,595)	(189,316,880)	(130,569,281)	(81,337,666)	(85,414,505)
Statutory employee profit-sharing for the fiscal year	1,467,529	0	0	0	0
Net profit after tax, statutory employee profit-sharing, depreciation, amortization and provisions	204,555,304	151,150,969	249,519,112	497,099,621	352,862,622
Dividend payment	166,811,834	100,087,100	158,471,242	208,514,793	258,558,343
Per share data					
Net profit after tax and statutory employee profit-sharing, but before depreciation, amortization and provisions – divided by the number of shares outstanding	0.97	1.42	0.93	1.30	0.95
Net profit after tax, statutory employee profit-sharing, depreciation, amortization and provisions – divided by the number of shares outstanding	0.49	0.36	0.60	1.19	0.85
Net dividend: Net dividend per ordinary share outstanding	0.40	0.25	0.38	0.50	0.62
Employees					
Average number of employees during the fiscal year	391	403	426	475	895
Total payroll	50,594,640	51,314,080	52,628,948	64,261,911	87,901,591
Social security and other social welfare contributions	22,080,412	21,184,366	23,727,951	31,003,789	75,671,943 ⁽¹⁾

(1) Including a total expense of €27 million in respect of the April 3, 2009 free share grant plan, €26.4 million of which was rebilled to the French subsidiaries employing the beneficiaries (see section 3.3, Note 16 of the Registration Document).

Request for additional documents and information

ARTICLE R.225-83 OF THE FRENCH COMMERCIAL CODE⁽¹⁾

Ordinary and Extraordinary Shareholders' Meeting

May 31, 2012

Request to be sent to:

BNP Paribas Securities Services
CTS Émetteurs Assemblées
Grands Moulins de Pantin
9, rue du Débarcadère
93761 Pantin Cedex, France

I, the undersigned,

Name (or corporate name): _____

Address: _____

Owner of:

_____ registered shares

_____ bearer shares recorded in an account held with⁽²⁾ _____

hereby request the Company to send to the above address the documents and information referred to in article R.225-83 of the French Commercial Code, for the purposes of Safran's Ordinary and Extraordinary Shareholders' Meeting to be held on May 31, 2012.

Signed in _____, on _____ 2012

Signature:

In accordance with article R.225-88 of the French Commercial Code, holders of registered shares may make a one-time request for the Company to send the documents and information referred to in articles R.225-81 and R.225-83 of said Code prior to all future Shareholders' Meetings.

Please check this box if you wish to lodge this request

⁽¹⁾ The documents and information referred to in article R.225-83 of the French Commercial Code include the parent company and consolidated financial statements, the Management Report drawn up by the Board of Directors and the Statutory Auditors' reports. These documents and information can also be downloaded from the Company's website at www.safran-group.com.

⁽²⁾ For holders of bearer shares, please state the name and address of the authorized financial intermediary responsible for managing your shares.



KEY MISSIONS, KEY TECHNOLOGIES, KEY TALENTS