

SAFRAN AN INTERNATIONAL HIGH-TECHNOLOGY GROUP

TIER-1 EQUIPMENT SUPPLIER

Aerospace

Defense

Security

SAFRAN AT A GLANCE

*As of December 31, 2013

- An international **high technology** group
- Revenue of **14.7 billion euros***
- **66,300 employees** in more than 50 countries
- 3 core businesses:

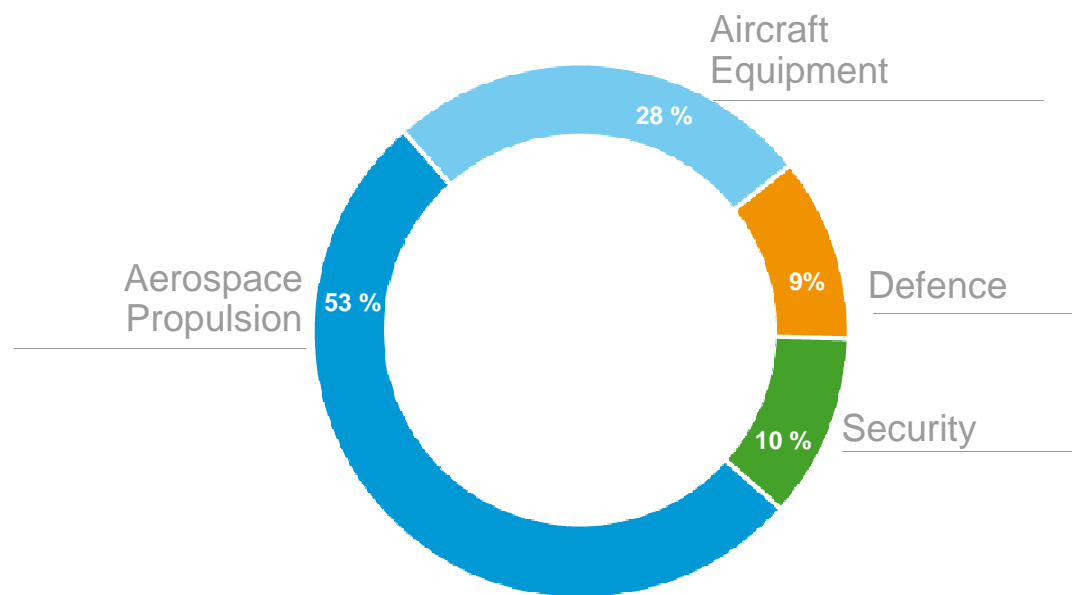
Aerospace

Defence

Security

KEY FIGURES

Revenue breakdown by activity, as of December 31, 2013



- Revenue: **14.7 billion euros**
- Recurring operating income: **1.8 billion euros**
- Net income - Group share: **1.2 billion euros**

SAFRAN CORPORATE GOVERNANCE

Corporate Officers

Chairman and CEO
Jean-Paul HERTEMAN

+ Board of Directors
(#15)

Deputy CEO
Corporate Office
Stéphane ABRIAL

Deputy CEO
Finance
Ross McINNES

Deputy CEO
Operations
Marc VENTRE

Executive Committee

Executive VP
Strategy & transformation
Jean-Pierre COJAN

Executive VP
EU & International Relations
Bruno COTTE

Chairman & CEO's
of rank 1
AFFILIATES
(#10)

Corporate Senior VP
Research & Technology
Eric BACHELET

Executive VP
Human Resources
Jean-Luc BERARD

Safran Purchasing - Materials

Communication to Suppliers

/ April 2014 /

SAFRAN PURCHASING MATERIALS - HISTORY

→ 2005 – Safran Purchasing – Corporate

- Central organization to promote common procedures, management tools and metrics across all Safran affiliates to improve its operation and performance with suppliers

→ 2008 – Safran Materials & Processes

- Central organization responsible of materials and processes validation (writing & harmonizing technical specifications included).
 - "Materials" are metal alloy or composite purchased then processed to manufacture a part.
 - "Processes" are special processes or test methods.

→ 2011 – Safran Purchasing – Non production commodities

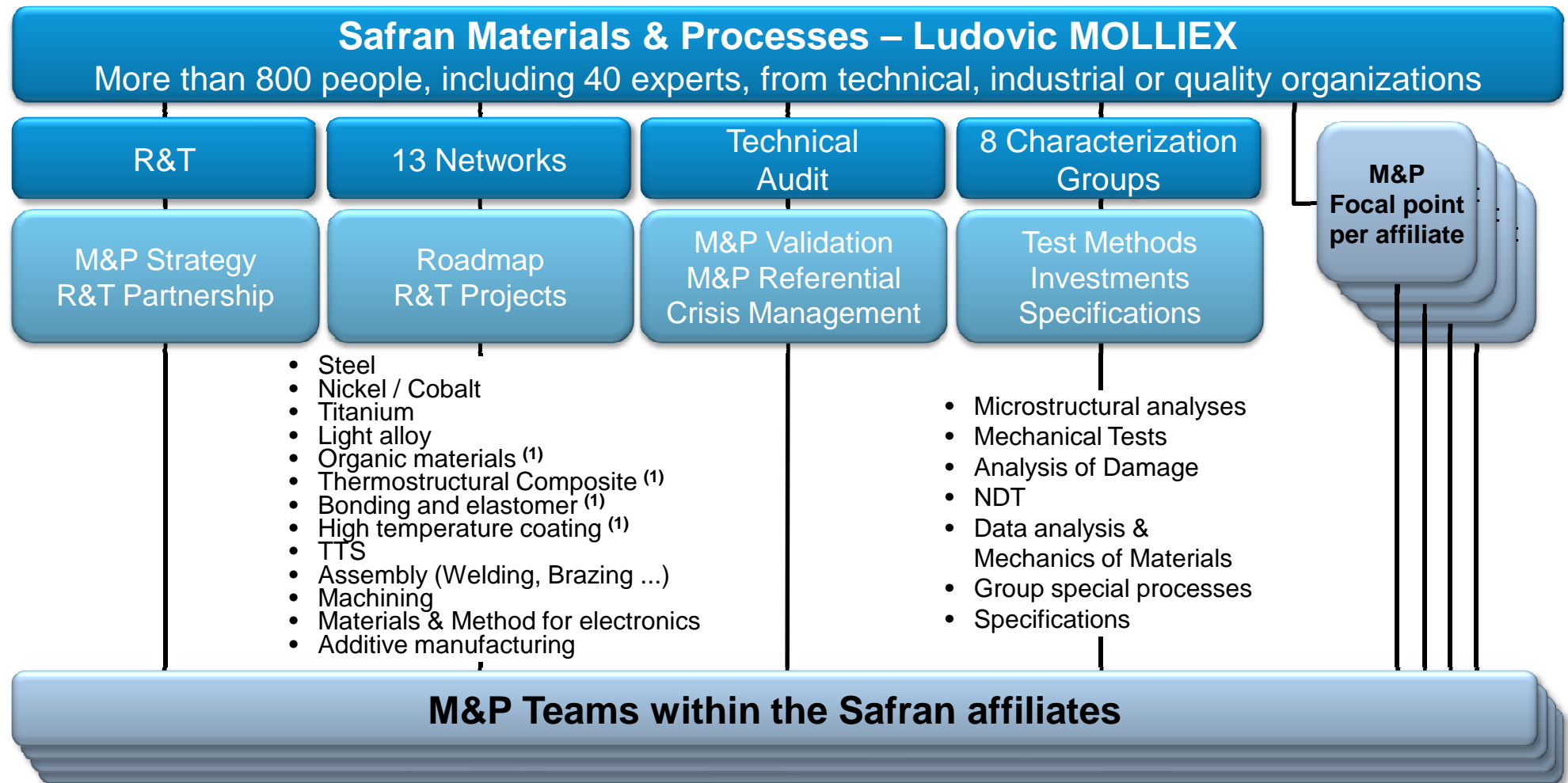
- Safran “**Shared Services Center**” for all non production commodities :
 - Globalization of needs of all Safran affiliates and their subsidiaries
 - Including consumables, buildings, infrastructure & facility management, capital goods, logistics, consulting, IT & telecom, studies & testing works, tools & specific tools.

→ 2014 – Safran Purchasing – Production Materials

- Safran “**Shared Services Center**” for all type of materials :
 - Globalization of needs of all Safran affiliates based on Safran M&P Technical Specifications
 - Including materials for forging, casting, machining, forming, additive technologies & composites

SAFRAN MATERIALS & PROCESSES - ORGANIZATION

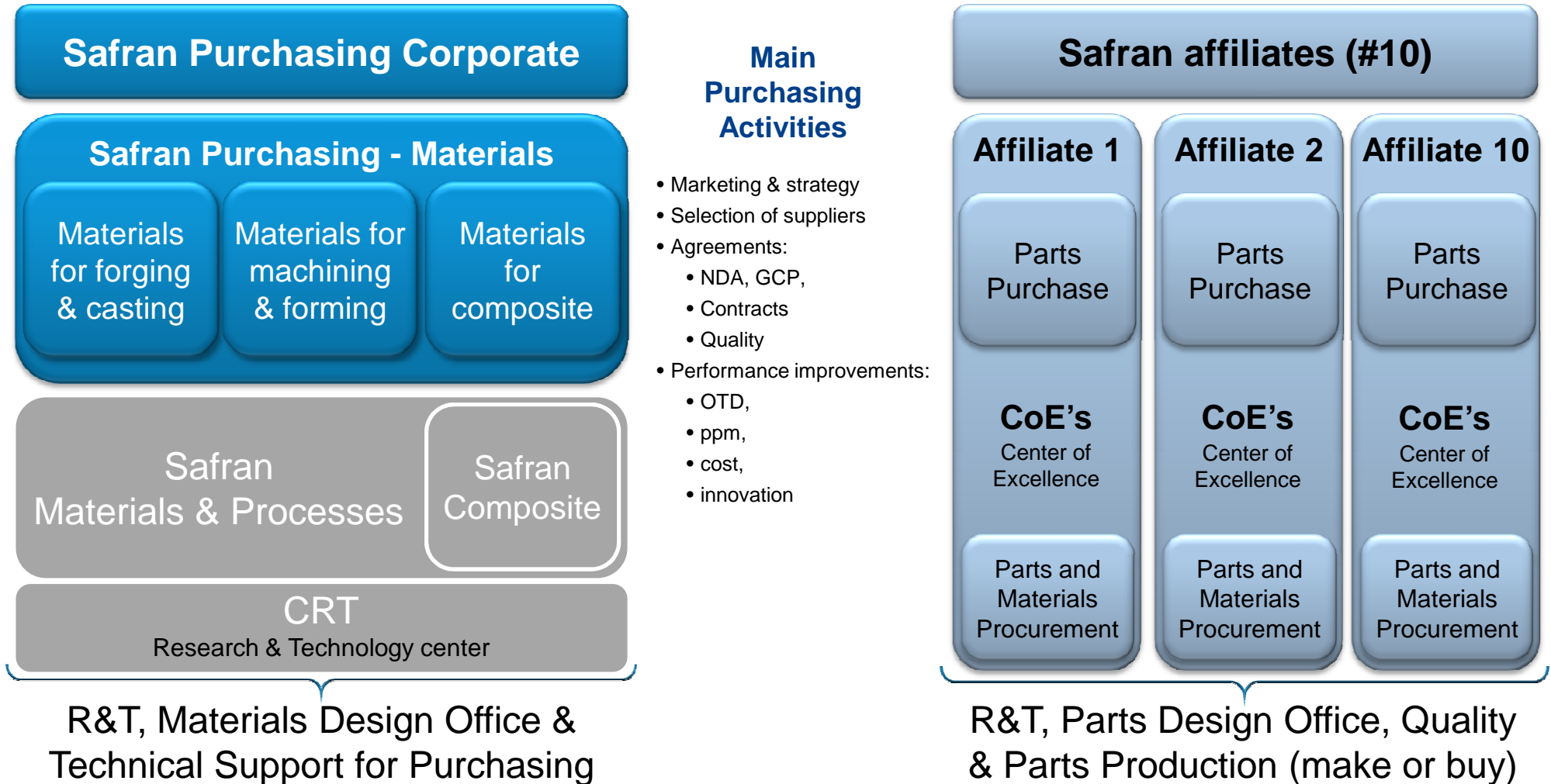
R&T Safran – Eric BACHELET



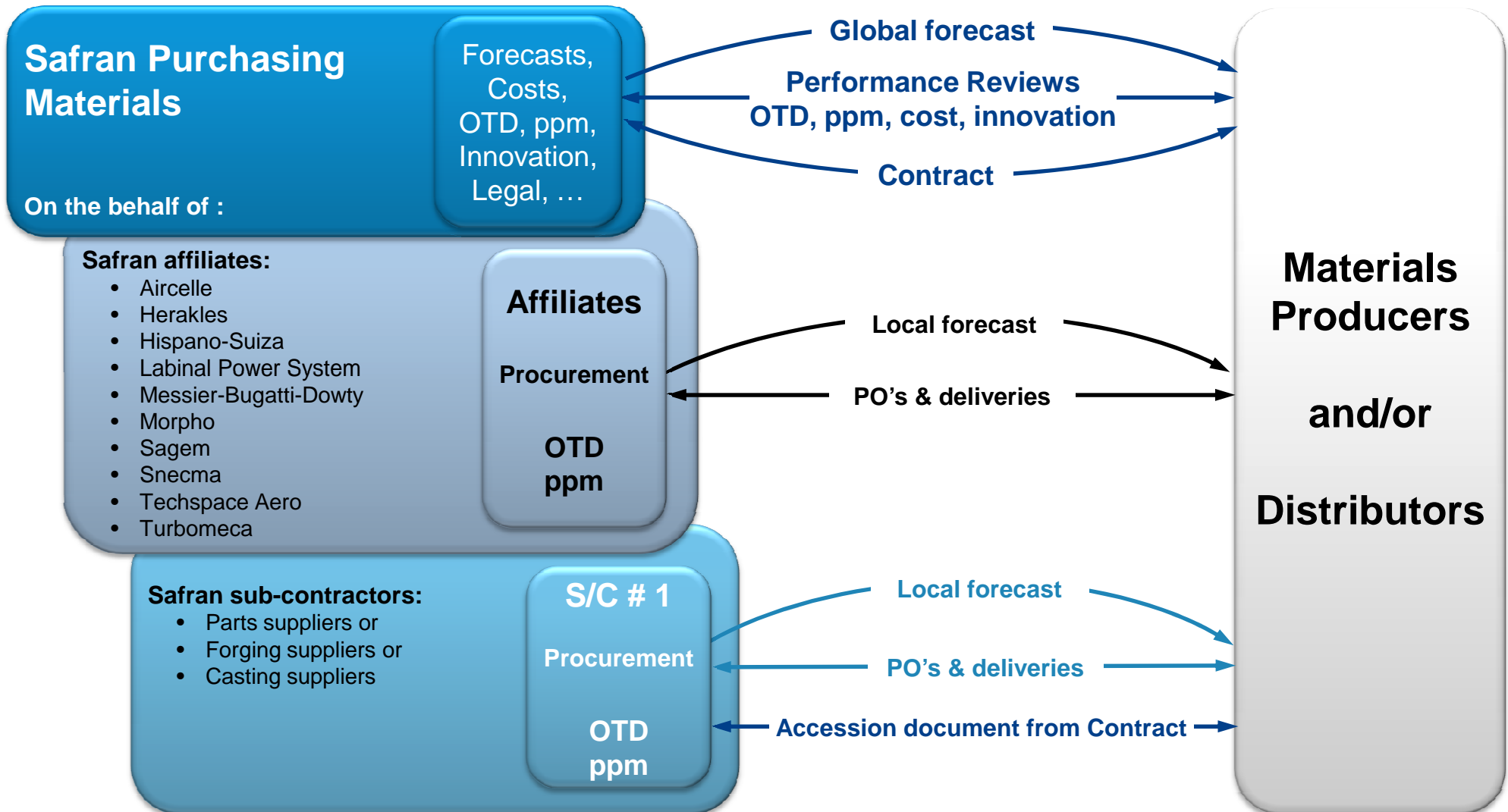
⁽¹⁾ Operated by Safran Composites

SAFRAN PURCHASING MATERIALS - ORGANIZATION

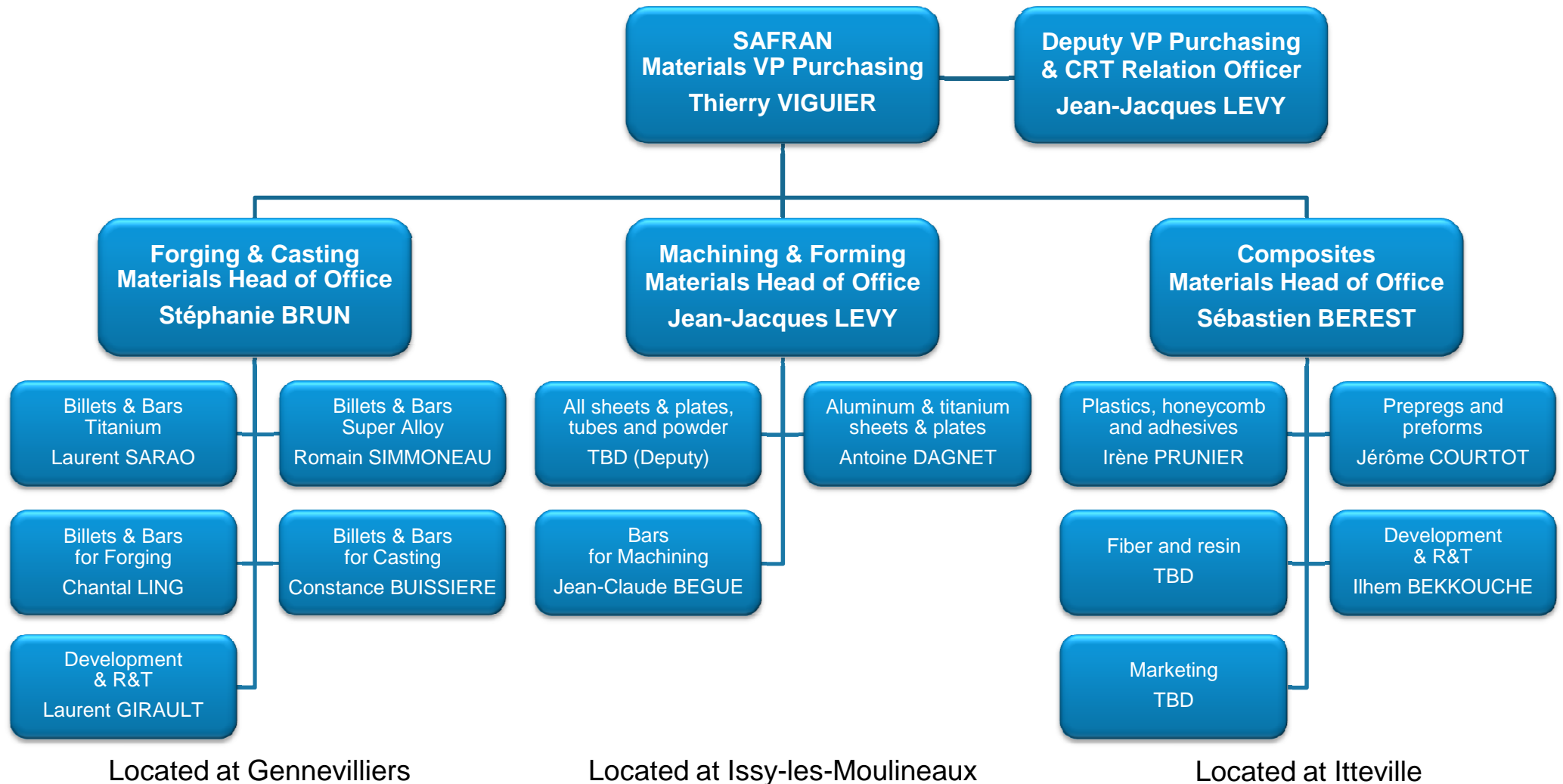
Operations Safran – Marc VENTRE



SAFRAN PURCHASING MATERIALS – WORK FLOW



SAFRAN PURCHASING MATERIALS – WORK FORCE



SAFRAN PURCHASING MATERIALS - APPLICATIONS

500 MUSD / 25 000 t
per year (ROM)

Power Systems:
Labinal Power Systems

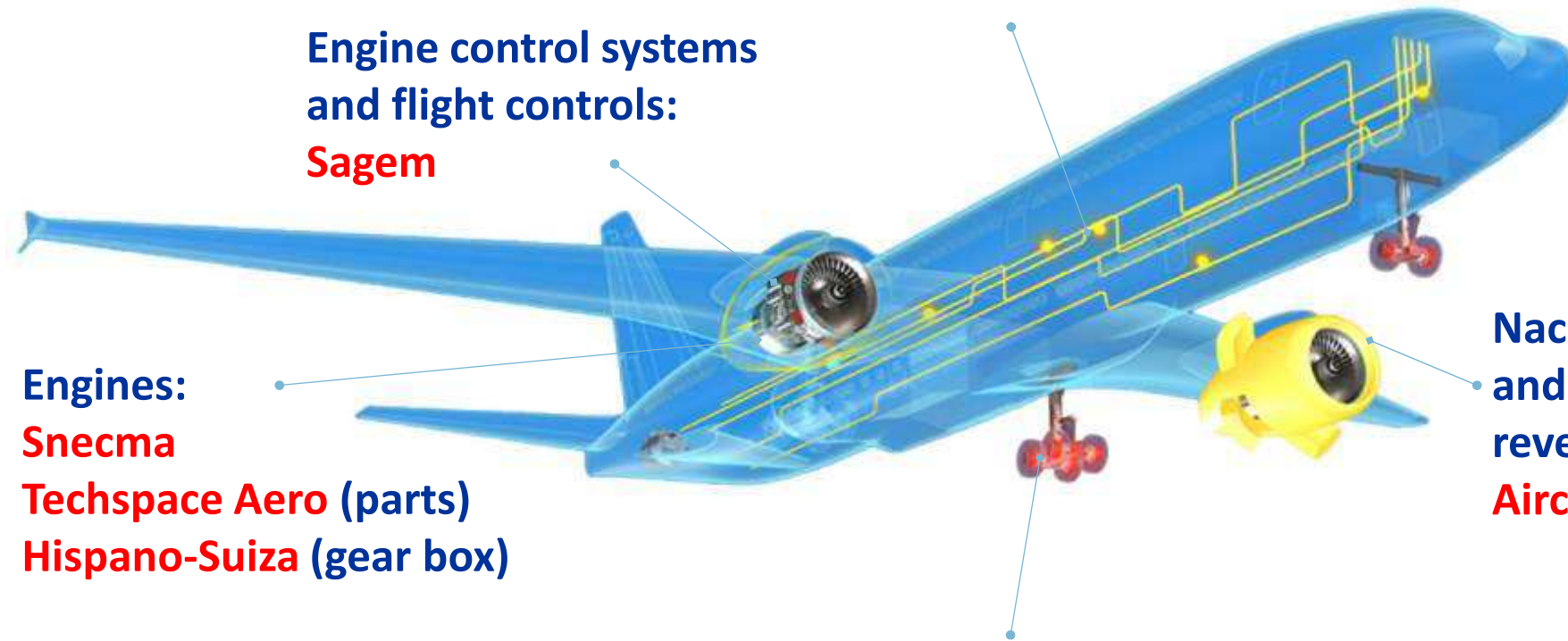
Engine control systems
and flight controls:
Sagem

Engines:
Snecma
Techspace Aero (parts)
Hispano-Suiza (gear box)

Turbomeca (helicopter)
Herakles (space)

Landing gears, wheels and Braking systems:
Messier-Bugatti-Dowty

Nacelles
and Trust
reversers:
Aircelle



PREPARING THE FUTURE

→ SAFRAN'S FULL-FLEDGED COMMITMENT

- Safran is a major player in the research program Clean Sky (Joint Technology Initiative), jointly financed by the European Commission and industry
 - Fundamental European organization for aeronautics research with a total budget of 1.6 billion euros over seven years
 - Goal is to develop innovative and even disruptive technologies, enabling the development of environmentally-friendlier air transport systems, featuring full-scale demonstrators

→ AT THE HEART OF OUR STRATEGY

- R&D investment: 1.8 billion euros in 2013, more than 12% of revenue
- R&D calls more than 21% of the Group's workforce, and 150 doctoral candidates work at Safran
- 800 patents filed by Safran in 2013

→ SOLID ACADEMIC LINKS

- 4 jointly-owned research labs (Safran/CNRS + other companies)
- 14 external research centers (long term)
- Extended research networks