

FIRST-QUARTER 2021 REVENUE



Disclaimer

> FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements relating to Safran, which do not refer to historical facts but refer to expectations based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those included in such statements. These statements or disclosures may discuss goals, intentions and expectations as to future trends, synergies, value accretions, plans, events, results of operations or financial condition, or state other information relating to Safran, based on current beliefs of management as well as assumptions made by, and information currently available to, management. Forward-looking statements generally will be accompanied by words such as "anticipate," "believe," "plan," "could," "would," "estimate," "expect," "forecast," "guidance," "intend," "may," "possible," "potential," "predict," "project" or other similar words, phrases or expressions. Many of these risks and uncertainties relate to factors that are beyond Safran's control. Therefore, investors and shareholders should not place undue reliance on such statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: uncertainties related in particular to the economic, financial, competitive, tax or regulatory environment; the risks that the new businesses will not be integrated successfully or that the combined company will not realize estimated cost savings and synergies; Safran's ability to successfully implement and complete its plans and strategies and to meet its targets; the benefits from Safran's plans and strategies being less than anticipated; the risks described in the Universal Registration Document (URD); the full impact of the outbreak of the COVID-19 disease.

The foregoing list of factors is not exhaustive. Forward-looking statements speak only as of the date they are made. Safran does not assume any obligation to update any public information or forward-looking statement in this document to reflect events or circumstances after the date of this document, except as may be required by applicable laws.

> USE OF NON-GAAP FINANCIAL INFORMATION

This document contains supplemental non-GAAP financial information. Readers are cautioned that these measures are unaudited and not directly reflected in the Group's financial statements as prepared under International Financial Reporting Standards and should not be considered as a substitute for GAAP financial measures. In addition, such non-GAAP financial measures may not be comparable to similarly titled information from other companies.

> DEFINITION

Civil aftermarket (expressed in USD): This non-accounting indicator (non-audited) comprises spares and MRO (Maintenance, Repair & Overhaul) revenue for all civil aircraft engines for Safran Aircraft Engines and its subsidiaries and reflects the Group's performance in civil aircraft engines aftermarket compared to the market.

Agenda

1. Q1 2021 business highlights
2. Q1 2021 revenue
3. Q&A
4. Additional information





1

Q1 2021 BUSINESS HIGHLIGHTS

Olivier ANDRIES - CEO

Air traffic in early 2021 : bumpy with very different situations around the globe

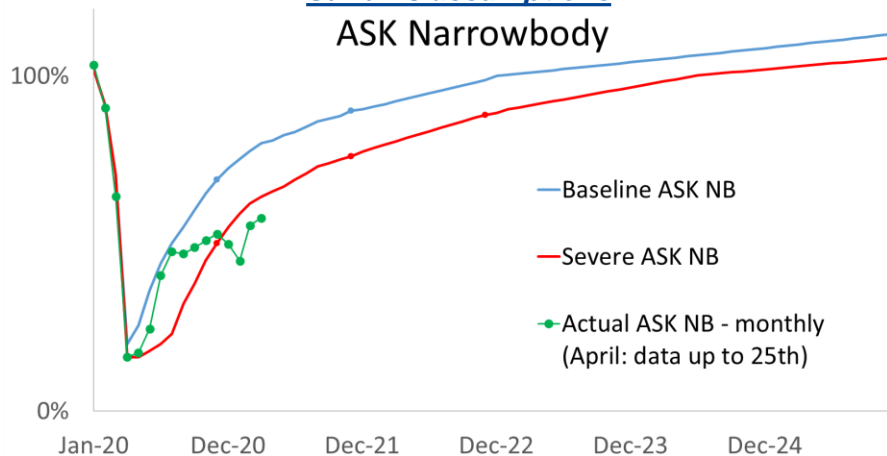
Engine flight cycles and ASK

At a global scale: significant increase in flight cycles week after week until mid April but still at -42.5% for CFM engines flight cycles at the end of April.

Narrowbody ASK higher in April 2021 (data up to 25th) at 57.6% vs 2019 than in December 2020 (52.9% vs 2019), a recovery after the trough in February.

Safran's assumptions

ASK Narrowbody



Source : Safran

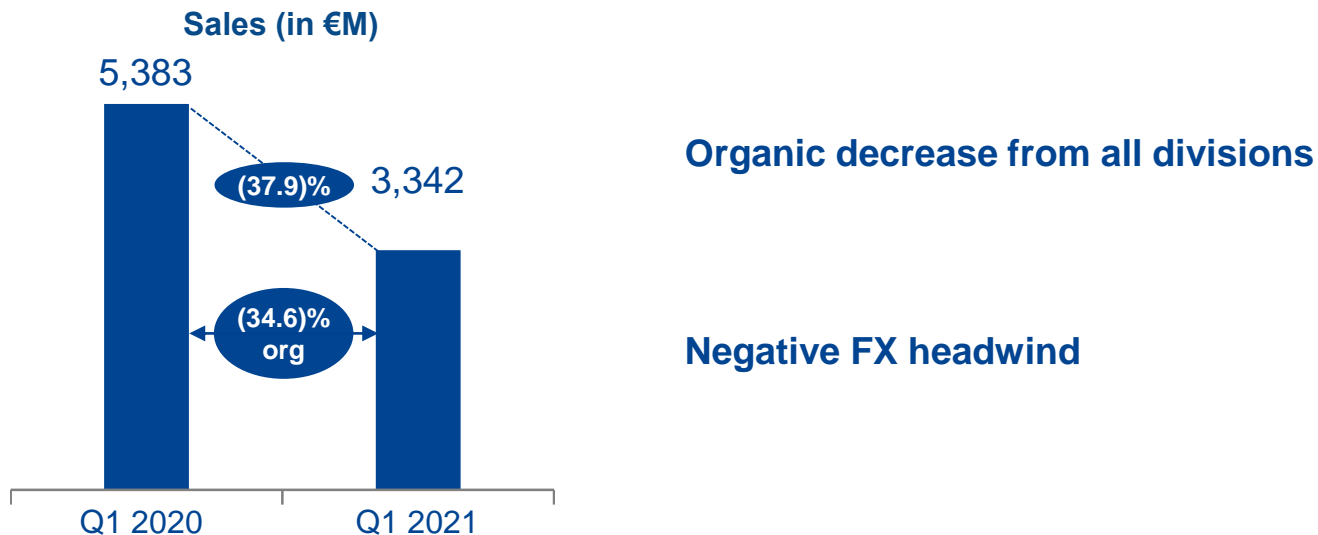
Locations facing very different situations:

- **global upsurge in new Covid cases, spread of variants and new quarantine measures,**
- **some countries close to zero case status, vaccine rollout at very different paces around the world**

Weekly CFM engines flight cycles as of April 25th:

- **China:** after a trough in February, up 12.6% vs 2019.
- **North America:** down 29.5% vs 2019.
- **Europe:** still down 73.6% vs 2019.
- **APAC ex China:** steady improvement but still down 53.2% vs 2019.

Q1 2021 revenue against a strong pre-crisis comparison basis



Q1 sales in line with recovery profile expectations
FY 2021 outlook confirmed

Q1 2021 business highlights - Propulsion

Combined shipment of CFM56 and LEAP engines reached 214 units in Q1 2021 (vs 326 units in Q1 2020)

◆ LEAP

- 188 LEAP delivered in Q1 2021 (272 engines in Q1 2020)
- Total backlog⁽¹⁾ of more than 9,200 engines at March 31, 2021
- 59% market share⁽²⁾ on A320neo family at March 31, 2021
- Southwest Airlines announced the purchase of LEAP-1B for 100 737 MAX with a long term service agreement
- SAS selected LEAP-1A for 35 additional A320neo family, including spare engines and a RPFH support agreement

◆ CFM56

- 26 units delivered in Q1 2021 (54 in Q1 2020)

Civil aftermarket down (53.4)% in Q1 2021

Helicopter turbines: Long term MRO and service agreement signed with German federal police for their H120 fleet



Arrius 2F turbine powering H120

Q1 2021 business highlights Aircraft Equipment, Aerosystems and Defense and Aircraft interiors

Contracts and orders at Aircraft Equipment, Aerosystems and Defense

- ◆ Euroflir™ 410 optronic systems for Falcon-based French navy's aircraft.

Awards and selections at Aircraft Interiors

- ◆ Three Crystal Cabin Awards:
 - > in "Cabin Systems" category for SOPHY, the smart trolley solution,
 - > in "Passenger Comfort Hardware" category for its Modulair® seats concept,
 - > in "IFEC" (IFE & Connectivity) category for its RAVE Bluetooth.
- ◆ Z200 seats available on the A320 catalogue and Z110i and Z600 as SFE seats on the A220.
- ◆ Linefit contract with a US airline to provide business class seats for its A321XLR.



Euroflir™ 410

Keeping the organization lean with restructuring actions ongoing in 2021

◆ Decrease in HR costs vs Q1 2019 consolidates savings achieved in FY 2020

- Headcount decrease from 31st December 2020: over 2,000 workers (including temporary workers)
- Short time working in Q1 2021 (8% worldwide, 9% France) now lower than in Q2-Q4 2020 to prepare H2 ramp up

◆ OPEX & CAPEX under tight control, consistent with a backend loaded activity profile in 2021

- R&D Expenses and OPEX in Q1 2021 vs Q1 2019 in line with savings achieved in FY 2020
- CAPEX commitments kept under control



2

Q1 2021 REVENUE

Bernard DELPIT – Group Deputy CEO and CFO

Foreword

Adjusted data

All revenue figures in this presentation represent adjusted data⁽¹⁾ (except where noted).

To reflect the Group's actual economic performance and enable it to be monitored and benchmarked against competitors, Safran prepares an adjusted revenue.

Safran's consolidated revenue has been adjusted for the impact of 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 hedged rate, i.e., including the costs of the hedging strategy

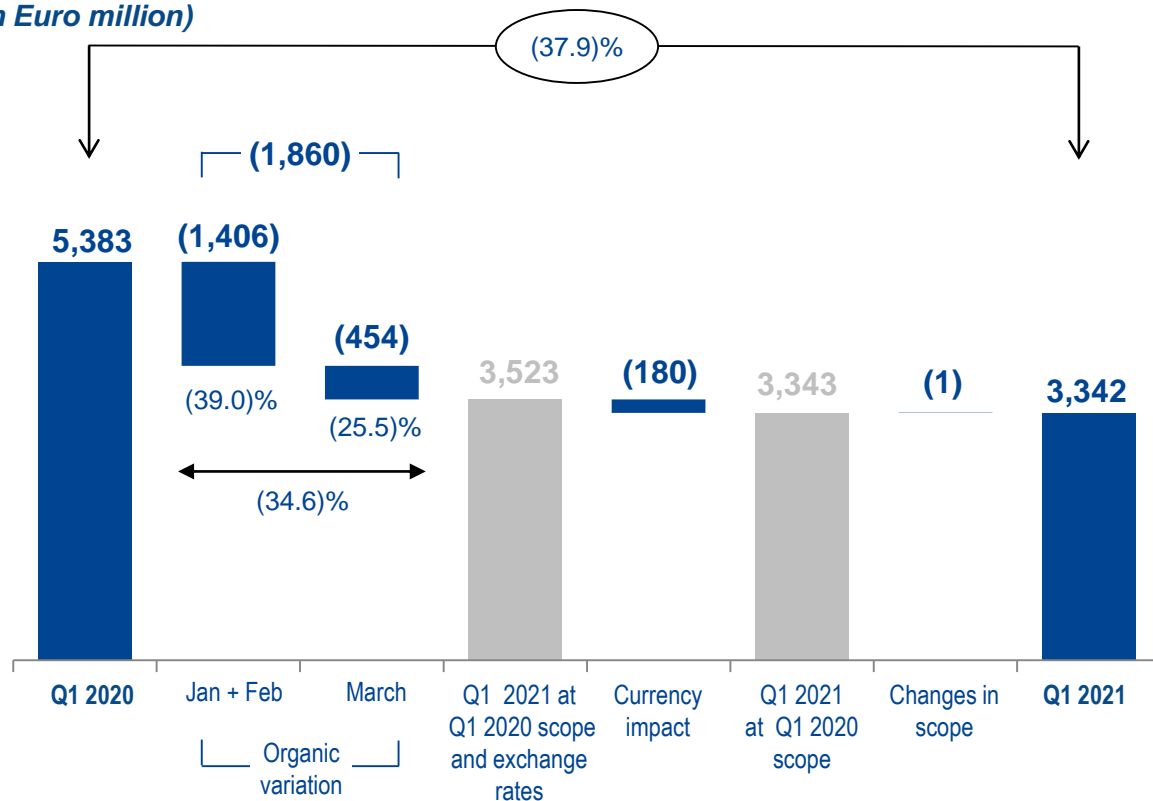
Organic growth

Organic variations were determined by excluding the effect of changes in scope of consolidation and the impact of foreign currency variations.

⁽¹⁾ See slide 18 for bridge with consolidated revenue

Q1 2021 revenue

(in Euro million)



Organic decrease: (34.6)%

- ◆ Propulsion: (34.2)%
- ◆ Aircraft Equipment, Defense & Aerosystems: (29.4)%
- ◆ Aircraft Interiors: (51.9)%

Currency impact: (3.3)%

- ◆ Negative impact from USD average spot rate (average spot rate \$1.21 vs \$1.10 in Q1 2020)

Q1 2021 revenue per activity

Adjusted data (in Euro million)	Q1 2020	Q1 2021	Change reported	Change organic
Aerospace propulsion	2,497	1,561	(37.5)%	(34.2)%
Aircraft Equipment, Defense & Aerosystems	2,187	1,464	(33.1)%	(29.4)%
Aircraft Interiors	694	313	(54.9)%	(51.9)%
Others	5	4	n/s	n/s
Safran	5,383	3,342	(37.9)%	(34.6)%

Organic trends drivers

◆ Aerospace Propulsion

- > Lower installed and spare LEAP engines, CFM56 ramping down
- > Services: civil aftermarket down (53.4)% (in \$)
- > Military engines: higher M88 deliveries / headwind in services
- > Helicopter turbines activities: strong organic growth in services

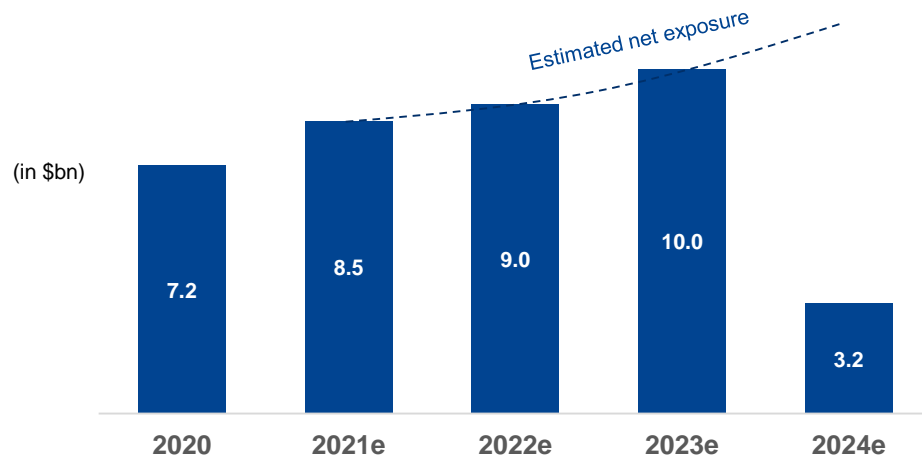
◆ Aircraft Equipment, Defense & Aerosystems

- > OE revenue decrease due to lower volumes of wiring and power distribution activities (Boeing 787, A320, A330, A350), nacelles (A320neo, A330neo, A380, A320ceo), landing gears (Boeing 787, A350), avionics and Aerosystems
- > Services revenue down, notably with landing gears, carbon brakes and nacelles
- > Defense activities: ~10% organic growth

◆ Aircraft Interiors

- > Low level of activity in OE (incl. retrofit) and Services in Cabin and Seats activities

FX - \$28.6bn hedge book* (April 19, 2021)



€/\$ hedge rate target	1.16	1.16	1.14-1.16	1.14-1.16	na
------------------------	------	------	-----------	-----------	----

* Approx. 45% of Safran US\$ revenue are naturally hedged by US\$ procurement

■ The hedge book totaled \$28.6bn as of April 19, 2021

■ The hedge book includes barrier options with knock-out triggers ranging from \$1.2350 to \$1.31, representing a risk to the size of the book and to targeted hedge rates from 2021 onwards in case of sudden and significant exchange rates fluctuations

2021e

■ Coverage of \$8.5bn achieved through knock-out options at a target rate of \$1.16

2022e

■ Coverage of \$9.0bn achieved through knock-out options; target rate between \$1.14 and \$1.16

2023e

■ Coverage of \$10.0bn achieved through knock-out options; target rate between \$1.14 and \$1.16

2024e

■ Initiation of coverage with \$3.2bn achieved through knock-out options

New long term financing transactions

New €500M bank loan signed with the European Investment Bank on March 4, 2021

- ◆ Dedicated to Safran research into innovative propulsion systems for the next generation of single-aisle commercial aircraft, a core point of Safran's roadmap towards carbon-free air transport.
- ◆ Remains undrawn as at April 30, 2021. Available for draw down until September 2022, at Safran's option.
- ◆ Maturity up to ten years, at Safran's option, starting when funds are made available.

€1.4bn dual tranche issue of Safran first rated bonds on March 16, 2021

- ◆ €700M 5-year tranche bearing a 0.125% coupon
- ◆ €700M 10-year tranche bearing a 0.750% coupon
- ◆ Transaction oversubscribed 3.2x
- ◆ Bonds are rated BBB+ and listed on Euronext Paris

Cancellation on March 16, 2021 of the €1.4bn remaining amount of the €3bn bridge facility set up in April 2020 which remained undrawn since inception

3

Q&A





4

ADDITIONAL INFORMATION

Q1 2021 consolidated and adjusted revenue

Q1 2021 (In Euro million)	Consolidated revenue	Hedge accounting		Business combinations		Adjusted revenue
		Re-measurement of revenue	Deferred hedging gain (loss)	Amortization of intangible assets - Sagem/Snecma	PPA impacts - other business combinations	
Revenue	3,289	53	-	-	-	3,342

OE / Services revenue split

Revenue Adjusted data (in Euro million)	Q1 2020		Q1 2021		% change	
	OE	Services	OE	Services	OE	Services
<i>Propulsion</i> % of revenue	890 35.6%	1,607 64.4%	620 39.7%	941 60.3%	(30.3)%	(41.4)%
<i>Equipment, Defense & Aerosystems</i> % of revenue	1,489 68.1%	698 31.9%	991 67.7%	473 32.3%	(33.4)%	(32.2)%
<i>Aircraft Interiors</i> % of revenue	478 ⁽¹⁾ 68.9%	216 31.1%	230 ⁽¹⁾ 73.5%	83 26.5%	(51.9)%	(61.6)%

(1) Retrofit is included in OE

Quantities of major aerospace programs

<i>Number of units delivered</i>	Q1 2020	Q1 2021	%
LEAP engines	272	188	(31)%
CFM56 engines	54	26	(52)%
High thrust engines	98	70	(29)%
Helicopter engines	139	133	(4)%
M88 engines	10	15	50%
787 landing gear sets	40	11	(73)%
A350 landing gear sets	20	9	(55)%
A330neo nacelles	18	4	(78)%
A320neo nacelles	174	128	(26)%
Small nacelles (<i>biz & regional jets</i>)	175	94	(46)%

<i>Number of units delivered</i>	Q1 2020	Q1 2021	%
Lavatories A350	140	55	(61)%
Spaceflex V2 A320 (lavatories + galleys)	109	59	(46)%
Business class seats	1,020	363	(64)%
Emergency slides A320	1,272	797	(37)%
Primary power distribution systems 787	252	55	(78)%

Translation effect: foreign currencies translated into €

- ◆ Negative impact mainly from the USD
- ◆ Impact on Revenues and Return on Sales

Average spot rate

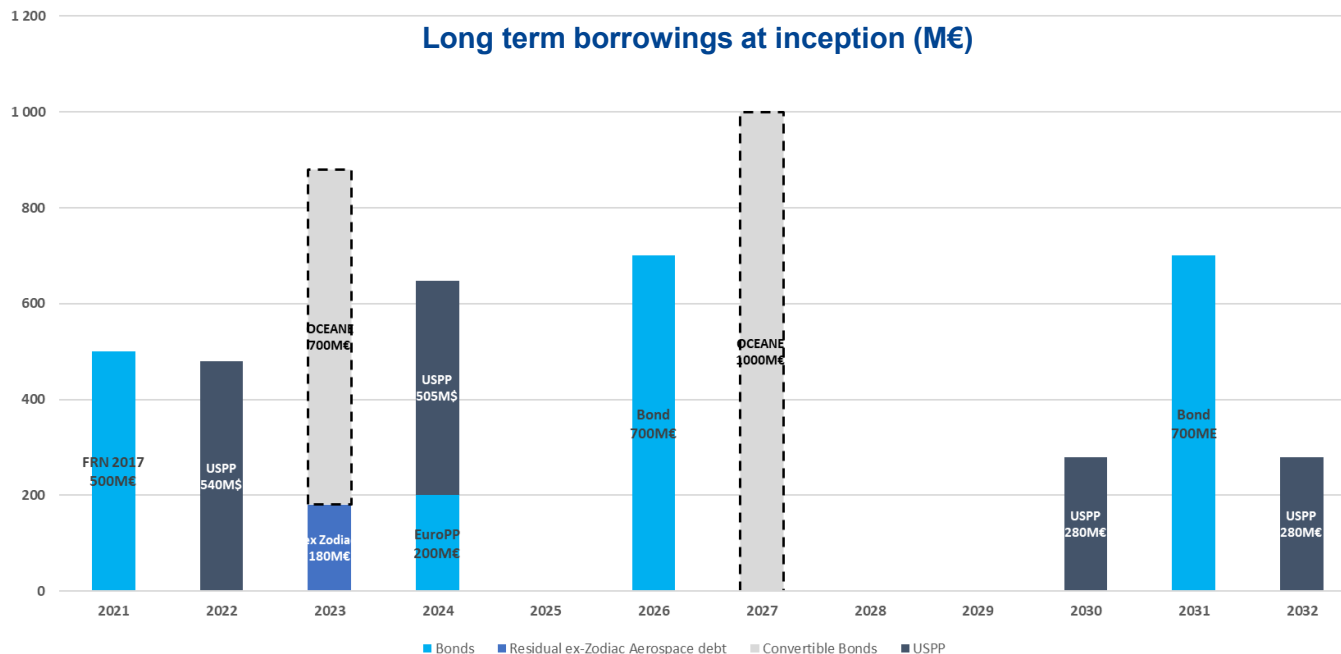
Q1 2020	Q1 2021
\$1.10	\$1.21

Transaction effect: mismatch between \$ sales and € costs is hedged

Hedge rate

Q1 2020	Q1 2021
\$1.16	\$1.16

Long term debt maturity schedule: smooth redemption profile



Convertible bonds (OCEANE) conversion prices:

- ◆ 2023 OCEANE: €139.96
- ◆ 2027 OCEANE: €108.23

Some debt instruments are subject to financial covenants:

- ◆ USPPs are subject to 1 covenant: net debt/EBITDA<2.5x
- ◆ Ex Zodiac Aerospace EuroPP loan format is subject to 1 covenant: net debt/EBITDA<3.5x



**POWERED
BY TRUST**