



## **Safran implements an employee shareholding plan for the employees of the Group's non-French entities**

**Paris, March 21, 2012** – Safran (NYSE Euronext: SAF, ISIN code: FR0000073272) implements an employee shareholding plan, named “Leverage 2012”, for the employees of the Group's non-French entities, similar to the plan proposed to the employees of the Group's French entities by the end of 2011.

*This document constitutes the press release required by the Autorité des marchés financiers ("AMF") in accordance with Article 212-4 5° of its General Regulations and article 14 of instruction n°2005-1 1 of December 13, 2005.*

### **Purpose of the transaction – reasons for the offering**

This offering aims to have employees more closely associated with the future targets, successes and performances of the Group.

The relevant securities, held directly or through an employees shareholding vehicle (a French *FCPE*) within the International Group Savings Plan (*IGSP*), will be locked-up for a five-year period. The capital will be guaranteed and the employees will benefit from a possible increase in the Safran security along with a leveraged component and differentials threshold (*cliquets*) guaranteeing gains when the security price reaches certain levels.

### **Securities offered in the transaction**

The offering will be conducted by a sale of the Group's treasury shares.

The sale of shares is reserved for employees who are members of the *IGSP* and will be conducted in accordance with articles L. 3332-18 et seq. of the French Labor Code (*Code du travail*). The offering will involve a maximum of 800,000 shares.

The purchase price of the Safran shares will be set on April 20, 2012 and will be equal to the average of the closing price of the Safran share on NYSE-Euronext Paris (Reference Price) during March 21 (inclusive) and April 19 (inclusive) to which a discount of 20% will be applied.

### **Conditions of the offer**

- *Beneficiaries of the share offering reserved for employees:* the beneficiaries of the offering are employees of the Group's non-French entities who are members of the *IGSP*. The employees of the relevant companies are beneficiaries of the offering regardless of the nature of their employment contract (fixed or indefinite term length, full or part time employment) subject to being able to justify a three-month seniority within the Group by the last day of the subscription period.



- *Terms and conditions of participating in the offer:* the shares will be acquired via an FCPE (*fonds commun de placement d'entreprise*), except in the USA where eligible employees will hold their shares on the registered form (*nominatif*) and will be allocated Stock Appreciation Rights (SAR) by their employer, the amount of which will be indexed in accordance with a formula similar to the one offered under the leveraged formula.
- *Formula to acquire Safran shares:* the employees will be able to acquire Safran shares via a subscription formula known as «leveraged», which allow them to benefit from a guarantee on their investment in the offer.
- *Voting rights:* the voting rights associated with the shares will be exercised by the FCPE Supervisory Board and exercised individually when the shares are held directly by the employees.
- *Subscription threshold:* the personal contributions are capped at €1,000, except in the USA where the maximum subscription amount is capped at 60 shares. Moreover, the employees' annual payments made in the IGSP shall not exceed, in accordance with Article L.3332-10 of the French Labor Code, one-fourth of their gross annual remuneration for the year 2012.
- *Lock-up applicable to the corresponding FCPE units or shares:* the employees participating in the offering shall hold the corresponding units of the FCPEs of the Safran shares for a five year period, except in case of an early exit event.

#### **Tentative calendar of the transaction**

- Announcement of the subscription price: April 20, 2012.
- Subscription period: from April 20 (inclusive) to May 4, 2012 (inclusive).
- Settlement-delivery of the offering: scheduled for May 16, 2012.

These dates are approximate and may be subject to change.

#### **Listing**

The Safran shares are listed on NYSE Euronext Paris (ISIN code: FR0000073272).

#### **Hedging transactions**

The implementation of the leveraged formula may generate hedging transactions from the financial establishment structuring the offering (Société Générale), as from the date of this press release and during the entire period of the offering.

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Communiqué de presse - Press release

*Safran is a leading international high-technology group with three core businesses: Aerospace (propulsion and equipment), Defence and Security. Operating worldwide, the Safran group has close to 60,000 employees and generated sales of 11.7 billion euros in 2011. Working alone or in partnership, Safran holds world or European leadership positions in its core markets. The Group invests heavily in Research & Development to meet the requirements of changing markets, including expenditures of 1.3 billion euros in 2011. Safran is listed on NYSE Euronext Paris and is part of the CAC40 index*

*For more information, [www.safran-group.com](http://www.safran-group.com).*

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**Press contact**

Catherine Malek

+33 (0)1 40 60 80 28

[catherine.malek@safran.fr](mailto:catherine.malek@safran.fr)

**Investor relations**

Pascal Bantegnie

+33 (0)1 40 60 80 45

[pascal.bantegnie@safran.fr](mailto:pascal.bantegnie@safran.fr)

Antoine-Pierre de Grammont

+33 (0)1 40 60 80 47

[antoine-pierre.degrammont@safran.fr](mailto:antoine-pierre.degrammont@safran.fr)

Safran  
2, bd du Général Martial Valin  
75724 Paris Cedex 15 - France