2025 INTERIM FINANCIAL REPORT

SAFRAN

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"The forecasts and forward-looking statements described in this document are based on the data, assumptions and estimates considered as reasonable by the Group as at the date of this document. These data, assumptions and estimates may evolve or change as a result of uncertainties related in particular to the economic, financial, competitive, tax or regulatory environment. The occurrence of one or more of the risks described in the Universal Registration Document may also have an impact on the business, financial position, results and prospects of the Group and thus affect its ability to achieve such forecasts and forward-looking statements. The Group therefore neither makes any commitment, nor provides any assurance as to the achievement of the forecasts and forward-looking statements described in this document".

The Interim Financial Report is available on the website at www.safran-group.com

DECLARATION BY THE PERSON RESPONSIBLE

"I certify that, to the best of my knowledge, the condensed interim consolidated financial statements have been prepared in accordance with the applicable accounting standards, and give a true and fair view of the assets and liabilities, and of the financial position and results of the Company and all its consolidated subsidiaries, and that the accompanying interim activity report provides a true and fair view of the main events of the first six months of the year, their impact on the condensed interim consolidated financial statements and the significant transactions with related parties, and also describes the main risks and uncertainties for the next six months."

Paris, July 31, 2025

Chief Executive Officer,

Olivier Andriès

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INTERIM 2025 ACTIVITY REPORT

FOREWORD

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

Readers are reminded that Safran:

- is the result of the May 11, 2005 merger of Sagem SA and Snecma, 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 IFRS 9 applicable to transactions not qualifying for hedge accounting (see section 3.1 Note 2.1.2 of the 2024 Universal Registration Document).

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

- purchase price allocations with respect to business combinations. Since 2005, this restatement concerns the amortization charged against intangible assets relating to aircraft programs remeasured at the time of the Sagem–Snecma merger. With effect from the first-half 2010 interim financial statements, the Group decided to restate:
  - the impact of purchase price allocations for business combinations, particularly amortization and depreciation charged against intangible assets and property, plant and equipment recognized or remeasured at the time of the transaction and amortized or depreciated over extended periods due to the length of the Group's business cycles, and the impact of remeasuring inventories, as well as
  - gains on remeasuring any previously held equity interests in the event of step acquisitions or asset contributions to joint ventures;
- 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 hedged rate, resulting from the exchange rate effectively obtained over the year under hedging strategies, including premiums on settled options, and,
  - all mark-to-market changes on instruments hedging future cash flows are neutralized.

The resulting changes in deferred tax have also been adjusted.

RECONCILIATION OF THE CONSOLIDATED INCOME STATEMENT WITH THE ADJUSTED INCOME STATEMENT

The impact of these adjustments on first-half 2025 income statement items is as follows:

		Currency hedges		Business combinations		
(in € millions)	First-half 2025 consolidated data	Remeasurement of revenue(1)	Deferred hedging gain/loss(2)	Amortization of intangible assets - Sagem-Snecma merger(3)	PPA impacts - other business combinations(4)	First-half 2025 adjusted data
Revenue	**14,865**	**(96)**	**-**	**-**	**-**	**14,769**
Other operating income and expenses	(12,462)	(4)	(18)	12	137	(12,335)
Share in profit from joint ventures	65	-	-	-	11	76
Recurring operating income	**2,468**	**(100)**	**(18)**	**12**	**148**	**2,510**
Other non-recurring operating income and expenses	(37)	-	-	-	-	(37)
Profit from operations	**2,431**	**(100)**	**(18)**	**12**	**148**	**2,473**
Cost of net debt	77	-	-	-	-	77
Foreign exchange gain/loss	4,628	100	(4,808)	-	-	(80)
Other financial income and expense	35	-	-	-	-	35
Financial income	**4,740**	**100**	**(4,808)**	**-**	**-**	**32**
Income tax benefit (expense)	(2,059)	-	1,245	(3)	(34)	(851)
Profit for the period	**5,112**	**-**	**(3,581)**	**9**	**114**	**1,654**
Profit (loss) for the period attributable to non-controlling interests	**(67)**	**-**	**-**	**-**	**-**	**(67)**
PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	**5,045**	**-**	**(3,581)**	**9**	**114**	**1,587**

(1) Remeasurement of foreign-currency denominated revenue net of purchases (by currency) at the hedged rate (exchange rate effectively obtained over the year under hedging strategies, including premiums on settled options) through the reclassification of gains/losses recognized in profit or loss on unwinding the hedging relationship.

(2) Changes in the fair value of instruments hedging future cash flows that will be recognized in profit or loss in future periods (a negative €4,808 million excluding tax), and the impact of taking into account hedges when measuring provisions for losses on completion (a negative €18 million at June 30, 2025).

(3) Cancellation of amortization/impairment of intangible assets relating to the remeasurement of aircraft programs resulting from the application of IFRS 3 to the Sagem-Snecma merger.

(4) Cancellation of the impact of remeasuring assets at the time of the Zodiac Aerospace acquisition for €89 million excluding deferred tax and cancellation of amortization/impairment of assets identified during other business combinations.

Readers are reminded that the condensed interim consolidated financial statements are subject to review by the Group's Statutory Auditors. The condensed interim consolidated financial statements include the revenue and operating profit indicators set out in the adjusted data in Note 4, "Segment information and adjusted data".

Adjusted financial data other than the data provided in Note 4, "Segment information and adjusted data" are subject to the verification procedures applicable to all of the information provided in the interim financial report.

The impact of these adjustments in first-half 2024 was as follows:

(in € millions)	First-half 2024 consolidated data	Currency hedges: Remeasurement of revenue[1]	Currency hedges: Deferred hedging gain/loss[2]	Business combinations: Amortization of intangible assets - Sagem-Snecma merger[3]	Business combinations: PPA impacts - other business combinations[4]	First-half 2024 adjusted data
Revenue	**13,204**	**(157)**	**-**	**-**	**-**	**13,047**
Other operating income and expenses	(11,287)	(4)	1	21	134	(11,135)
Share in profit from joint ventures	51	-	-	-	11	62
Recurring operating income	**1,968**	**(161)**	**1**	**21**	**145**	**1,974**
Other non-recurring operating income and expenses	(24)	-	-	-	-	(24)
Profit from operations	**1,944**	**(161)**	**1**	**21**	**145**	**1,950**
Cost of net debt	84	-	-	-	-	84
Foreign exchange gain/loss	(1,961)	161	1,681	-	-	(119)
Other financial income and expense	1	-	-	-	-	1
Financial income (loss)	**(1,876)**	**161**	**1,681**	**-**	**-**	**(34)**
Income tax benefit (expense)	38	-	(434)	(5)	(34)	(435)
Profit for the period	**106**	**-**	**1,248**	**16**	**111**	**1,481**
Profit (loss) for the period attributable to non-controlling interests	**(49)**	**-**	**-**	**-**	**-**	**(49)**
PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	**57**	**-**	**1,248**	**16**	**111**	**1,432**

(1) Remeasurement of foreign-currency denominated revenue net of purchases (by currency) at the hedged rate (exchange rate effectively obtained over the year under hedging strategies, including premiums on settled options) through the reclassification of gains/losses recognized in profit or loss on unwinding the hedging relationship.

(2) Changes in the fair value of instruments hedging future cash flows that will be recognized in profit or loss in future periods (a positive €1,681 million excluding tax), and the impact of taking into account hedges when measuring provisions for losses on completion (a positive €1 million at June 30, 2024).

(3) Cancellation of amortization/impairment of intangible assets relating to the remeasurement of aircraft programs resulting from the application of IFRS 3 to the Sagem-Snecma merger.

(4) Cancellation of the impact of remeasuring assets at the time of the Zodiac Aerospace acquisition for €91 million excluding deferred tax and cancellation of amortization/impairment of assets identified during other business combinations.

1.1 FIRST-HALF 2025 RESULTS BASED ON ADJUSTED DATA

All figures concerning the first-half income statement and commented in sections 1.1 and 1.2 represent adjusted data, except when noted otherwise. Comments on the interim consolidated income statement are provided in section 1.3 of this document.

ADJUSTED INTERIM INCOME STATEMENT

(in € millions)	First-half 2024 adjusted data	First-half 2025 adjusted data
Revenue	**13,047**	**14,769**
Other income	208	210
Income from operations	**13,255**	**14,979**
Change in inventories of finished goods and work-in-progress	871	761
Capitalized production	235	245
Raw materials and consumables used	(7,819)	(8,325)
Personnel costs	(3,939)	(4,333)
Taxes	(194)	(239)
Depreciation, amortization and increase in provisions, net of use	(614)	(521)
Asset impairment	57	(145)
Other operating income and expenses	60	12
Share in profit from joint ventures	62	76
Recurring operating income	**1,974**	**2,510**
Other non-recurring operating income and expenses	(24)	(37)
Profit from operations	**1,950**	**2,473**
Cost of net debt	84	77
Foreign exchange gain (loss)	(119)	(80)
Other financial income and expense	1	35
Financial income (loss)	**(34)**	**32**
Profit before tax	**1,916**	**2,505**
Income tax expense	(435)	(851)
PROFIT FOR THE PERIOD	**1,481**	**1,654**
Attributable to:		
▪ owners of the parent	1,432	1,587
▪ non-controlling interests	49	67
Earnings per share attributable to owners of the parent *(in €)*		
Basic earnings per share	3.37	3.80
Diluted earnings per share	3.27	3.80

1.2 BUSINESS COMMENTARY

First-half 2025 key figures

Segment breakdown of adjusted revenue

Segment breakdown of adjusted revenue *(in € millions)*	First-half 2024	First-half 2025	% change	% change in scope	% change currency	% change organic
Propulsion	6,461	7,541	+16.7%	+0.8%	-1.0%	+16.9%
Equipment & Defense	5,170	5,609	+8.5%	+1.2%	-0.7%	+8.0%
Aircraft Interiors	1,411	1,616	+14.5%	-	-1.0%	+15.5%
Holding company & Others	5	3	-31.0%	-	-	-31.0%
TOTAL GROUP	**13,047**	**14,769**	**+13.2%**	**+0.9%**	**-0.9%**	**+13.2%**

Segment breakdown of adjusted recurring operating income

Segment breakdown of adjusted recurring operating income *(in € millions)*	First-half 2024	First-half 2025	% change
Propulsion	**1,285**	**1,758**	**36.8%**
% of revenue	19.9%	23.3%	
Equipment & Defense	**657**	**703**	**7.0%**
% of revenue	12.7%	12.5%	
Aircraft Interiors	**10**	**27**	**170.0%**
% of revenue	0.7%	1.7%	
Holding company & Others	**22**	**22**	**-**
TOTAL GROUP	**1,974**	**2,510**	**27.2%**
% of revenue	15.1%	17.0%	

Adjusted revenue by quarter

2025 revenue by quarter *(in € millions)*	First-quarter 2025	Second-quarter 2025	First-half 2025
Propulsion	3,684	3,857	7,541
Equipment & Defense	2,783	2,826	5,609
Aircraft Interiors	788	828	1,616
Holding company & Others	2	2	4
TOTAL GROUP	**7,257**	**7,512**	**14,769**

Segment operations review

Propulsion

Propulsion was up by 16.9% on an organic basis, with aftermarket revenue up by 21.3% and OE sales up by 9.7%.

The positive momentum observed in the first quarter persisted throughout the first half, with Spare parts for civil engines increasing by 21.6% over the period (in USD), driven primarily by CFM56 and with a positive contribution from high-thrust engines and LEAP. Services for civil engines (in USD) were up by 21.1%, supported by LEAP rate per flight hour (RPFH) contracts.

LEAP engine deliveries increased by 10% to 729 units compared to 664 in first-half 2024, reflecting improved delivery performance (second-quarter up 29% sequentially and up 38% year-over-year).

Military engine revenue increased year-over-year, driven by spare parts, services and a favorable customer mix. Finally, helicopter engine revenue growth was driven by a higher level of services.

Propulsion: recurring operating income reached €1,758 million, up by 37% (+36% organic). Operating margin stood at 23.3% of revenue, up by 3.4 points, supported by strong civil aftermarket activity benefiting from higher spare parts sales for CFM56, the start of profit recognition on LEAP-1A RPFH contracts and an elevated LEAP spare engine ratio.

Military and helicopter activities also contributed to the overall performance.

Equipment & Defense

Equipment & Defense was up 8.0% on an organic basis, driven by landing systems and defense activities.

Aftermarket services increased by 11.9%, with growth across the board, particularly in landing systems (spare parts and services for landing gears), nacelles, avionics and electrical systems.

OE sales grew by 5.5%, led by defense activities (AASM/Hammer™, navigation & timing systems) and higher volumes in landing gears (A320neo and 787).

Equipment & Defense: recurring operating income stood at €703 million, up by 7% (+6% organic). At 12.5% of revenue, the operating margin benefited mainly from aftermarket growth notably on landing gears, carbon brakes and Aerosystems. This solid level is close to the first-half 2024 operating margin, which had included a one-off effect on nacelles.

Aircraft Interiors

Aircraft Interiors saw solid 15.5% growth on an organic basis.

Aftermarket activities grew by 17.3%, mostly driven by Cabin (mainly spare parts).

OE sales growth of 14.4% was mainly driven by Seats, with significant increase in Business class seat deliveries (1,238 units in first-half 2025 vs 750 in first-half 2024). Cabin deliveries (galleys, inserts, etc.) also increased, though to a lesser extent.

Aircraft Interiors: positive recurring operating income of €27 million (compared to €10 million in first-half 2024). Profitability was driven by a strong level of activity in services, benefiting from increased long-range aircraft traffic, notably for Cabin. OE volume also made a positive contribution to recurring operating income, especially increased Business class seat deliveries and, to a lesser extent, from Cabin and in-flight entertainment (IFE) product deliveries.

1.3 FIRST-HALF 2025 RESULTS BASED ON CONSOLIDATED DATA

(in € millions)	First-half 2024	First-half 2025
Revenue	**13,204**	**14,865**
Other recurring operating income and expenses	(11,287)	(12,462)
Share in profit from joint ventures	51	65
Recurring operating income	**1,968**	**2,468**
Other non-recurring operating income and expenses	(24)	(37)
Profit from operations	**1,944**	**2,431**
Financial income (loss)	(1,876)	4,740
Profit before tax	**68**	**7,171**
Income tax benefit (expense)	38	(2,059)
Profit from continuing operations	**106**	**5,112**
Profit from discontinued operations and disposal gain	-	-
Profit (loss) for the period attributable to non-controlling interests	(49)	(67)
PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	**57**	**5,045**

Consolidated revenue

For first-half 2025, consolidated revenue was €14,865 million, compared to €13,204 million in the same period a year ago.

The difference between adjusted revenue and consolidated revenue is due to the exclusion of foreign currency derivatives from the adjusted figures. Neutralizing the impact of foreign currency hedging increased first-half consolidated revenue by €96 million as of June 30, 2025 and by €157 million as of June 30, 2024.

Foreign-currency denominated revenue net of purchases is measured using the hedged rate (exchange rate effectively obtained over the year under hedging strategies, including premiums on settled options) through the reclassification of gains/losses recognized in profit or loss on unwinding the hedging relationship.

The year-on-year change in the impact of foreign currency hedging on revenue results from movements in average exchange rates with regard to the effective hedged rates for the period on the portion of foreign-currency denominated flows hedged by the Group. For example, the hedged EUR/USD rate applied was 1.12 against an average rate of 1.0932, which explains why netting out the effect of foreign currency hedging results in a consolidated revenue figure that is higher than adjusted revenue.

Year-on-year changes in revenue by operating segment are analyzed above (see sections 1.1 and 1.2).

Consolidated recurring operating income

Recurring operating income came in at €2,468 million for first-half 2025, compared to €1,968 million for first-half 2024. The difference between recurring operating income and adjusted recurring operating income, which came in at €2,510 million, results in particular from:

- amortization charged against intangible assets measured when allocating the purchase price for business combinations, representing a negative €160 million for first-half 2025 (versus negative €166 million for first-half 2024);
- a €118 million positive impact resulting from foreign currency transactions (compared to a €160 million positive impact for first-half 2024), including the remeasurement of foreign-currency denominated revenue (a €96 million positive impact) and of "Other recurring operating income and expenses" (a €4 million positive impact).

Changes in recurring operating income, excluding the impact of adjusting items, are analyzed above (see sections 1.1 and 1.2).

Consolidated profit from operations

Profit from operations came in at €2,431 million for first-half 2025, compared to €1,944 million for first-half 2024.

Profit from operations includes recurring operating income of €2,468 million (versus €1,968 million for first-half 2024) and a non-recurring expense of €37 million (versus an expense of €24 million for first-half 2024).

Changes in profit from operations in adjusted data as well as the non-recurring items are analyzed above (see section 1.1).

Consolidated financial income (loss)

The Group reported consolidated financial income of €4,740 million for first-half 2025, compared to a financial loss of €1,876 million for first-half 2024.

As of June 30, 2025, the financial income for the period mainly comprises a €4,808 million gain on foreign currency hedging instruments, a €271 million foreign exchange loss and €91 million in net foreign exchange gains on provisions.

In first-half 2025, the €4,808 million gain on foreign currency hedging instruments reflects changes in the fair value of these instruments attributable to operating cash flows that will be recognized in profit or loss in future periods.

The fair value of the portfolio reflects the immediate liquidation value of the portfolio at the closing rate for the period (USD 1.1725 to €1) compared with the average rate of the portfolio. The change in the fair value is theoretical for the Group, as currency hedges are unwound when future dollar inflows are received.

Income tax benefit (expense)

The Group reported an income tax expense of €2,059 million as of June 30, 2025, compared to an income tax benefit of €38 million for first-half 2024.

Group tax (current and deferred) is calculated by using the projected annual rates in each of the Group's tax jurisdictions, adjusted for the main permanent differences identified.

In France, the 2025 French Finance Act published on February 14, 2025 introduced a temporary exceptional surtax on the profits of large companies. This surtax is based on the average current tax due in respect of 2024 and 2025, before offsetting tax reductions, tax credits and all tax receivables. Safran is liable for this surtax at a rate of 41.2%.

Safran has fully recognized the portion of this surtax based on 2024 earnings as well as the portion based on 2025 earnings as of June 30, 2025. The total exceptional surtax recorded in the financial statements as of June 30, 2025 was €261 million.

Recognition of this surtax brings the Group's effective tax rate to 28.73% in the consolidated financial statements. However, as this surtax is currently considered temporary for 2025, the deferred tax rate for French entities has been maintained at 25.83%.

Consolidated profit for the period

The Group reported consolidated profit of €5,112 million for first-half 2025, compared to profit of €106 million for first-half 2024.

1.4 BALANCE SHEET AND CASH FLOW

Consolidated balance sheet

Assets

(in € millions)	Dec. 31, 2024	June 30, 2025
Goodwill	4,937	4,864
Property, plant and equipment and intangible assets	12,576	12,600
Investments in joint ventures and associates	1,894	1,861
Right-of-use assets	653	728
Other non-current assets	3,425	1,065
Derivatives (positive fair value)	956	1,406
Inventories and work-in-progress	9,491	10,329
Contract costs	884	935
Trade and other receivables	10,572	11,621
Contract assets	2,503	2,743
Cash and cash equivalents	6,514	6,707
Other current assets	607	1,232
TOTAL ASSETS	**55,012**	**56,091**

Equity and liabilities

(in € millions)	Dec. 31, 2024	June 30, 2025
Equity	10,725	13,778
Provisions	3,008	2,831
Borrowings subject to specific conditions	287	276
Interest-bearing liabilities	3,788	2,411
Derivative liabilities	8,818	4,514
Other non-current liabilities	922	179
Trade and other payables	9,802	10,637
Contract liabilities	16,421	18,031
Other current liabilities	1,241	3,434
TOTAL EQUITY & LIABILITIES	**55,012**	**56,091**

Consolidated statement of cash flows

(in € millions)	First-half 2024	Full-year 2024	First-half 2025
Recurring operating income	**1,968**	**4,186**	**2,468**
Other non-recurring operating income and expenses	(24)	6	(37)
Depreciation, amortization, provisions (excluding financial)	723	1,601	817
EBITDA	**2,667**	**5,793**	**3,248**
Income tax and non-cash items	(307)	(1,067)	(458)
Cash flow from operations	**2,360**	**4,726**	**2,790**
Changes in working capital	(140)	7	(168)
Acquisitions of property, plant and equipment	(512)	(1,044)	(525)
Acquisitions of intangible assets	(93)	(172)	(103)
Capitalization of R&D expenditure	(152)	(328)	(160)
Free cash flow	**1,463**	**3,189**	**1,834**
Dividends paid	(965)	(970)	(1,269)
Divestments/acquisitions and others	23	(855)	(434)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**521**	**1,364**	**131**
Net cash at beginning of period	374	374	1,738
Net cash at end of period	**895**	**1,738**	**1,869**

Free cash flow

Free cash flow of €1,834 million was mostly driven by the increase in cash flow from operations and slightly offset by higher capital expenditure of €788 million (€757 million in first–half 2024) notably directed towards additional MRO and OE production capacities. The negative €168 million impact of changes in working capital mainly reflects an increase in inventories partly offset by advance customer payments (notably for Rafale).

Net debt and financing

As of June 30, 2025, Safran's balance sheet exhibits a €1,869 million net cash position (vs €1,738 million at December 31, 2024), as a result of a strong free cash flow generation, mostly offset by a dividend payment (of which €1,216 million to shareholders of the parent company) and share repurchases for cancellation for a total of €713 million.

Cash and cash equivalents stood at €6,707 million (vs €6,514 million at December 31, 2024).

On April 1, 2025, Safran proceeded with the early redemption of its bonds convertible into shares initially due April 1, 2028. In that respect, Safran delivered 3,798,287 existing treasury shares to bondholders who exercised their conversion rights (i.e., 93% of the bonds) and paid €49 million in cash. This soft call had a €721 million positive impact on net debt and no dilutive impact on existing shareholders.

1.5 CURRENCY HEDGES

The hedging portfolio amounts to USD 55 billion in June 2025 (USD 54.1 billion in March 2025).

- 2025 hedge rate is USD 1.12, for an estimated net exposure of USD 14 billion.
- 2026, 2027 and 2028 are fully hedged: targeted hedge rate of USD 1.12, for an estimated net annual exposure of USD 14 billion.
- 2029 is partially hedged: USD 5 billion out of an estimated net exposure of USD 14 billion.

1.6 PORTFOLIO REVIEW

Acquisition of Collins actuation and flight control activities

On July 21, Safran acquired Collins Aerospace's flight control and actuation activities which are mission critical systems for commercial and military aircraft, and helicopters. With this transaction, Safran becomes a global leader in flight control and actuation systems and is well-positioned for next-generation platforms.

This business will be consolidated within Safran Electronics & Defense starting from August 1, 2025. In 2024, it generated revenue of around USD 1.55 billion and EBITDA of approximately USD 130 million.

The enterprise value of the acquired business amounts to USD 1.8 billion. The acquisition will be accretive to Safran's earnings per share from year one and is expected to generate approximately USD 50 million in annual pre-tax run-rate cost synergies by 2028.

In line with regulatory requirements, Safran simultaneously completed the sale of its North American electro-mechanical actuation activities, which generated revenue of around USD 65 million in 2024, to Woodward.

The impact of both transactions on Group revenue is estimated to be between €600 and €700 million over the last five months of 2025.

1.7 FULL-YEAR 2025 OUTLOOK

Safran upgrades its full-year 2025 outlook, at constant scope, which excludes the contribution of Collins Aerospace's actuation & flight controls business as well as any potential impact of tariffs:

- revenue growth: **up low-teens** (versus around 10%);
- recurring operating income: **€5.0 - €5.1 billion** (versus €4.8 - €4.9 billion);
- free cash flow: **€3.4 - €3.6 billion** (versus €3.0 - €3.2 billion), of which €(380) - €(400) million estimated impact from the French corporate surtax and subject to payment schedule of some advance payments and the rhythm of payments by state-clients.

This outlook is based notably, but not exclusively, on the following assumptions:

- LEAP engine deliveries: up 15% to 20% compared to 2024;
- "Spare parts" revenue (in USD): up mid to high-teens (versus low-teens);
- "Services" revenue (in USD): up mid to high teens (versus mid-teens);
- €/USD spot rate of 1.10;
- €/USD hedge rate of 1.12.

The main risk factor is the supply chain production capability.

1.8 RELATED-PARTY TRANSACTIONS

Readers are invited to refer to section 2, Note 8.1 of this report and sections 6.1.4 and 7.3.1 of the 2024 Universal Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on March 28, 2025 under number D.25-0189.

1.9 BONDS CONVERTIBLE INTO NEW SAFRAN SHARES AND/OR EXCHANGEABLE FOR EXISTING SAFRAN SHARES

Bonds convertible into new Safran shares and/or exchangeable for existing Safran shares, due April 1, 2028 (2028 OCEANEs)

As a reminder, on June 14, 2021, Safran issued 4,035,601 bonds convertible into new shares and/or exchangeable for existing shares, due April 1, 2028 (2028 OCEANEs). The background, terms and conditions, purpose and impact of the 2028 OCEANE bond issues are presented in section 3.1, Notes 6.3.3 and 6.2.3.2 of the 2024 Universal Registration Document, and section 2, Note 6.2.3 of this interim financial report. The reports of the Board of Directors and the Statutory Auditors on the 2028 OCEANEs are presented in section 8.4 of the 2021 Universal Registration Document.

On February 28, 2025, Safran announced that it would redeem all 2028 OCEANE bonds outstanding on April 1, 2025 ahead of term on that date. Bondholders had the option of requesting the exercise of their conversion right pursuant to the terms and conditions of the 2028 OCEANE bonds until the seventh trading day (exclusive) preceding the early redemption date, i.e., until March 20, 2025 (inclusive).

At the early redemption date, 3,764,425 of the 4,035,601 total 2028 OCEANE bonds issued had been tendered for conversion, giving rise to the delivery of 3,798,287 existing shares. The 271,176 bonds still outstanding were redeemed at their par value, i.e., €180.89 per bond, for a total amount of €49.1 million.

As of June 30, 2025, there were therefore no outstanding 2028 OCEANE bonds.

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GROUP CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors' meeting of July 30, 2025 adopted and authorized the publication of Safran's consolidated financial statements and adjusted income statement for the six-month period from January 1 to June 30, 2025.

CONSOLIDATED INCOME STATEMENT

(in € millions)	Note	First-half 2024	First-half 2025
Revenue	**5.1**	**13,204**	**14,865**
Other income	5.2.1	208	210
Income from operations		**13,412**	**15,075**
Change in inventories of finished goods and work-in-progress		867	761
Capitalized production		235	245
Raw materials and consumables used	5.2.2	(7,822)	(8,320)
Personnel costs	5.2.3	(3,932)	(4,334)
Taxes		(194)	(239)
Depreciation, amortization and increase in provisions, net of use	5.2.4	(765)	(652)
Asset impairment	5.2.5	56	(145)
Other recurring operating income and expenses		60	12
Share in profit from joint ventures	6.1.5	51	65
Recurring operating income		**1,968**	**2,468**
Other non-recurring operating income and expenses	5.2.6	(24)	(37)
Profit from operations		**1,944**	**2,431**
Cost of net debt		84	77
Foreign exchange gains (losses)		(1,961)	4,628
Other financial income and expense		1	35
Financial income (loss)	**5.3**	**(1,876)**	**4,740**
Profit before tax		**68**	**7,171**
Income tax benefit (expense)	5.4	38	(2,059)
PROFIT FOR THE PERIOD		**106**	**5,112**
Attributable to:			
▪ owners of the parent		57	5,045
▪ non-controlling interests		49	67
Earnings per share attributable to owners of the parent *(in €)*	**5.5**		
Basic earnings per share		0.13	12.07
Diluted earnings per share		0.13	12.07

The accompanying notes are an integral part of the consolidated financial statements.

STATEMENT OF COMPREHENSIVE INCOME

(in € millions)	Note	First-half 2024	First-half 2025
Profit for the period		**106**	**5,112**
OTHER COMPREHENSIVE INCOME			
Items to be reclassified to profit		**182**	**(737)**
Translation adjustments		155	(629)
Remeasurement of hedging instruments		(3)	12
Income tax related to components of other comprehensive income to be reclassified to profit		1	(3)
Share in other comprehensive income of equity-accounted companies to be reclassified to profit (net of tax)	6.1.5	29	(117)
Items not to be reclassified to profit		**57**	**24**
Actuarial gains and losses on post-employment benefits		76	33
Income tax related to components of other comprehensive income not to be reclassified to profit		(19)	(9)
Share in other comprehensive income of equity-accounted companies not to be reclassified to profit (net of tax)		-	-
Other comprehensive income (expense) for the period		**239**	**(713)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**345**	**4,399**
Attributable to:			
▪ owners of the parent		293	4,340
▪ non-controlling interests		52	59

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(in € millions)	Note	Dec. 31, 2024	June 30, 2025
Goodwill	6.1.1	4,937	4,864
Intangible assets	6.1.1	7,947	7,820
Property, plant and equipment	6.1.2	4,629	4,780
Right-of-use assets	6.1.4	653	728
Non-current financial assets	6.1.6	1,073	802
Investments in equity-accounted companies	6.1.5	1,894	1,861
Non-current derivatives (positive fair value)	6.4	4	-
Deferred tax assets		2,349	263
Other non-current financial assets		3	-
Non-current assets		**23,489**	**21,118**
Current financial assets	6.1.7	243	526
Current derivatives (positive fair value)	6.4	952	1,406
Inventories and work-in-progress		9,491	10,329
Contract costs		884	935
Trade and other receivables		10,572	11,621
Contract assets		2,503	2,743
Tax assets		364	706
Cash and cash equivalents	6.4.1	6,514	6,707
Current assets		**31,523**	**34,973**
TOTAL ASSETS		**55,012**	**56,091**

EQUITY AND LIABILITIES

(in € millions)	Note	Dec. 31, 2024	June 30, 2025
Share capital	6.2	85	85
Consolidated reserves and retained earnings	6.2	10,758	8,092
Profit (loss) for the period		(667)	5,045
Equity attributable to owners of the parent		**10,176**	**13,222**
Non-controlling interests		**549**	**556**
Total equity		**10,725**	**13,778**
Provisions	6.3.1	1,835	1,972
Borrowings subject to specific conditions	6.4.3	287	276
Non-current interest-bearing financial liabilities	6.4.2	3,788	2,411
Non-current derivatives (negative fair value)	6.4	15	3
Deferred tax liabilities		911	168
Other non-current financial liabilities	6.1.6	11	11
Non-current liabilities		**6,847**	**4,841**
Provisions	6.3.1	1,173	859
Current interest-bearing financial liabilities	6.4.2	988	2,427
Trade and other payables		9,802	10,637
Contract liabilities		16,421	18,031
Tax liabilities		105	755
Current derivatives (negative fair value)	6.4	8,803	4,511
Other current financial liabilities	6.1.7	148	252
Current liabilities		**37,440**	**37,472**
TOTAL EQUITY AND LIABILITIES		**55,012**	**56,091**

The accompanying notes are an integral part of the consolidated financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in € millions)	Share capital	Additional paid-in capital	Treasury shares	Remeasu-rement of hedging instruments	Translation adjust-ments	Consoli-dated reserves and retained earnings	Actuarial gains and losses on post-employment benefits	Profit (loss) for the period	Other	Equity attribu-table to owners of the parent	Non-controlling interests	Total equity
At December 31, 2023	**85**	**4,688**	**(1,848)**	**1**	**500**	**4,640**	**(288)**	**3,444**	**355**	**11,577**	**511**	**12,088**
Comprehensive income (expense) for the period	-	-	-	(3)	182	-	75	57	18(1)	293	52	345
Acquisitions/disposals of treasury shares	-	-	(512)	-	-	(44)	-	-	-	(556)	-	(556)
Dividends	-	-	-	-	-	(911)	-	-	-	(911)	(54)	(965)
Treasury shares delivered through conversion of 2027 OCEANE bonds	-	-	1,201	-	-	(177)	-	-	-	1,024	-	1,024
Share buyback commitments	-	-	-	-	-	(250)	-	-	-	(250)	-	(250)
Other movements, including appropriation of profit	-	-	-	-	-	3,444	-	(3,444)	41(2)	41	-	41
At June 30, 2024	**85**	**4,688**	**(1,159)**	**(2)**	**682**	**6,702**	**(213)**	**57**	**378**	**11,218**	**509**	**11,727**
Comprehensive income (expense) for the period	-	-	-	(7)	186	-	(53)	(724)	15	(583)	45	(538)
Acquisitions/disposals of treasury shares	-	-	4	-	-	252	-	-	-	256	-	256
Dividends	-	-	-	-	-	-	-	-	-	-	(5)	(5)
Increase/decrease in share capital	-	(750)	-	-	-	-	-	-	-	(750)	-	(750)
Other movements, including appropriation of profit	-	-	-	-	-	-	-	-	35(2)	35	-	35
At December 31, 2024	**85**	**3,938**	**(1,155)**	**(9)**	**868**	**6,954**	**(266)**	**(667)**	**428**	**10,176**	**549**	**10,725**
Comprehensive income (expense) for the period	-	-	-	12	(739)	-	34	5,045	12(1)	4,340	59	4,399
Acquisitions/disposals of treasury shares	-	-	(504)	-	-	(146)	-	-	-	(650)	-	(650)
Dividends	-	-	-	-	-	(1,216)	-	-	-	(1,216)	(52)	(1,268)
Treasury shares delivered through conversion of 2028 OCEANE bonds	-	-	630	-	-	35	-	-	-	665	-	665
Share buyback commitments	-	-	-	-	-	(137)	-	-	-	(137)	-	(137)
Increase/decrease in share capital	-	-	-	-	-	-	-	-	-	-	-	-
Other movements, including appropriation of profit	-	-	-	-	-	(667)	-	667	44(2)	44	-	44
AT JUNE 30, 2025	**85**	**3,938**	**(1,029)**	**3**	**129**	**4,823**	**(232)**	**5,045**	**460**	**13,222**	**556**	**13,778**

(1) Other comprehensive income for 2025 (attributable to owners of the parent) includes a negative tax impact of €12 million, of which €9 million arising on actuarial losses and €3 million on foreign exchange gains (a negative impact of €19 million and a positive impact of €1 million, respectively, in 2024).

(2) Including a share-based payment expense (IFRS 2) net of tax amounting to €49 million in 2025 (€79 million in 2024).

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(in € millions)		Note	First-half 2024	First-half 2025
I. CASH FLOW FROM OPERATING ACTIVITIES				
Profit attributable to owners of the parent			57	5,045
Depreciation, amortization, impairment and provisions		7.1	766	705
Share in profit/loss from equity-accounted companies (net of dividends received)		6.1.5	(37)	(51)
Change in fair value of currency and interest rate derivatives		6.4	1,680	(4,785)
Capital gains and losses on asset disposals			(13)	2
Profit attributable to non-controlling interests			49	67
Other		7.1	(142)	1,807
Cash flow from operations, before change in working capital			**2,360**	**2,790**
Change in working capital		**7.1**	**(140)**	**(168)**
	Total I		**2,220**	**2,622**
II. CASH FLOW USED IN INVESTING ACTIVITIES				
Capitalization of R&D expenditure		6.1.1	(152)	(160)
Payments for the purchase of intangible assets, net			(93)	(103)
Payments for the purchase of property, plant and equipment, net			(512)	(525)
Payments for the acquisition of investments or businesses, net		7.2	(189)	(147)
Proceeds arising from the sale of investments or businesses, net			18	14
Proceeds (payments) arising from the sale (acquisition) of financial assets, net			(57)	(87)
Other movements			-	-
	Total II		**(985)**	**(1,008)**
III. CASH FLOW USED IN FINANCING ACTIVITIES				
Change in share capital – owners of the parent			-	-
Change in share capital – non-controlling interests			-	-
Acquisitions and disposals of treasury shares		6.2.1-7.3	(574)	(707)
Repayment of borrowings and long-term debt		7.3	(744)	(148)
Increase in borrowings		6.4.2	11	14
Change in repayable advances		6.4.3	(9)	(13)
Change in short-term borrowings		6.4.2-7.3	49	756
Dividends and interim dividends paid to owners of the parent		6.2.4	(911)	(1,216)
Dividends paid to non-controlling interests			(54)	(53)
	Total III		**(2,232)**	**(1,367)**
Effect of changes in foreign exchange rates	**Total IV**		**20**	**(54)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**I+II+III+IV**		**(977)**	**193**
Cash and cash equivalents at beginning of period			6,676	6,514
Cash and cash equivalents at end of period		6.4.1	5,699	6,707
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			**(977)**	**193**

The accompanying notes are an integral part of the consolidated financial statements.

NOTES TO THE GROUP CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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The condensed interim consolidated financial statements include the accounts of Safran SA ("the Company") and its subsidiaries ("the Group"), as well as the Group's interests in equity-accounted companies (associates and joint ventures).

Safran SA, the Group's parent company, is a *société anonyme* (joint-stock corporation) incorporated in France with a Board of Directors, listed on Compartment A of the Euronext Paris Eurolist market. The Company is headquartered at 2, boulevard du général Martial Valin, 75015 Paris, France.

Safran is an international high-technology group, operating in the aviation (propulsion, equipment and aircraft interiors), defense and space markets.

On July 30, 2025, the Board of Directors approved the condensed interim consolidated financial statements for the six-month period ended June 30, 2025 and authorized their publication.

Unless otherwise indicated, amounts are expressed in millions of euros. As a general rule, amounts presented in the condensed interim consolidated financial statements and accompanying notes are rounded to the nearest whole number. As a result, there may be minor discrepancies between the rounded amounts and the totals, subtotals and percentages shown.

NOTE 1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1.1 Accounting policies

The condensed interim consolidated financial statements at June 30, 2025 have been prepared in accordance with IAS 34, “Interim Financial Reporting” and with all the standards and interpretations adopted by the European Union and applicable to accounting periods beginning on or after January 1, 2025.

In preparing these condensed interim consolidated financial statements at June 30, 2025, Safran applied the same accounting rules and methods as those applied in the preparation of its consolidated financial statements for the year ended December 31, 2024, except as regards the specific requirements of IAS 34 (use of projected annual rates in calculating the Group’s income tax, adjusted for the main permanent differences).

The Group's specific application of material accounting principles is discussed at the beginning of each note to the consolidated financial statements.

1.2 Change of accounting framework

1.2.1 New IFRS standards and amendments

Standards, interpretations and amendments adopted by the European Union and effective for reporting periods as of January 1, 2025

Amendments to IAS 21	Lack of Exchangeability

This amendment has no impact on the Group's consolidated financial statements.

Standards, interpretations and amendments published by the IASB but not yet adopted by the European Union as of June 30, 2025 or not yet effective as of January 1, 2025

		Effective date
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9	Contracts Referencing Nature-dependent Electricity	January 1, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	IFRS annual improvements process (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027[1]
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027[1]

(1) Subject to adoption by the European Union

Safran is continuing to assess the impact of the application of IFRS 18 on the presentation of its consolidated financial statements that will be implemented in 2027.

The Group does not expect any material impact from applying the other standards and amendments presented above.

1.2.2 Changes in the legislative framework

In France, the 2025 French Finance Act published on February 14, 2025 introduced a temporary exceptional surtax on the profits of large companies.

This surtax is based on the average current tax due in respect of 2024 and 2025, before offsetting tax reductions, tax credits and all tax receivables.

Safran is liable for this temporary exceptional surtax at a rate of 41.2% (see Note 5.4 “Income tax”).

1.2.3 Changes in legal interpretation

None.

1.3 Basis of measurement

The financial statements are prepared on a historical cost basis except for certain assets and liabilities, as allowed by IFRS.

1.4 Main sources of uncertainty as regards management estimates and judgments

The preparation of financial statements in accordance with the IFRS conceptual framework requires Group management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities, income and expenses, along with the measurement of commitments given and contingent liabilities.

These estimates are based on the Group’s past experience and factor in the economic conditions prevailing at the end of the reporting period and any information available as of the date of preparation of the financial statements of a contractual or commercial nature.

These estimates also take into account the Group's plans in terms of carbon neutrality as approved by the Science-Based Targets Initiative (SBTi) in early 2023 and, in particular, the achievement of carbon emissions reduction targets on Scopes 1 and 2 by 2030 and of absolute greenhouse gas (GHG) emissions reduction targets on Scope 3 by 2035, aiming to contribute to the overall objective of net zero emissions in the aviation industry by 2050.

In the absence of standards or interpretations applicable to a specific transaction, Group management uses judgment to define and apply the accounting methods that will enable it to obtain relevant and reliable information for the preparation of the financial statements.

The main estimates, judgments and assumptions of a material nature used by the Group in preparing the financial statements for the period ended June 30, 2025 are outlined below:

- cash flow forecasts for programs, contracts (business plans) and business segments.

The assumptions applied and resulting estimates used for programs and contracts cover periods that are sometimes very long (up to several decades), and take into account the technological, commercial and contractual constraints as well as the impacts of the climate strategy of each such program and contract.

These estimates primarily draw on assumptions about the volumes, output and selling prices of products sold and associated production costs, including inflation assumptions. They also take account of exchange rates for foreign-currency denominated sales and purchases, as well as contingencies that arise from contractual risks and forecast cost overruns and the discount rate adopted for each program and contract.

The Group’s volume assumptions are prepared internally for each market in which Group companies are present (e.g., commercial, business and military aviation, helicopters, etc.). For short-term estimates, these assumptions are based on available inputs (programs, orders, etc.), while external inputs (publications, airframer press releases, IATA announcements, market surveys, etc.) are used for estimates covering the medium to long term. The assumptions are regularly revised, particularly those used for short-term estimates, in order to reflect the latest developments in the Group’s programs, and all assumptions used for medium- to long-term forecasts are validated by management at least once a year.

Cash flow forecasts are used to determine the following:

- measurement of the recoverable amount of non-current assets: as part of impairment tests, including goodwill, program assets, development expenditure and other (see Note 6.1 “Non-current assets”);
- capitalization of development expenditure (see Note 6.1.1 “Goodwill and other intangible assets”);
- measurement of the recoverable amounts of investments in equity-accounted companies (see Note 6.1.5 “Investments in equity-accounted companies”);
- measurement of revenue and profit (loss) on completion of performance obligations for which revenue is recognized on a percentage-of-completion basis using the cost-to-cost method (see Note 5.1 “Revenue”);
- measurement of provisions and contract liabilities relating to performance warranties, losses on completion, losses arising on delivery commitments, and other liabilities under sales contracts (see Note 5.1 “Revenue” and Note 6.3.1 “Overview of provisions”);
- fair value measurement of purchase price components and intangible assets acquired as part of a business combination (see Note 2.1 “Changes in scope of consolidation”);
- the assumptions used to measure pension and other post-employment benefit obligations and share-based payment plans (see Note 6.2.2 “Share-based payment” and Note 6.3.2 “Analysis of pension and other post-employment benefit obligations”);
- measurement of provisions for disputes and litigation (see Note 8.3 “Disputes and litigation").

1.5 Main accounting impacts of climate change

In preparing its financial statements, the Group has taken into account the risks associated with the effects of climate change and the Group's energy transition.

Safran's ambitious commitments in line with the Paris Agreement were validated by the Science Based Targets initiative (SBTI) in 2023. Its main commitments are to:

- reduce its direct CO_2 emissions and those linked to its energy consumption by more than 50% by 2050 compared with 2018;
- mobilizing its supply chain to reduce its Scope 3 emissions. To this end, in 2025, the Group has continued its TOP400 supplier initiative launched in 2022, which seeks commitment to an emissions reduction trajectory in line with the Paris Agreement from those suppliers that account for the largest portion of its carbon footprint.

Safran secures its supply of low-carbon energies through guarantees of origin for renewable electricity known as Power Purchase Agreements (PPAs), which cover between 70% and 100% of the electricity used at the sites located in the countries where the PPAs have been signed (Mexico, Poland, the United States and the United Kingdom). This supply also stems from the self-consumption of renewable energy generated by facilities installed at Group sites in Australia, Belgium, China, France, Malaysia, Morocco, Singapore, Thailand, Tunisia, the United States and the United Kingdom.

The assessment of the Group's physical and transition risks relating to climate change described in the 2024 Universal Registration Document in section 5.1.2.1.3 "Management of impacts, risks and opportunities – Metrics and targets" was updated in 2024 on the basis of various warming scenarios over the time horizons up to 2030 and 2050.

The Group's integration of climate issues into its strategy includes topics related to the transition to a low-carbon model, and climate change adaptation:

- The air traffic growth assumptions used by management in the Group's medium-term business plan and strategy (3.2% growth in average annual revenue passenger kilometers [RPK] over the next 20 years) take into account environment-related constraints in different regions (impact of the use of sustainable aviation fuels and of higher taxes on ticket prices, changes in consumer behavior owing to increased environmental concerns – especially in Europe, a decline in business travel, and the occurrence of periods of extreme weather) that could slow down air traffic growth.

  These assumptions are incorporated into the cash flow forecasts the Group uses to perform asset impairment tests.
- The depreciation periods of the main programs (including technological assets) take into account decarbonization initiatives and have not been revised.
- The periodic review of the useful life of property, plant and equipment takes into account environmental regulatory constraints, particularly those relating to greenhouse gas emissions, as well as physical risks.
- Provisions may be set aside for environmental risks where they meet the recognition criteria.

Finally, the financial terms and conditions of the liquidity line available to the Group at June 30, 2025 are indexed to the achievement by the Group of two sustainable development criteria: CO_2 emissions (Scopes 1 and 2) and the proportion of women among senior executives (see Note 6.4.8. "Liquidity risk management").

NOTE 2 SCOPE OF CONSOLIDATION

The Group's consolidated financial statements include all subsidiaries, joint operations, joint ventures and associates when their contribution to certain consolidated indicators is material or when their business is strategic for the Group.

Investments in associates and joint ventures are shown on the balance sheet under "Investments in equity-accounted companies".

In the income statement, the Group's share in the net earnings or losses of equity-accounted companies is shown separately under a specific line item, "Share in profit from joint ventures".

Balance sheet and income statement items for joint operations are consolidated line-by-line.

2.1 Changes in scope of consolidation

Business combinations are recorded using the acquisition (purchase) method. Identifiable assets acquired and liabilities and contingent liabilities assumed are measured at fair value at the date control is acquired.

One of the most important areas in which estimates are used in accounting for a business combination concerns the calculation of the fair value of certain assets acquired and liabilities assumed and the underlying assumptions applied. The fair value of certain items acquired in a business combination can be measured reliably, for example property, plant and equipment using market prices or working capital requirement items. However, the fair value of other items such as intangible assets or contingent liabilities may prove more difficult to establish. These complex measurements are usually performed by independent experts based on a series of assumptions. These experts are generally required to estimate the impact of future events that are uncertain at the date of the combination.

2.1.1 Acquisitions

Acquisition of Component Repair Technologies (CRT)

On January 19, 2025, Safran completed its acquisition of 100% of CRT, a world leader in the repair of aircraft engine parts, based in Mentor, Ohio (United States).

These new capabilities will strengthen Safran's maintenance, repair and overhaul (MRO) network in the Americas. CRT specializes in the repair of large parts (cases, rotating parts) for the CFM56, LEAP and large turbofan engines.

The acquisition has been fully consolidated in Safran's financial statements since January 1, 2025.

In first-half 2025, this company contributed €51 million to consolidated revenue and €12 million to profit from operations.

At June 30, 2025, the preliminary allocation of the purchase price to the assets and liabilities measured at fair value generated provisional goodwill of €119 million.

(in € millions)	**Fair value at acquisition date**
Non-current assets	14
Inventories	21
Other current and non-current assets and liabilities	9
Cash at bank and in hand	5
Borrowings	(17)
Net assets	**32**
Purchase price	**151**
GOODWILL	**119**

2.1.2 Completion of transactions

Acquisition of Preligens, a leader in artificial intelligence for the defense sector

On September 2, 2024, the Group finalized its acquisition of Preligens, renamed Safran.AI.

Safran.AI has been fully consolidated in the Group's financial statements since September 1, 2024.

Following the finalization of the purchase price allocation for the company at June 30, 2025, goodwill was recognized in an amount of €120 million.

The final allocation of the purchase price is as follows:

(in € millions)	**Fair value at acquisition date**
Intangible assets	138
Property, plant and equipment and financial assets	3
Inventories	1
Other current and non-current assets and liabilities	(47)
Cash and cash equivalents	18
Borrowings	(8)
Net assets	**105**
Purchase price	**225**
DEFINITIVE GOODWILL	**120**

Acquisition of Thales' aeronautical electrical systems business

On October 2, 2023, Safran finalized its acquisition of a 100% stake in Thales's aeronautical electrical systems business, but the transfer of control of the business activities in the United States and Singapore was still in progress pending certain certification approvals.

The activities based in the United States were transferred and incorporated into the consolidated financial statements with effect from March 31, 2025. They did not have a material impact on the financial statements.

The transfer of the activities based in Singapore is scheduled for the second half of 2025.

2.1.3 Transactions in progress at June 30, 2025

Acquisition of Collins Aerospace's actuation and flight control business and sale of the electromechanical actuation business

Safran has finalized the acquisition of Collins Aerospace's flight control and actuator business, in addition to the sale of its North American electromechanical actuation business to the American company Woodward.

These transactions culminated in the signature of definitive agreements on July 21, 2025, following the receipt of the necessary regulatory approvals, the last of which was issued on July 16, 2025.

These transactions are detailed in the note on subsequent events (see Note 8.4, "Subsequent events").

NOTE 3 SIGNIFICANT EVENTS OF THE PERIOD

United States tariffs and their potential consequences

The first half of the year was marked by considerable instability in the rules governing international trade, with the implementation of tariffs by the United States administration and similar measures by certain other countries. The situation remained volatile and unpredictable throughout the period. Safran is directly affected by the introduction of these new customs tariffs, given its international operation and the countries in which the Group operates.

For a long time, the global aviation sector has operated under an exemption, with little or no tariffs, to the benefit of all parties. The implementation of these tariffs necessarily entails additional costs.

The Group is using all available regulatory mechanisms to offset the economic impact of these tariffs. This includes classifying flows under the free trade agreements in force between North American countries (USMCA), the use of free trade zones, bonded warehouses and duty drawback (a mechanism for the deferred refund of import duties paid in the United States on goods subsequently re-exported outside the United States), as well as other strategies such as modifying logistics flows.

These mitigation measures help to reduce the Group's gross exposure.

The Group believes it can pass on most of its residual exposure to customers, either by applying contractual clauses that provide for this, or by entering into contractual negotiations. As a result, surcharges were billed to some customers in first-half 2025.

The amounts paid to suppliers (after verifying their justification) and amounts re-invoiced to customers over the first half of 2025 have been included in the financial statements and are not material due to the gradual and partially suspended application of the announced tariffs.

Given the fluctuating context of ongoing negotiations between the United States and its partners, the Group has assumed in its interim financial statements that the vast majority of its residual exposure to new tariffs, i.e., after the implementation of mitigation measures, will be borne by customers.

NOTE 4 SEGMENT INFORMATION AND ADJUSTED DATA

The segment information presented below is based on internal reporting used by Executive Management to assess performance and allocate resources to the various business segments.

Executive Management represents the chief operating decision-maker within the meaning of IFRS 8.

The Group's subsidiaries are organized around tier-one entities (“consolidation sub-groups”).

These sub-groups are in turn organized into operating segments based on the type of products and services they sell.

SEGMENTS PRESENTED

Safran manages its operations based on three operating segments:

- **Propulsion:** The Group designs, develops, produces and markets propulsion and mechanical power transmission systems for commercial aircraft, military transport, training and combat aircraft, civil and military helicopters, and drones. This segment also includes maintenance, repair and overhaul (MRO) activities and the sale of spare parts.
- **Equipment & Defense:** Safran covers the full life cycle of systems and equipment for civil and military aircraft and helicopters. The Group is involved in landing gear and brakes, nacelles and reversers, avionics (flight controls and onboard information systems), security systems (evacuation slides and oxygen masks), onboard computers and fuel systems. It also operates at the different phases of the electrical cycle and provides electrical power management systems and associated engineering services. It includes all activities serving the aerospace, naval and land defense markets, including optronic equipment and sights, navigation equipment and sensors, modernized infantry, and drones. This segment also includes maintenance, repair and overhaul (MRO) activities and the sale of spare parts.
- **Aircraft Interiors:** this segment includes all operations related to the buyer-furnished equipment (BFE) market, whose direct customers are mostly airline companies. It also includes all activities related to supplier-furnished equipment (SFE) specified and purchased by the airframer. The Group designs, develops, manufactures and markets, for example, aircraft seats for passengers (First, Business and Economy Class) and crew, as well as cabin equipment, overhead bins, class dividers, passenger service units, cabin interior solutions, chilling systems, galleys, and electrical inserts and trolleys. This segment also includes complex cabin equipment and passenger comfort-focused solutions such as water distribution, lavatories, ventilation systems, and in-flight entertainment and connectivity (IFEC).
- **Holding company and other:** In “Holding company and other”, the Group includes Safran SA’s activities and holding companies in various countries.

BUSINESS SEGMENT PERFORMANCE INDICATORS

To make it easier to track and compare its operating and financial performance, the Group prepares an adjusted income statement in addition to its consolidated financial statements and presents key indicators in its management report, defined as follows:

- **Adjusted revenue** corresponds to revenue net of purchases in foreign currencies at the hedged rate resulting from the exchange rate effectively obtained over the year under hedging strategies, including premiums on settled options.
- **Adjusted ROI** corresponds to recurring operating income adjusted for (i) entries recorded in connection with business combinations (impact of asset remeasurements and the depreciation, amortization and impairment of assets measured as part of the purchase price allocation in accordance with IFRS 3), (ii) 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: remeasurement (by currency) of foreign-currency denominated revenue net of purchases at the hedged rate (exchange rate effectively obtained over the year under hedging strategies, including premiums on settled options) through the reclassification of any gains/losses recognized in profit or loss on unwinding the hedging relationship.
- **Adjusted profit attributable to owners of the parent** corresponds to consolidated profit for the period attributable to owners of the parent adjusted for the above-mentioned items and for the neutralization of all mark-to-market changes on foreign currency derivatives hedging future cash flows. The resulting changes in deferred tax have also been adjusted.

4.1 KPIs by segment

AT JUNE 30, 2025

(in € millions)	Propulsion	Equipment & Defense	Aircraft Interiors	Total operating segments	Holding company and other	Total adjusted data	Currency hedges	Impacts of business combinations	Total consolidated data
Revenue	**7,541**	**5,609**	**1,616**	**14,766**	**3**	**14,769**	**96**	**-**	**14,865**
Recurring operating income (loss)[(1)]	**1,758**	**703**	**27**	**2,488**	**22**	**2,510**	**118**	**(160)**	**2,468**
Other non-recurring operating income and expenses	-	(8)	(29)	(37)	-	(37)	-	-	(37)
Profit (loss) from operations	**1,758**	**695**	**(2)**	**2,451**	**22**	**2,473**	**118**	**(160)**	**2,431**
Free cash flow	**1,785**	**214**	**(68)**	**1,931**	**(97)**	**1,834**	**-**	**-**	**1,834**
(1) o/w raw materials and consumables used	*(4,412)*	*(3,169)*	*(1,017)*	*(8,598)*	*273*	*(8,325)*	*5*	*-*	*(8,320)*
o/w personnel costs	*(1,605)*	*(1,869)*	*(548)*	*(4,022)*	*(311)*	*(4,333)*	*(1)*	*-*	*(4,334)*

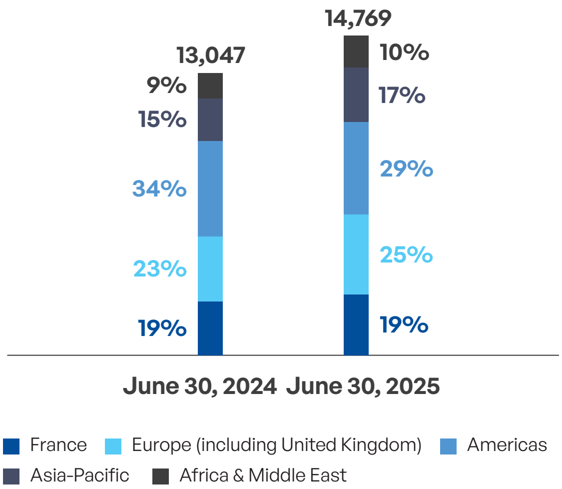
AT JUNE 30, 2024

(in € millions)	Propulsion	Equipment & Defense	Aircraft Interiors	Total operating segments	Holding company and other	Total adjusted data	Currency hedges	Impacts of business combinations	Total consolidated data
Revenue	**6,461**	**5,170**	**1,411**	**13,042**	**5**	**13,047**	**157**	**-**	**13,204**
Recurring operating income (loss)[(1)]	**1,285**	**657**	**10**	**1,952**	**22**	**1,974**	**160**	**(166)**	**1,968**
Other non-recurring operating income and expenses	1	(12)	(9)	(20)	(4)	(24)	-	-	(24)
Profit from operations	**1,286**	**645**	**1**	**1,932**	**18**	**1,950**	**160**	**(166)**	**1,944**
Free cash flow	**1,355**	**105**	**(135)**	**1,325**	**138**	**1,463**	**-**	**-**	**1,463**
(1) o/w raw materials and consumables used	*(4,242)*	*(2,847)*	*(940)*	*(8,029)*	*210*	*(7,819)*	*(3)*		*(7,822)*
o/w personnel costs	*(1,438)*	*(1,706)*	*(508)*	*(3,652)*	*(287)*	*(3,939)*	*7*		*(3,932)*

4.2 Information by geographic area

Revenue by geographic area can be analyzed as follows:

REVENUE BY GEOGRAPHICAL LOCATION OF CUSTOMERS



Revenue generated by the Group in the United States amounted to €3,265 million, or 22% of total Group revenue (€3,445 million in first-half 2024, or 26% of total Group revenue).

Outside of France and the United States, no other country accounts for more than 10% of Group sales.

NOTE 5 NOTES TO THE INCOME STATEMENT

5.1 Revenue

The Safran Group primarily sells:

ORIGINAL EQUIPMENT AND RELATED PRODUCTS AND SERVICES

Original equipment engines and spare engines, serial production equipment and spare parts

Revenue from sales of engines, equipment and spare parts is recognized upon transfer to the customer, i.e., upon delivery.

Development work may be carried out prior to production and is often inseparable from serial production. Any total or part contributions from customers in respect of such work are therefore initially recorded in the balance sheet as contract liabilities when they are received, and subsequently recognized in "Original equipment and equipment sales" as the goods are delivered.

Financing for development work which is independent of serial production (i.e., representing a separate performance obligation) is recognized in revenue upon the transfer of control over the development work (at a specific point in time, or on a percentage-of-completion basis (cost-to-cost method) if control is transferred over time).

The revenue recognized is net of any discounts granted in any form whatsoever, including warranties resembling trade discounts and any products or services granted free of charge which do not represent separate performance obligations, and net of all penalties.

Downpayments from customers are included in contract liabilities when they are received and taken to revenue when control of the products to which they relate is transferred.

Sales of contracts with multiple elements

Contracts with multiple elements are contracts that include the sale of specific development work as well as the sale of both goods and services.

In general, for these contracts:

- the specific development work or customization assignments for a given contract and customer do not represent a separate performance obligation. Costs associated with the development and installation are initially recognized in assets within contract costs if they are recoverable, and subsequently expensed over the contract term;
- financing received from the customer for the development work or customization assignment is recognized as revenue as and when the various performance obligations under the contract are satisfied;
- revenue generated on the serial production and service portion of the contract is recognized either on delivery of the goods, or on a percentage-of-completion basis (cost-to-cost method), depending on the nature of the performance obligation.

SALES OF SERVICES

Sales of service agreements

Certain maintenance and support contracts require a fleet of engines or various equipment to be kept in flying condition. These contracts are billed based on the number of flight hours or landings for the engines/equipment concerned.

The Group accounts for contracts on a percentage-of-completion basis (cost-to-cost method).

Rate-per-flight-hour (RPFH) contracts for engines include estimates of future costs related to the engine's commissioning date, as well as potential contingencies to cover the risks associated with the engine's behavior in the various environments in which it is used by airlines, its time on wing, and the time required to carry out maintenance operations, depending on available capacity. Assumptions are updated in line with technical milestones based on the maturity of the engines and with the experience acquired in terms of engine maintenance costs. In the case of agreements for LEAP engines, profit recognized was previously close to zero pending key technical milestones which will have a major impact on the life of engines under the wing. The introduction in 2025 of the new high-pressure turbine blade for LEAP 1A is a major technical milestone, reducing the risks associated with estimating future costs and consequently the degree of uncertainty applied to these estimates, resulting in an increase in the percentage of profit recognized for these agreements.

Amounts billed to customers which have not yet been recognized in revenue are included within contract liabilities (deferred income) at the end of the reporting period.

In contrast, revenue which has been recognized but which has not yet been billed is recorded within contract assets in the balance sheet.

Forecast contract margins are reviewed regularly, and any necessary adjustments are generally reflected immediately in the income statement ("catch-up method").

When the total costs that are necessary to cover the Group's risks and obligations under the contract are likely to exceed total contract revenue, any contract costs recognized within assets are written down and a provision for losses on completion recognized for the remaining amount of the loss.

Sales of time and materials service contracts

Revenue is recognized on a percentage-of-completion basis (cost-to-cost method) when control is transferred over time, or once the performance obligation has been satisfied if control is transferred at a point in time.

SALES OF STUDIES

Revenue is recognized on a percentage-of-completion basis (cost-to-cost method) when control is transferred over time, or once the performance obligation has been satisfied if control is transferred at a point in time.

OTHER

Safran may also recognize revenue on certain secondary activities.

Revenue can be analyzed as follows by type:

FIRST-HALF 2025

(in € millions)	Propulsion	Equipment & Defense	Aircraft Interiors	Holding company and other	Total
DESCRIPTION OF PRODUCTS/SERVICES					
Sales of original equipment and other equipment	2,474	3,107	989	-	6,570
Spare parts and services	4,970	2,252	618	-	7,840
Sales of studies	92	197	10	-	299
Other	84	68	1	3	156
TOTAL REVENUE	**7,620**	**5,624**	**1,618**	**3**	**14,865**
TIMING OF REVENUE RECOGNITION					
At a point in time	6,085	4,949	1,600	3	12,637
Over time	1,535	675	18	-	2,228
TOTAL REVENUE	**7,620**	**5,624**	**1,618**	**3**	**14,865**

FIRST-HALF 2024

(in € millions)	Propulsion	Equipment & Defense	Aircraft Interiors	Holding company and other	Total
DESCRIPTION OF PRODUCTS/SERVICES					
Sales of original equipment and other equipment	2,317	2,970	863	-	6,150
Spare parts and services	4,107	2,030	532	-	6,669
Sales of studies	90	140	18	1	249
Other	70	61	1	4	136
TOTAL REVENUE	**6,584**	**5,201**	**1,414**	**5**	**13,204**
TIMING OF REVENUE RECOGNITION					
At a point in time	5,201	4,623	1,402	5	11,231
Over time	1,383	578	12	-	1,973
TOTAL REVENUE	**6,584**	**5,201**	**1,414**	**5**	**13,204**

5.2 Other operating data

5.2.1 Other income

Other income breaks down as follows:

(in € millions)	First-half 2024	First-half 2025
Research tax credit	88	92
Other operating subsidies	100	96
Other operating income	20	22
OTHER INCOME	**208**	**210**

Research tax credits in France, or any similar tax arrangements in other jurisdictions, are considered as operating subsidies related to research and development expenditures incurred during the period.

Other operating subsidies mainly comprise research and technology (R&T) subsidies amounting to €89 million (€93 million in 2024).

5.2.2 Raw materials and consumables used

This caption breaks down as follows for the period:

(in € millions)	First-half 2024	First-half 2025
Raw materials, supplies and other	(2,953)	(3,136)
Bought-in goods	(117)	(117)
Changes in inventories	426	365
Contract costs	85	77
Sub-contracting	(2,800)	(2,415)
Purchases not held in inventory	(380)	(628)
External service expenses	(2,083)	(2,466)
RAW MATERIALS AND CONSUMABLES USED	**(7,822)**	**(8,320)**

In connection with the exemption provided for under IFRS 16 (see Note 6.1.4), note that at June 30, 2025, external services include lease expenses of €138 million (€90 million at June 30, 2024).

5.2.3 Personnel costs

Personnel costs break down as follows:

(in € millions)	First-half 2024	First-half 2025
Wages and salaries	(2,493)	(2,724)
Social security contributions	(973)	(1,072)
Statutory and optional employee profit-sharing	(232)	(284)
Other employee costs	(234)	(254)
PERSONNEL COSTS	**(3,932)**	**(4,334)**

5.2.4 Depreciation, amortization and provisions

Depreciation, amortization and provisions can be analyzed as follows:

(in € millions)	First-half 2024	First-half 2025
NET DEPRECIATION AND AMORTIZATION EXPENSE		
■ intangible assets	(341)	(353)
■ property, plant and equipment	(291)	(302)
■ right-of-use assets	(60)	(64)
Total net depreciation and amortization expense	**(692)**	**(719)**
Net (additions to) reversals from provisions	**(73)**	**67**
DEPRECIATION, AMORTIZATION AND INCREASE IN PROVISIONS, NET OF USE	**(765)**	**(652)**

Net depreciation and amortization expense includes depreciation and amortization of assets measured at fair value at the time of various business combinations, representing €148 million at June 30, 2025 (€155 million at June 30, 2024).

5.2.5 Asset impairment

Asset impairment breaks down as follows:

	Impairment expense		Reversals	
(in € millions)	First-half 2024	First-half 2025	First-half 2024	First-half 2025
Intangible assets, property, plant and equipment, and right-of-use assets	(1)	(2)	1	2
Financial assets	-	(8)	2	1
Contract costs	-	(3)	9	5
Inventories and work-in-progress	(298)	(388)	372	292
Receivables	(43)	(67)	14	23
Contract assets	-	-	-	-
ASSET IMPAIRMENT	**(342)**	**(468)**	**398**	**323**

5.2.6 Other non-recurring operating income and expenses

To give a clearer picture of the Group's operating performance, items which are largely unpredictable because of their unusual, infrequent and/or material nature are included on the operating income line, "Other non-recurring operating income and expenses".

This mainly includes:

- impairment losses recognized against goodwill and impairment losses or reversals of impairment losses recognized against intangible assets relating to programs, projects or product families, including for equity-accounted companies;
- transaction costs and capital gains and losses on disposals of operations;
- gains on remeasuring any previously held equity interests in the event of step acquisitions or disposals or transfers made to joint ventures;
- other unusual and/or material items not directly related to the Group's ordinary operations, in particular restructuring costs.

(in € millions)	First-half 2024	First-half 2025
Capital gains and losses on asset disposals	-	-
Asset impairment net of reversals	(10)	(21)
Other non-recurring items	(14)	(16)
OTHER NON-RECURRING OPERATING INCOME AND EXPENSES	**(24)**	**(37)**

At June 30, 2025, the write-down of €21 million taken against an intangible asset concerns an aircraft program in the Aircraft Interiors segment.

Other non-recurring items mainly correspond to restructuring costs including adaptation plans and costs relating to site closures, and transaction costs.

5.3 Financial income (loss)

Financial income (loss) can be analyzed as follows:

COST OF NET DEBT

Interest expense corresponds essentially to the amount of interest recognized on interest-bearing financial liabilities. Interest income relates to interest earned on cash investments meeting the definition of cash and cash equivalents.

FOREIGN EXCHANGE GAINS AND LOSSES

Foreign exchange gains and losses include:

- the gain or loss on foreign currency hedging instruments which reflects changes in the fair value of these instruments attributable to operating cash flows that will be recognized in profit or loss in future periods. The fair value of the portfolio reflects the immediate liquidation value of the portfolio at the closing rate for the period, compared with the average exchange rate for the portfolio, even though currency hedges are intended to be unwound at the time of future dollar receipts;
- the foreign exchange gain or loss which reflects the loss on unwinding currency derivatives hedging operating cash flows recognized in profit or loss in the period. This foreign exchange gain or loss reflects the difference between the exchange rate of the EUR/USD currency derivatives unwound and the average EUR/USD exchange rate observed during the period.

OTHER FINANCIAL INCOME AND EXPENSE:

Other financial income and expense are set out in the table below:

(in € millions)	First-half 2024	First-half 2025
Financial expense on interest-bearing financial liabilities	(57)	(46)
Financial income on cash and cash equivalents	141	123
Cost of net debt	**84**	**77**
Gain (loss) on foreign currency hedging instruments	(1,681)	4,808
Foreign exchange gain (loss)	(255)	(271)
Net foreign exchange gain (loss) on provisions	(25)	91
Foreign exchange gains (losses)	**(1,961)**	**4,628**
Gain (loss) on interest rate hedging instruments	1	(3)
Capital gain (loss) on financial asset disposals	9	2
Change in the fair value of assets at fair value through profit or loss	3	35
Dividends received	1	4
Interest component of IAS 19 expense	(9)	(10)
Impact of unwinding the discount	(1)	4
Other	(3)	3
Other financial income and expense	**1**	**35**
FINANCIAL INCOME (LOSS)	**(1,876)**	**4,740**
■ Of which financial expense	(2,031)	(330)
■ Of which financial income	155	5,070

In first-half 2025, the €4,808 million gain on foreign currency hedging instruments reflects changes in the fair value of these instruments attributable to operating cash flows that will be recognized in profit or loss in future periods.

The fair value of the portfolio reflects the immediate liquidation value of the portfolio at the closing rate for the period (1.1725 USD to €1) compared with the average rate of the portfolio. The change in the fair value is theoretical for the Group, as currency hedges are unwound when future dollar inflows are received.

Movements during the period were mainly due to the changes in the EUR/USD exchange rate and take into account the characteristics of the hedging portfolio.

Net foreign exchange gains amounting to €91 million on provisions carried in USD were recorded in the Propulsion segment and result from the impact of fluctuations in the EUR/USD exchange rate between the start of the period (USD 1.0394 to €1 at December 31, 2024) and the end of the period (USD 1.1725 to €1 at June 30, 2025) on the opening amount of the provision.

5.4 Income tax

The income tax expense or benefit reflects current and deferred tax relating to consolidated companies.

The tax expense (current and deferred) in first-half 2025 amounts to €2,059 million.

Group tax (current and deferred) is calculated by using the projected annual rates in each of the Group's tax jurisdictions, adjusted for the main permanent differences identified.

In France, the 2025 French Finance Act published on February 14, 2025 introduced a temporary exceptional surtax on the profits of large companies. This surtax is based on the average current tax due in respect of 2024 and 2025, before offsetting tax reductions, tax credits and all tax receivables. Safran is liable for this surtax at a rate of 41.2%.

Safran has fully recognized the portion of this surtax based on 2024 earnings as well as the portion based on first-half 2025 earnings. The total exceptional surtax recorded in the financial statements at June 30, 2025 was €261 million.

Recognition of this surtax brings the Group's effective tax rate to 28.73%. Without the surtax, it would have been 25.09%.

However, as this surtax is currently considered temporary for 2025, the deferred tax rate for French entities has been maintained at 25.83%.

In first-half 2025, changes in the fair value of outstanding currency derivatives generated a deferred tax expense in the amount of €1,240 million.

In first-half 2024, changes in the fair value of outstanding currency derivatives generated deferred tax income of €440 million.

5.5 Earnings per share

	Index	First-half 2024	First-half 2025
NUMERATOR *(in € millions)*			
Profit for the period attributable to owners of the parent	(a)	57	5,045
Diluted profit for the period attributable to owners of the parent	(a')	58	5,045
DENOMINATOR *(in shares)*			
Total number of shares	(b)	427,260,541	423,632,587
Number of treasury shares held	(c)	6,881,845	4,496,367
Number of shares excluding treasury shares	(d)=(b-c)	420,378,696	419,136,220
Weighted average number of shares (excluding treasury shares)	(d')	424,913,983	417,934,731
Potentially dilutive ordinary shares	(e)	12,866,187	-
Weighted average number of shares after dilution	(f)=(d'+e)	437,780,170	417,934,731
RATIO: EARNINGS PER SHARE *(in €)*			
Basic earnings per share	(g)=(a*1 million)/(d')	0.13	12.07
Diluted earnings per share	(h)=(a'*1 million)/(f)	0.13	12.07

NOTE 6 NOTES TO THE BALANCE SHEET

6.1 Non-current assets

6.1.1 Goodwill and other intangible assets

Goodwill

Goodwill is initially recognized when a business combination takes place, as described in Note 2.1, "Changes in scope of consolidation".

Subsequent to initial recognition, goodwill is not amortized, but is tested for impairment whenever there is evidence that it may be impaired, and at least annually in the second half of the year. Impairment tests carried out during the year are described in Note 6.1.3, "Non-current asset impairment tests".

Goodwill breaks down as follows:

(in € millions)	Dec. 31, 2024 Net	Changes in scope of consolidation[1]	Impairment	Price adjustments and allocation to identifiable assets and liabilities[2]	Effect of changes in foreign exchange rates and other	June 30, 2025 Net
Safran Aircraft Engines	392	123	-	-	(13)	502
Safran Helicopter Engines	306	-	-	-	-	306
Safran Aero Boosters	47	-	-	-	-	47
Other Propulsion	1	-	-	-	-	1
Safran Electronics & Defense	838	-	-	(100)	32	770
Safran Nacelles	213	-	-	-	-	213
Safran Engineering Services	74	-	-	-	-	74
Safran Electrical & Power	744	-	-	2	(25)	721
Safran Landing Systems	190	-	-	-	-	190
Safran Aerosystems	750	-	-	-	-	750
Safran Seats	588	-	-	-	-	588
Safran Cabin	794	-	-	-	(92)	702
GOODWILL	**4,937**	**123**	**-**	**(98)**	**(98)**	**4,864**

(1) The acquisition of CRT resulted in the recognition of provisional goodwill for €119 million (see Note 2.1 "Changes in scope of consolidation").
(2) The definitive allocation of the purchase price of Safran AI led to a €100 million reduction in goodwill for the Safran Electronics & Defense CGU (see Note 2.1 "Changes in scope of consolidation").

Intangible assets (excluding goodwill)

INTANGIBLE ASSETS

Software is recognized at acquisition cost or production cost and amortized on a straight-line basis over its useful life (between one and five years).

Patents are capitalized at acquisition cost and amortized over their useful life, i.e., the shorter of the period of legal protection and their economic life.

Contributions paid to third parties in connection with aircraft programs (participation in certification costs, etc.) are considered as acquired assets and are therefore capitalized unless the program proves unprofitable. These contributions are amortized on a straight-line basis over the term of the program.

In the case of business combinations, intangible assets (customer relationships, technology, brands, etc.) are recognized at their fair value at the date control is acquired and are amortized on a straight-line basis over their useful life.

RESEARCH AND DEVELOPMENT COSTS

Research costs are recognized as expenses in the period in which they are incurred. Development expenditures are capitalized if they meet all of the criteria set out in IAS 38. In the Group, development expenditures are capitalized once Executive Management has taken the decision to launch the program (technical feasibility, proven profitability, existence of a market, etc.).

Development expenditures cannot be capitalized before the completion of this milestone.

Capitalization of development expenditures ceases as soon as the product to which the expenditures relate is brought into service or the criteria for capitalization are no longer met.

Capitalized development expenditures are stated at production cost and amortized primarily using the straight-line method as from the initial delivery of the product, over a useful life not exceeding 20 years.

Intangible assets (excluding goodwill) break down as follows:

	Dec. 31, 2024			June 30, 2025		
(in € millions)	**Gross**	**Amortization / impairment**	**Net**	**Gross**	**Amortization / impairment**	**Net**
Aircraft programs	2,327	(2,020)	307	2,324	(2,044)	280
Development expenditure	7,923	(3,953)	3,970	7,985	(4,070)	3,915
Commercial agreements	920	(336)	584	911	(352)	559
Software	887	(765)	122	986	(786)	200
Trademarks[(1)]	721	-	721	721	-	721
Commercial relationships	2,156	(999)	1,157	2,089	(1,008)	1,081
Technology	1,359	(943)	416	1,412	(960)	452
Other	1,070	(400)	670	1,023	(411)	612
OTHER INTANGIBLE ASSETS	**17,363**	**(9,416)**	**7,947**	**17,451**	**(9,631)**	**7,820**

(1) As trademarks are not amortized, they are tested for impairment based on their respective CGUs.

Movements in intangible assets (excluding goodwill) break down as follows:

(in € millions)	**Gross**	**Amortization/ impairment**	**Net**
Other intangible assets at Dec. 31, 2024	**17,363**	**(9,416)**	**7,947**
Capitalization of R&D expenditure[(1)]	160	-	160
Capitalization of other intangible assets	36	-	36
Acquisitions of other intangible assets	32	-	32
Disposals and retirements	(3)	2	(1)
Amortization	-	(353)	(353)
Impairment losses recognized in profit or loss	-	(21)	(21)
Reclassifications	3	-	3
Changes in scope of consolidation	131	-	131
Foreign exchange differences	(271)	157	(114)
OTHER INTANGIBLE ASSETS AT JUNE 30, 2025	**17,451**	**(9,631)**	**7,820**

(1) Including €2 million in capitalized interest on R&D expenditure at June 30, 2025 (€1 million at June 30, 2024).

Research and development expenditure recognized in recurring operating income for the period totaled €723 million including amortization and impairment (€728 million in first-half 2024). This amount does not include the research tax credit or other operating subsidies recognized in the income statement within "Other income" (see Note 5.2 "Other operating data").

Amortization recognized in the period includes €144 million relating to the remeasurement of intangible assets in connection with business combinations.

6.1.2 Property, plant and equipment

Property, plant and equipment are recorded in the balance sheet at historical purchase cost or at production cost, and are depreciated over their useful life.

The main useful lives applied to calculate the depreciation schedule are as follows:

- Buildings: 15-40 years
- Technical facilities: 5-40 years
- Equipment, tooling and other: 3-15 years

Property, plant and equipment acquired in a business combination are recognized at fair value at the date control is acquired and are depreciated on a straight-line basis over their useful life.

Property, plant and equipment break down as follows:

	Dec. 31, 2024			June 30, 2025		
(in € millions)	**Gross**	**Depreciation / impairment**	**Net**	**Gross**	**Depreciation / impairment**	**Net**
Land	231	-	231	229	-	229
Buildings	2,517	(1,475)	1,042	2,472	(1,438)	1,034
Technical facilities, equipment and tooling	7,459	(5,422)	2,037	7,498	(5,505)	1,993
Assets in progress, advances	1,032	(39)	993	1,211	(41)	1,170
Site development and preparation costs	103	(59)	44	107	(60)	47
Buildings on land owned by third parties	94	(53)	41	172	(106)	66
Computer hardware and other equipment	815	(574)	241	840	(599)	241
PROPERTY, PLANT AND EQUIPMENT	**12,251**	**(7,622)**	**4,629**	**12,529**	**(7,749)**	**4,780**

Movements in property, plant and equipment break down as follows:

(in € millions)	**Gross**	**Depreciation/ impairment**	**Net**
Property, plant and equipment at Dec. 31, 2024	**12,251**	**(7,622)**	**4,629**
Internally produced assets	50	-	50
Additions	485	-	485
Disposals and retirements	(47)	42	(5)
Depreciation	-	(302)	(302)
Net impairment losses recognized in profit or loss	-	-	-
Reclassifications	(9)	4	(5)
Changes in scope of consolidation	82	(37)	45
Foreign exchange differences	(283)	166	(117)
PROPERTY, PLANT AND EQUIPMENT AT JUNE 30, 2025	**12,529**	**(7,749)**	**4,780**

6.1.3 Non-current asset impairment tests

NON-CURRENT ASSET IMPAIRMENT TESTS

Depreciable/amortizable property, plant and equipment and intangible assets are tested for impairment whenever there is evidence that they may be impaired.

Impairment tests seek to compare an asset's recoverable amount to its net carrying amount. If the carrying amount is higher than the recoverable amount, the asset is written down to its recoverable amount. The recoverable amount of an asset or a group of assets is the higher of its fair value less costs to sell and its value in use.

Impairment tests are performed at least once a year for depreciable/amortizable non-current assets which have not yet begun to be depreciated or amortized. Non-current assets are tested for impairment whenever there is evidence that they may be impaired.

CASH-GENERATING UNITS AND IMPAIRMENT TESTS

Non-current assets, and particularly goodwill acquired in a business combination, are allocated to cash-generating units (CGUs)[1].

Two types of CGUs are defined within the Group:

- CGUs corresponding to programs, projects, or product families associated with specific assets and liabilities: development expenditures, property, plant and equipment used in production;
- CGUs to which goodwill is allocated, corresponding to the business segments monitored by Group management and relating chiefly to the Group's main subsidiaries.

In the event of a sale or restructuring of the Group's internal operations which affects the composition of one or more of the CGUs to which goodwill has been allocated, the allocations are revised using a method based on relative value. This method takes the proportion represented by the business sold or transferred in the cash flows and terminal value of the original CGU at the date of sale or transfer.

IMPAIRMENT TESTS PERFORMED ON ASSETS ALLOCATED TO PROGRAMS, PROJECTS OR PRODUCT FAMILIES

The value in use of other assets allocated to programs, projects or product families is determined as follows:

- Expected future cash flows are projected over the life of the development programs or projects, capped at 40 years, and are discounted at the benchmark rate. Certain programs or projects are also subject to a specific risk premium. This long timeframe better reflects the characteristics of the Group's operating cycles (aircraft and defense), where assets tend to have a long useful life.

Impairment is recognized where a loss in value is identified. It may be reversed if the loss in value subsequently decreases, in which case the amount of the reversal is based on revised estimates of the asset's recoverable amount.

IMPAIRMENT TESTS PERFORMED ON CGUS AT BUSINESS SEGMENT LEVEL

The Group uses value in use to determine the recoverable amount of an asset or group of assets.

The value in use of the CGUs was determined based on the following method:

- Expected future cash flows for all CGUs are determined over an estimated 10-year period. The projections are drawn from the medium-term business plan, as prepared in the second half of 2024 for the next four years, and for the following six years are based on the best estimate of the long-term scenario. They take into account orders and delivery schedules, airframers' production rates, IATA forecasts, the impacts of decarbonization and any other available information. The projections take into account general economic data, specific inflation rates for each geographic area, a USD exchange rate based on available market information and mid- to long-term macroeconomic assumptions.
- A terminal value is also used, calculated by reference to normative cash flows representing long-term business activity, which usually corresponds to the last year of available forecasts plus an estimated growth rate for the activities concerned.
- Cash flows are discounted at a rate that reflects current market assessments of the time value of money and the risks specific to the asset (or group of assets). This rate corresponds to the weighted average cost of capital (WACC) after tax. The use of a post-tax rate applied to post-tax cash flows results in recoverable amounts similar to those obtained by applying pre-tax rates to pre-tax cash flows.
- The value in use of CGUs is equal to the sum of these cash flows.

In the event of a proven loss in value of the CGU, impairment is recognized against goodwill and cannot be reversed.

(1) *A CGU is the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.*

Impairment tests performed on CGUs at business segment level

In the second half of 2024, the Group carried out its annual impairment tests on all of its CGUs. The tests were carried out by comparing the CGUs' value in use with their net carrying amount at December 31, 2024.

At June 30, 2025, Safran reviewed its cash-generating units (CGUs) for any internal or external indications of impairment.

Despite persistent tensions in the supply chain and the implementation of potential customs tariffs, taking into account the current positive margins, the Group did not identify any evidence of impairment of any of these CGUs.

The Group will carry out impairment tests on its CGUs in the second half of the year, based on the data in the medium-term business plan as updated and validated by Executive Management and the Board of Directors in the second half of 2025.

6.1.4 Leases

All property leases together with the Group's main leases of groups of assets (vehicles, handling equipment, etc.) are accounted for in accordance with IFRS 16. The Safran Group opted for the exemption provided by IFRS 16 to not apply the standard to short-term, low-value leases. These agreements are therefore recognized in operating expenses.

The Group analyzes its "3/6/9"-type commercial leases every year and, where necessary, adjusts the lease terms.

The discount rate used is determined either by using the interest rate implicit in the lease, or by using the incremental borrowing rate, defined as the estimated rate of interest that Safran would have to pay on the market to borrow over a term identical to the average term of the lease liability upon signature of the lease.

For euro-denominated debt, the rate used for a given maturity is the average of indicative euro bond market yields for Safran as provided by a sample of banks. For all other currencies, the rate used for a given maturity is the euro rate described above, swapped into the desired currency.

These incremental borrowing rates are revised every six months for all new leases.

Right-of-use assets break down as follows:

	Dec. 31, 2024			June 30, 2025		
(in € millions)	**Gross**	**Depreciation / impairment**	**Net**	**Gross**	**Depreciation / impairment**	**Net**
Right-of-use assets relating to property	1,020	(412)	608	1,048	(415)	633
Right-of-use assets relating to transport equipment	17	(7)	10	18	(7)	11
Right-of-use assets relating to other assets	44	(9)	35	95	(11)	84
RIGHT-OF-USE ASSETS	**1,081**	**(428)**	**653**	**1,161**	**(433)**	**728**

Movements in right-of-use assets break down as follows:

(in € millions)	**Gross**	**Depreciation/ impairment**	**Net**
Right-of-use assets at Dec. 31, 2024	**1,081**	**(428)**	**653**
Increases	167	-	167
Disposals and retirements	(20)	13	(7)
Depreciation	-	(64)	(64)
Reclassifications	(14)	22	8
Foreign exchange differences	(53)	24	(29)
RIGHT-OF-USE ASSETS AT JUNE 30, 2025	**1,161**	**(433)**	**728**

6.1.5 Investments in equity-accounted companies

In the balance sheet, investments in equity-accounted companies are initially recognized at fair value. Goodwill arising on the allocation of the purchase price is included in the carrying amount of investments in equity-accounted companies.

The income statement item "Share in profit from joint ventures" includes the following items:

- the Group's share in the profit or loss of these companies;
- any identified impairment losses. If the Group's share in the losses of equity-accounted companies exceeds the carrying amount of its investment in those companies, the Group discontinues recognizing its share in future losses. After the Group's interest is reduced to zero, a provision is booked for additional losses where the Group has a legal or constructive obligation or has made payments on behalf of the associate.

Gains or losses on internal acquisitions or disposals involving equity-accounted associates and joint ventures are eliminated in the amount of the Group's investment in these companies. In the case of sales of engines and equipment, the elimination of the Group's share in profit or loss is charged in full to "Raw materials and consumables used".

Investments in equity-accounted companies amounted to €1,861 million and includes ArianeGroup for €1,211 million (the only material joint venture) and €650 million for other joint ventures and associates.

The list of equity-accounted companies by operating segment is as follows:

Aerospace Propulsion:

- CFM Materials LP: sale of used CFM56 parts;
- Shannon Engine Support Ltd: leasing of CFM56 and LEAP engines, modules, equipment and tooling to airline companies;
- Initium Aerospace: design and manufacture of auxiliary power units;
- ArianeGroup and its subsidiaries: space launchers and military activities;
- AD Holding and its subsidiaries: specialty steels and superalloys.

Equipment & Defense:

- Fadec International LLC: digital engine control systems;
- HMS Laser: holding company and its subsidiary CILAS: manufacture of military lasers;
- Lynred: manufacture of infrared detectors;
- Safran Martin-Baker France: manufacture of ejectable seating;
- SAIFEI: electrical wiring;
- Xi'an Cea Safran Landing Systems Co. Ltd: landing gear maintenance;
- A-Pro: repair of landing gear for regional and business jets.

Aircraft Interiors:

- EZ Air Interior Ltd: cabin interiors.

Movements in this caption during the period break down as follows:

(in € millions)	
Investments in equity-accounted companies at Dec. 31, 2024	**1,894**
Share in profit (loss) from ArianeGroup	(8)
Share in profit from other joint ventures	74
Dividends received from joint ventures	(14)
Foreign exchange differences	(133)
Other movements[1]	48
INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES AT JUNE 30, 2025	**1,861**

(1) Mainly related to the elimination of the share in intragroup transactions.

The Group's off-balance sheet commitments with joint ventures are described in Note 8.2, "Off-balance sheet commitments and contingent liabilities".

Financial information for ArianeGroup can be summarized as follows:

(in € millions)	Dec. 31, 2024	June 30, 2025
Non-current assets	1,613	1,595
Current assets	7,152	7,122
of which: cash and cash equivalents	*1,523*	*1,538*
Non-current liabilities	(1,288)	(1,310)
of which: non-current financial liabilities	*(324)*	*(319)*
Current liabilities	(7,715)	(7,642)
of which: current financial liabilities	*(76)*	*(42)*
Non-controlling interests	15	18
Net assets of ArianeGroup (excl. goodwill and PPA) – Attributable to owners of the parent (based on a 100% interest)	**(223)**	**(217)**
Equity share in net assets of ArianeGroup (excl. goodwill and PPA) (based on a 50% interest)	(112)	(108)
Purchase price allocation, net of deferred taxes	157	145
Safran equity share – Net assets of ArianeGroup	**45**	**37**
Goodwill	**1,174**	**1,174**
CARRYING AMOUNT OF INVESTMENT IN ARIANEGROUP	**1,219**	**1,211**

(in € millions)	June 30, 2024	June 30, 2025
Revenue	1,056	1,200
Depreciation and amortization	(72)	(71)
Cost of borrowings	(5)	(4)
Interest income	20	18
Income tax expense	(3)	(1)

(in € millions)	June 30, 2024	June 30, 2025
Profit (loss) for the period attributable to ArianeGroup	**(54)**	**7**
Other comprehensive income	-	(1)
Total comprehensive income (expense) attributable to ArianeGroup	**(54)**	**6**
Safran equity share – Profit (loss) for the period	(27)	3
Amortization of purchase price allocation, net of deferred taxes	(11)	(11)
Safran equity share – Profit (loss) of ArianeGroup	**(38)**	**(8)**
Safran equity share – Other comprehensive income	-	(1)
Safran equity share – Comprehensive income (expense) of ArianeGroup	**(38)**	**(9)**

ArianeGroup did not pay any dividends in first-half 2025.

The impairment test on the equity-accounted investments was updated at December 31, 2024.

At June 30, 2025, Safran did not identify any evidence of impairment of its investment.

6.1.6 Other non-current financial assets and liabilities

Equity investments in non-consolidated companies are classified at fair value through profit or loss.

The fair value of listed investments corresponds to their market value. The fair value of unlisted investments corresponds to their acquisition cost, provided that this approximates their fair value. If this is not the case, an appropriate valuation technique (e.g., value in use) is used.

Loans to non-consolidated companies are classified at amortized cost. They are written down in accordance with the general impairment approach set out in IFRS 9 only if there is a risk of non-recovery.

Other financial assets and liabilities include:

	Dec. 31, 2024			June 30, 2025		
(in € millions)	Gross	Impairment	Net	Gross	Impairment	Net
Non-consolidated investments	544	(150)	394	469	(141)	328
Loans to non-consolidated companies	79	(27)	52	99	(52)	47
Loans to employees	34	-	34	33	-	33
Deposits and guarantees	22	-	22	17	-	17
Investments that do not qualify as cash and cash equivalents	404	-	404	155	-	155
Other	178	(11)	167	232	(10)	222
OTHER NON-CURRENT ASSETS	**1,261**	**(188)**	**1,073**	**1,005**	**(203)**	**802**

(in € millions)	Dec. 31, 2024	June 30, 2025
Payables on purchases of property, plant and equipment and intangible assets	11	11
Payables on purchases of investments	-	-
OTHER NON-CURRENT LIABILITIES	**11**	**11**

6.1.7 Other current financial assets and liabilities

Other financial assets and liabilities include:

	Dec. 31, 2024			June 30, 2025		
(in € millions)	Gross	Impairment	Net	Gross	Impairment	Net
Loans to non-consolidated companies	142	(7)	135	172	(16)	156
Loans to employees	3	-	3	4	-	4
Deposits and guarantees	5	-	5	9	-	9
Investments that do not qualify as cash and cash equivalents	-	-	-	275	-	275
Other	100	-	100	82	-	82
OTHER CURRENT FINANCIAL ASSETS	**250**	**(7)**	**243**	**542**	**(16)**	**526**

(in € millions)	Dec. 31, 2024	June 30, 2025
Payables on purchases of property, plant and equipment and intangible assets	144	110
Payables on purchases of investments	4	142
OTHER CURRENT FINANCIAL LIABILITIES	**148**	**252**

6.2 Equity and dividends

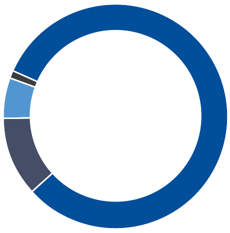
6.2.1 Total equity

Share capital

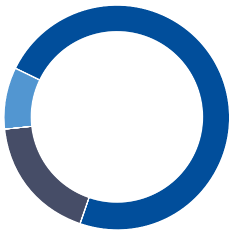
At June 30, 2025, Safran's share capital amounted to €84,726,517.40, comprising 423,632,587 fully paid-up shares all of the same class, each with a par value of €0.20.

The structure of the share capital at June 30, 2025 was as follows:

BREAKDOWN OF SHARE CAPITAL



BREAKDOWN OF VOTING RIGHTS



Each share carries entitlement to one vote. Shares held in registered form for over two years have double voting rights.

The 4,496,367 treasury shares have no voting rights.

Treasury shares

The Annual General Meeting has authorized Safran to buy and sell its own shares in accordance with the applicable laws and regulations.

An authorization granted by the Annual General Meeting of May 22, 2025 and valid for 18 months, superseding the authorization granted by the Annual General Meeting of May 23, 2024, set the maximum purchase price at €365 per share.

Liquidity agreement

In February 2019, Safran entered into a new liquidity agreement with Oddo BHF SCA for a period of 12 months, automatically renewable from year to year.

Under this liquidity agreement, in the first half of 2025, Safran:

- purchased 1,657,991 shares for €400 million;
- sold 1,700,313 shares for €411 million.

At June 30, 2025, 55,132 treasury shares were held in connection with the liquidity agreement.

Share buyback program

- **Agreement with an investment services provider dated January 9, 2025 to buy back its own shares**
  - Total price excluding tax: €350 million.
  - Implementation period: from January 10 to April 3, 2025.
  - Purpose of the tranche: cancellation of shares.
  - Number of shares bought back under the tranche: 1,468,198 shares.
- **Agreement with an investment services provider dated May 7, 2025 to buy back its own shares**
  - Total price excluding tax: €500 million.
  - Implementation period: from May 8 to July 18, 2025 at the latest.
  - Purpose of the tranche: cancellation of shares.
  - Number of shares bought back under the tranche at June 30, 2025: 1,410,303 shares.

Tax on capital decreases following share buybacks, as provided for in the 2025 French Finance Act published on February 14, 2025.

On December 12, 2024, Safran canceled 3,627,954 shares.

The tax was recognized as a reduction in equity in the amount of €3.8 million in first-quarter 2025.

At June 30, 2025, 3,108,501 treasury shares were held for cancellation. The amount of tax payable upon their cancellation would be in the region of €3.3 million. In accordance with IFRIC 21, no entry has yet been recognized in the financial statements in this regard.

Change in treasury shares

	2024 treasury shares	2025 treasury shares
Number of treasury shares at January 1	**13,733,425**	**6,857,467**
Net purchases (sales) under the liquidity agreement	21,403	(42,322)
Purchases outside the liquidity agreement	6,483,755	2,878,501
Delivery of performance shares or free shares without performance conditions[1]	(439,008)	(1,398,992)
Delivery upon exercise of conversion rights attached to debt securities carrying rights to shares	(9,314,154)	(3,798,287)
Cancellation	(3,627,954)	-
NUMBER OF TREASURY SHARES AT JUNE 30	**6,857,467**	**4,496,367**

Sign convention for movements: positive = increase in treasury shares/negative = decrease in treasury shares.

(1) Including delivery of shares ahead of term.

6.2.2 Share-based payment

The Group grants various share-based payments to its employees, including free shares, long-term variable compensation in the form of performance shares and leveraged or unleveraged savings plans.

As all of the Group's plans are equity-settled, the fair value of the benefits granted to employees under these plans is estimated on the basis of the share price at the grant date.

For plans that are subject to performance conditions, the external conditions are included in the per-share fair value at the grant date. Internal conditions (continuing service conditions, performance indicators, etc.) are revised at each reporting date and reflected in the number of instruments.

For plans not subject to performance conditions, rights are granted solely subject to the employee's effective presence in the Company throughout the vesting period.

These employee benefits represent payroll costs and are recognized on a straight-line basis over the vesting period, with an offsetting entry to consolidated retained earnings for equity-settled plans.

Grant of free shares subject to performance conditions

The Board of Directors periodically grants performance shares to Group employees and corporate officers.

The rights to the free shares were measured at fair value at the grant date. The Black & Scholes model was used to model the fair value of the free shares subject to the performance condition linked to trends in the Safran share price over the three-year vesting period. The fair value measurement takes into account the opportunity cost of not receiving dividends during the vesting period.

In the Group's consolidated financial statements, the payroll cost relating to plans not yet fully vested is recognized against equity on a straight-line basis over the vesting period (i.e., 36 months). The expense is determined on the basis of previous valuations and revised assumptions concerning internal conditions and the number of shares still outstanding.

The Group set up a performance share plan on March 20, 2025 covering 383,369 shares. Shares under this plan will only vest if certain internal and external performance conditions are met, as assessed over three fiscal years, and provided the beneficiaries still form part of the Group at the vesting date.

Key details of outstanding performance share plans at June 30, 2025 are shown below:

	2023 performance shares	2024 performance shares	2025 performance shares
Shareholder authorization	May 26, 2021	May 25, 2023	March 20, 2025
Grant date by the Board of Directors	March 23, 2023	March 21, 2024	March 20, 2025
Vesting date	March 23, 2026	March 23, 2027	March 21, 2028
Share price at the grant date	€134.70	€206.65	€252.50
Number of beneficiaries at the grant date	1,127	942	1,130
Number of performance shares granted	799,866	436,816	383,369
Number of shares canceled or forfeited	(53,122)	(15,166)	(870)
NUMBER OF PERFORMANCE SHARES OUTSTANDING AT THE END OF THE PERIOD	**746,744**	**421,650**	**382,499**

The share-based payment expense for these performance share plans, recognized within personnel costs under "Other employee costs", totaled €41 million in first-half 2025 (€33 million in first-half 2024).

Grant of free shares without performance conditions

Following the authorization granted by the Annual General Meeting of May 25, 2023, the Board of Directors decided at its meeting on the same date to grant 10 free Company shares to Safran Group employees around the world that were on the payroll on February 25, 2023, subject to a continuing service condition of 2 years, but without performance conditions.

The vesting period ended on May 28, 2025, and 71,719 eligible beneficiaries were identified at the end of this period, including 1,553 employees to whom a cash payment equivalent to the value of ten shares was paid instead of the shares themselves. 701,660 shares were delivered to the 70,166 other employees.

The expense recognized in respect of these shares, included within personnel costs under "Other employee costs", totaled €26 million at June 30, 2025 (€21 million June 30, 2024).

TERMS AND CONDITIONS OF THE FREE SHARE GRANT

	France	International
Date of the Annual General Meeting	May 25, 2023	May 25, 2023
Grant date[1]	May 25, 2023	May 25, 2023
Vesting date[2]	May 28, 2025	May 28, 2025
Estimated number of beneficiaries at the grant date	45,954	39,565
Number of beneficiaries at the vesting date	39,995	30,171
Number of shares per employee	10	10
Share price at the grant date	€137.14	€137.14
Fair value of the shares at the grant date[3]	€134.04	€134.04

(1) Date of the Board of Directors' decision to grant the shares.
(2) The shares will vest subject to the beneficiary forming part of the Group at the vesting date.
(3) The fair value of the shares is determined on the basis of the share price at the grant date, as adjusted for dividends expected during the vesting period.

6.2.3 Convertible bonds (OCEANEs)

Convertible bonds are considered as instruments comprising:

- a debt component. At the issue date, this component is measured based on contractual future cash outflows (coupons and redemption value) discounted at the applicable market rate for a financial instrument with similar characteristics and no conversion rights. Subsequently, the debt component is recognized at amortized cost based on an effective interest rate including coupons, the conversion premium and the allocated share of expenses. The value of the debt component on the balance sheet is thereby increased in each period so as to equal its redemption value at maturity;
- an equity component. This is calculated as the difference between the bond issue price and the fair value of the debt component, and is recorded in equity under "Consolidated reserves and retained earnings". It continues to be carried at cost, with no subsequent remeasurement.

Issue costs are allocated between the two components in proportion to their respective amounts.

2021-2028 OCEANE bonds

On June 14, 2021, Safran issued 4,035,601 bonds convertible into new shares and/or exchangeable for existing shares ("OCEANEs"), each with a par value of €180.89, i.e., representing a total nominal amount of €730 million. The bonds do not carry any coupon.

The bonds were issued at a price of €187.22 per bond, representing a total issue price of €756 million.

Bondholders have the option of converting their bonds into shares. This option can be exercised at any point from the issue date and up to the seventh trading day (exclusive) preceding the standard or early redemption date.

Following the May 30, 2024 dividend payment and in accordance with the terms and conditions of the OCEANEs, the bond conversion ratio has been 1.009 shares for one bond since May 30, 2024.

On February 28, 2025, Safran announced the early redemption on April 1, 2025 of these OCEANEs originally due April 1, 2028, with holders of the OCEANEs retaining the option of exercising their conversion rights up to and including March 20, 2025.

In all, 3,764,425 OCEANEs were converted, against which Safran delivered a total of 3,798,287 shares.

The 271,176 OCEANEs which were not converted were redeemed on April 1, 2025 at their par value for a total of €49 million.

6.2.4 Dividend distribution

At the Annual General Meeting of May 22, 2025, the shareholders approved a dividend payment of €2.90 per share in respect of 2024. The dividend was paid on June 2, 2025, entirely in cash.

The total dividend (€1,229 million) approved by the Annual General Meeting was based on the total number of shares comprising the Company's share capital at that date.

At the payment date, Safran held approximately 4.3 million of its own shares. As the shares bought back were not entitled to dividends, the dividend payment amounted to €1,216 million (see the consolidated statement of cash flows).

6.2.5 Translation adjustments

At June 30, 2025, other comprehensive income relating to translation adjustments includes €629 million in translation gains (€155 million in translation losses at June 30, 2024) arising in the year on foreign operations.

6.3 Provisions and post-employment benefits

Provisions reflect management's best estimates using available information, past experience and, in some cases, estimates by independent experts.

Provisions maturing in more than one year, or whose maturity is not specifically defined, are classified under "Other provisions – non-current portion".

PROVISIONS FOR PERFORMANCE WARRANTIES

These provisions are recorded to cover the Group's share of probable future disbursements under performance warranties. They are calculated as appropriate based on technical files or statistics, particularly with respect to the return of parts under warranty and the estimated cost of repairs.

PROVISIONS FOR LOSSES ON COMPLETION

When a contract recognized on a percentage-of-completion basis becomes onerous, the expected loss is recognized in the financial statements. Costs to fulfill contracts, if any, are written down, and a provision for losses on completion is booked for the residual balance of the loss.

LOSSES ARISING ON DELIVERY COMMITMENTS

Sales contracts (or combinations of contracts) may be onerous. In cases where losses are likely to be incurred, the Group recognizes a provision for losses arising on delivery commitments. In the case of original equipment sales contracts, the expected economic benefits correspond to the highly probable cash flows from spare part sales and service activities provided under the contracts. The cash flows used in this analysis are discounted to take into account their spread over time. Under onerous contracts, losses arising on delivery commitments are recognized primarily as a deduction from inventories and work-in-progress (for the completed portion of the contract and directly related to the contract or combination of contracts), and shown in provisions for work to be completed.

PROVISIONS FOR RESTRUCTURING COSTS

A provision exists when there is a detailed restructuring plan and the plan has begun to be implemented or its main features have been announced.

PROVISIONS FOR POST-EMPLOYMENT BENEFITS

The relevant accounting principles are set out in Note 6.3.2.

6.3.1 Overview of provisions

Provisions break down as follows:

(in € millions)	Dec. 31, 2024	Additions	Reversals: Utilizations[1]	Reversals: Reclassifications[1]	Reversals: Surplus[2]	Changes in scope of consolidation	Other	June 30, 2025
Performance warranties	1,115	119	(70)	-	(141)	-	(13)	1,010
Financial commitments linked to the sale of Group products	3	1	-	-	(1)	-	-	3
Post-employment benefits[3]	673	45	(48)	-	-	1	(3)	668
Sales agreements	304	25	(53)	-	(15)	-	(7)	254
Provisions for losses on completion and losses arising on delivery commitments	434	48	(30)	(7)	(31)	1	(2)	413
Disputes and litigation	58	9	(7)	-	(1)	-	(1)	58
Other	421	138	(114)	-	(19)	-	(1)	425
PROVISIONS	**3,008**	**385**	**(322)**	**(7)**	**(208)**	**2**	**(27)**	**2,831**
■ **Non-current**	**1,835**							**1,972**
■ **Current**	**1,173**							**859**

(1) *These reversals in respect of expenses for the period or reclassifications had no impact on profit for the period.*
(2) *Including the foreign exchange difference resulting from fluctuations in the EUR/USD exchange rate in first-half 2025.*
(3) *Of which a negative €2 million within "Other", corresponding to the impact of changes in the discount and inflation rates, which is recorded through equity.*

Movements in provisions had a €152 million positive income statement impact, which can be analyzed as follows:

- a negative €247 million recognized in recurring operating income with an income statement impact;
- a positive €315 million recognized with no impact on income (provision utilization);
- a positive €1 million recognized in non-recurring operating income;
- a positive €83 million recognized in financial income.

6.3.2 Analysis of post-employment benefits

POST-EMPLOYMENT BENEFITS

The Group grants its employees post-employment benefits (pensions, termination payments, early retirement plans, etc.) as well as other long-term benefits including long-service awards, jubilee benefits and loyalty premiums.

For its basic plans and other defined contribution plans, the contribution paid in the period is recognized in expenses when due. No provision is recorded.

Provisions recognized for obligations under defined benefit plans are measured using the projected unit credit method. This determines, for each employee, the present value of the benefits to which the employee's current and past services will grant entitlement on retirement. The actuarial calculations include demographic (retirement date, employee turnover rate, etc.) and financial (discount rate, salary increase rate, etc.) assumptions, and are performed at the end of each reporting period for which accounts are published.

When plans are funded, the plan assets are placed with entities that are responsible for paying the benefits in the countries concerned. These assets are measured at fair value. Provisions are recorded to cover shortfalls in the fair value of plan assets compared with the present value of the Group's obligations.

An asset surplus is only recognized in the balance sheet when it represents future economic benefits effectively available to the Group.

Changes in actuarial gains and losses arising on defined benefit plans are recognized in "Other comprehensive income" within equity and not subsequently reclassified to profit.

The Group distinguishes between operating components and financial components when presenting defined benefit expense:

- service cost for the period is shown in profit from operations, along with past service costs arising on the introduction of a new plan or curtailments or settlements of an existing plan, which are recognized immediately in this caption;
- the cost relating to unwinding the discount on the net pension liability (asset) is shown in financial income (loss).

The discount rates used to calculate post-employment benefit obligations are determined by reference to the yield on private investment-grade bonds (AA), using the Iboxx index. The main discount rate assumptions used to calculate post-employment benefit obligations at the dates shown were revised as follows:

	Dec. 31, 2023	June 30, 2024	Dec. 31, 2024	June 30, 2025
Eurozone	3.20%	3.70%	3.50%	3.60%
United Kingdom	4,50%	5.20%	5.30%	5.85%

The inflation rate assumption used to calculate obligations in the United Kingdom was as follows:

	Dec. 31, 2023	June 30, 2024	Dec. 31, 2024	June 30, 2025
United Kingdom inflation rate	3.00%	3.20%	3.20%	2.95%

6.4 Financing and financial risk management

6.4.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and highly liquid investments which are immediately available or readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents correspond to short-term investments with maturities of less than 92 days. As bank overdrafts are treated as borrowings, they are excluded from cash and cash equivalents and included in financial liabilities.

The main types of investments used by Safran are summarized in the table below:

(in € millions)	Dec. 31, 2024	June 30, 2025
Money-market funds and marketable securities(1)	1,894	2,628
Term deposits	2,448	919
Cash and cash equivalents	2,172	3,160
CASH AND CASH EQUIVALENTS	**6,514**	**6,707**

(1) Including €107 million in money-market funds at June 30, 2025 (€394 million at December 31, 2024).

Money-market funds are classified within Level 1 of the IFRS 13 fair value hierarchy.

Term deposits at June 30, 2025 include €200 million in investments falling within the scope of master agreements governing the subscription of OTC derivatives with bank counterparties (see Note 6.5.5 of 3.1 of the 2024 Universal Registration Document).

6.4.2 Interest-bearing financial liabilities

On initial recognition, interest-bearing financial liabilities are measured at the fair value of the amount received, less any directly attributable transaction costs. Besides the specific conditions applicable to hedge accounting, interest-bearing financial liabilities are subsequently carried at amortized cost using the effective interest rate method.

Breakdown of interest-bearing financial liabilities

(in € millions)	Dec. 31, 2024	June 30, 2025
Bond issue	1,399	698
Convertible bonds (OCEANEs)	721	-
Senior unsecured notes (USPP)	588	552
Lease liabilities[1]	530	577
Long-term borrowings	550	584
Total non-current interest-bearing financial liabilities (portion maturing in more than 1 year at inception)	**3,788**	**2,411**
Bond issue	-	699
Lease liabilities	125	118
Long-term borrowings	293	426
Accrued interest not yet due	5	1
Current interest-bearing financial liabilities, long-term at inception	**423**	**1,244**
Negotiable European Commercial Paper (NEU CP)	200	750
Short-term bank facilities and equivalent	365	433
Current interest-bearing financial liabilities, short-term at inception	**565**	**1,183**
Total current interest-bearing financial liabilities (less than 1 year)	**988**	**2,427**
TOTAL INTEREST-BEARING FINANCIAL LIABILITIES[2]	**4,776**	**4,838**

(1) O/w €196 million due in more than five years.
(2) The fair value of interest-bearing financial liabilities amounts to €4,767 million (€4,650 million at December 31, 2024).

Main transactions during the year:

- Early redemption on April 1, 2025 of bonds convertible and/or exchangeable for new and/or existing shares issued for a nominal amount of €730 million in 2021 and originally falling due on April 1, 2028 (2028 OCEANEs). At the early redemption date, 271,176 2028 OCEANEs remained outstanding and were therefore redeemed at par for a total amount of €49 million. The other 2028 OCEANEs had previously been converted (see Note 6.2.3 "Convertible bonds").

Main borrowings

Type	Nominal amount *(in millions)*	Issue	Maturity	Nominal amount outstanding at June 30, 2025	Currency	Nominal interest rate	Fixed Floating	Interest rate after hedging (if hedged)	Fixed Floating
BOND ISSUE									
Bonds	700	March 2021	March 2026	700	EUR	0.125%	Fixed		
Bonds	700	March 2021	March 2031	700	EUR	0.750%	Fixed		
EIB (EUROPEAN INVESTMENT BANK) LOAN									
EIB	500	Feb 2022	Feb 2032	500	EUR	1.091%	Fixed		
USPP (SENIOR UNSECURED NOTES)									
USPP	181	June 2020	June 2030	181	USD	3.10%	Fixed	2.04%	Fixed EUR
USPP	133	June 2020	June 2032	133	USD	3.30%	Fixed	2.22%	Fixed EUR
USPP	122	June 2020	June 2030	122	EUR	2.00%	Fixed		
USPP	164	June 2020	June 2032	164	EUR	2.05%	Fixed		
OTHER									
NEUCP	475	-	-	475	EUR	1.92%	Floating		
Lease liabilities	695	-	-	695	-				

Interest-bearing financial liabilities broken down by movements with and without a cash impact are as follows:

		Movements with an impact on cash	Movements with no impact on cash			
(in € millions)	Dec. 31, 2024	Total cash flow	Foreign exchange differences	Change in fair value	Other	June 30, 2025
INTEREST-BEARING FINANCIAL LIABILITIES	**4,776**	**622**	**(11)**	**-**	**(549)**	**4,838**

Borrowings by currency before and after hedging

Before hedging	Dec. 31, 2024		June 30, 2025	
(in millions)	Currency	EUR	Currency	EUR
EUR	4,024	4,024	4,125	4,125
USD	596	567	592	504
CAD	5	3	6	4
GBP	18	21	17	20
Other	N/A	161	N/A	185
INTEREST-BEARING FINANCIAL LIABILITIES		**4,776**		**4,838**

After hedging	Dec. 31, 2024		June 30, 2025	
(in millions)	Currency	EUR	Currency	EUR
EUR	4,327	4,327	4,392	4,392
USD	281	264	278	237
CAD	5	3	6	4
GBP	18	21	17	20
Other	N/A	161	N/A	185
INTEREST-BEARING FINANCIAL LIABILITIES		**4,776**		**4,838**

Fixed/floating rate borrowings before and after hedging

	Total		Non-current				Current			
	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024		June 30, 2025		Dec. 31, 2024		June 30, 2025	
Before hedging *(in € millions)*	Base	Base	Base	Average interest rate	Base	Average interest rate	Base	Average interest rate	Base	Average interest rate
Fixed rate	4,400	4,348	3,704	1.03%	2,360	1.99%	696	2.74%	1,988	1.41%
Floating rate	376	490	84	2.41%	51	2.92%	292	3.01%	439	2.05%
INTEREST-BEARING FINANCIAL LIABILITIES	**4,776**	**4,838**	**3,788**	**1.06%**	**2,411**	**2.01%**	**988**	**2.82%**	**2,427**	**1.53%**

	Total		Non-current				Current			
	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024		June 30, 2025		Dec. 31, 2024		June 30, 2025	
After hedging *(in € millions)*	Base	Base	Base	Average interest rate	Base	Average interest rate	Base	Average interest rate	Base	Average interest rate
Fixed rate	4,400	4,348	3,704	0.94%	2,360	1.87%	696	2.74%	1,988	1.41%
Floating rate	376	490	84	2.41%	51	2.92%	292	3.01%	439	2.05%
INTEREST-BEARING FINANCIAL LIABILITIES	**4,776**	**4,838**	**3,788**	**0.97%**	**2,411**	**1.89%**	**988**	**2.82%**	**2,427**	**1.53%**

Maturity of interest-bearing financial liabilities

Analysis by maturity:

(in € millions)	Dec. 31, 2024	June 30, 2025
Maturing in:		
■ 1 year or less	990	2,427
■ More than 1 year and less than 5 years	2,101	1,075
■ Beyond 5 years	1,685	1,336
INTEREST-BEARING FINANCIAL LIABILITIES	**4,776**	**4,838**

6.4.3 Borrowings subject to specific conditions

Movements in this caption break down as follows:

(in € millions)	
Borrowings subject to specific conditions at Dec. 31, 2024	**287**
New advances received	3
Advances repaid	(16)
Sub-total: changes with a cash impact	**(13)**
Cost of borrowings and discounting	2
Sub-total: changes with no cash impact	**2**
BORROWINGS SUBJECT TO SPECIFIC CONDITIONS AT JUNE 30, 2025	**276**

Estimates as to the repayable amounts and the timing of repayments are made regarding borrowings subject to specific conditions.

Adjustments to the probability of repayment of advances mainly concern civil aircraft programs.

6.4.4 Foreign currency risk management

As the Group consolidates its financial statements in euros, it is exposed to fluctuations against the euro of the currencies in which its assets and liabilities are denominated and in which its operations are carried out.

To protect its earnings, the Group implements a hedging policy with the aim of reducing uncertainty factors affecting operating profitability and allowing it to adapt its cost structure to a volatile monetary environment.

Three basic principles underscore the foreign currency risk management policy defined by Safran for most of its subsidiaries:

- to protect the Group's economic performance from random fluctuations in the US dollar;
- to optimize the quality of hedging whenever possible, without jeopardizing the Group's economic performance (first principle);
- to provide visibility as regards the exchange rate applied in the Group's consolidated financial statements.

Protecting economic performance means setting a minimum USD exchange rate parity over an applicable term in order to allow frontline employees to conduct their business based on predictable exchange rates. Hedging arrangements have been made accordingly over a timeframe of four years.

The hedging policy is based on managing the financial instrument portfolio in order to guarantee a predefined minimum parity.

In building up its hedging portfolio, the Group primarily uses forward sales, accumulators and a combination of options. Certain instruments include knock-in or knock-out barrier options, representing a risk to the size of the hedge book and to targeted hedge rates in certain cases of exchange rate fluctuations.

Optimization measures are also used with a view to improving the minimum exchange rate parity, and seek to protect the Group's economic performance at all times. They are based on products that allow the Group to take advantage of any improvement in the underlying exchange rate parities.

As most of the derivatives in the portfolio have a maturity of less than one year, Safran extends derivatives in order to align their maturity with that of the flows hedged. Such extensions do not have a cash impact ("historical cost method").

The carrying amount of derivatives used to manage exchange risks is shown below:

	Dec. 31, 2024		June 30, 2025	
(in € millions)	Assets	Liabilities	Assets	Liabilities
FOREIGN CURRENCY RISK MANAGEMENT	**952**	**(8,818)**	**1,406**	**(4,514)**
Swaps	27	(15)	-	(10)
Purchase and sale of forward currency contracts	6	-	1	(142)
Currency option contracts	919	(8,803)	1,405	(4,362)

The portfolio of foreign currency derivatives breaks down as follows:

(in millions of currency units)			June 30, 2025			
Currency against EUR	Derivative instrument	Position	Fair value[1]	Notional amount[1]	Less than 1 year	1 to 5 years
USD	Forward exchange contracts	Buy	(121)	(2,750)	(2,750)	-
		Sell	(19)	200	200	-
	Cross currency swaps		(10)	(314)	-	(314)
	Put options	Buy	1,060	79,503	78,003	1,500
		Sell	(820)	(21,792)	(21,392)	(400)
	Call options	Buy	100	(21,492)	(21,092)	(400)
		Sell	(3,119)	129,373	127,273	2,100
	Accumulators[2]	Buy	3	(85)	(85)	-
		Sell	39	457	457	-
CAD	Forward exchange contracts	Buy	-	79	79	-
	Call options	Buy	7	(1,799)	(1,760)	(39)
	Put options	Sell	(132)	(3,735)	(3,657)	(78)
GBP	Forward exchange contracts	Buy	-	129	129	-
	Forward exchange contracts	Sell	-	-	-	-
	Call options	Buy	79	(2,015)	(1,993)	(22)
	Put options	Sell	(53)	(3,926)	(3,881)	(45)
MXN	Forward exchange contracts	Buy	(1)	3,260	3,260	-
	Forward exchange contracts	Sell	-	-	-	-
	Call options	Buy	43	(32,499)	(26,742)	(5,757)
	Put options	Sell	(164)	(62,443)	(53,129)	(9,314)
FOREIGN CURRENCY DERIVATIVES PORTFOLIO			**(3,108)**			

(1) Fair values are expressed in millions of euros; notional amounts are expressed in millions of currency units.
(2) Notional amounts for accumulators represent the maximum cumulative amount until the instrument is unwound.

The fair value of foreign currency derivatives amounted to a negative €3,108 million at June 30, 2025 (a negative €7,866 million at December 31, 2024).

In the balance sheet, changes in the fair value of outstanding currency hedging instruments for the year represent a positive €4,758 million between December 31, 2024 and June 30, 2025.

In the income statement, the Group has chosen not to apply hedge accounting to these derivatives (IFRS 9). As a result, any changes in the fair value of these instruments are recognized in full in "Financial income (loss)".

6.4.5 Interest rate risk management

The Group's exposure to fluctuations in interest rates covers two types of risk:

- fair value risk in respect of fixed-rate financial assets and liabilities. Interest rate fluctuations impact the market value of these assets and liabilities as well as the Group's balance sheet;
- cash flow risks in respect of floating-rate financial assets and liabilities. Interest rate fluctuations have a direct impact on the Group's profit or loss.

Within the framework of its interest rate risk management policy, the Group arbitrates between these two types of risks using financial instruments specific to fixed-income markets (interest rate swaps and options, etc.).

Exposure to USD interest rate risk

On July 21, 2020, a cross currency swap (USD fixed-rate lender/EUR fixed-rate borrower) was set up on two USD tranches of the June 29, 2020 senior unsecured notes issue on the US private placement market (USPP), amounting to USD 181 million bearing fixed-rate interest over a period of 10 years (tranche A) and USD 133 million bearing fixed-rate interest over a period of 12 years (tranche B). The interest rate portion of the cross currency swap is eligible for cash flow hedge accounting.

The fair value of the cross-currency swap is included in the portfolio of foreign currency derivatives (see Note 6.4.4 "Foreign currency risk management").

6.4.6 Management of risks on Power Purchase Agreements

Safran has signed two Virtual Power Purchase Agreements (VPPAs), one in 2023 in the United States for a total expected production of 247 GWh over a 12-year period, and the other in 2024 in Malaysia for a total expected production of 15 GWh per year over a 21-year period.

They are scheduled to come on stream in 2026.

With the exception of the certificates of origin component, these VPPAs are treated as derivative instruments in accordance with IFRS 9 and are measured at fair value through financial income (loss).

At June 30, 2025 the fair value is around €1 million (€4 million at December 31, 2024).

The Group-wide impact of changes in the fair value of VPPAs was not material.

6.4.7 Counterparty risk management

The Group is exposed to counterparty risk on the following:

- short-term financial investments;
- derivatives;
- trade receivables;
- financial guarantees granted to customers;
- undrawn lines of credit.

Financial investments are diversified and consist of blue-chip securities that are traded with top-tier banks.

The sole purpose of the Group's derivative transactions is to reduce the overall exposure to foreign currency and interest rate risks resulting from its ordinary business activities. Transactions are either carried out on organized markets or over-the-counter with top-tier intermediaries.

The Group's credit facilities are taken out with top-tier banks.

During the year, the Group closely monitored its bad debt risks to ensure the collection of its current and future receivables. A provision was accrued based on a case-by-case analysis for any receivables and assets considered at risk.

The impairment rate for expected credit losses was 0.52% at June 30, 2025, unchanged December 31, 2024.

6.4.8 Liquidity risk management

Treasury management is centralized within the Group. Where permitted by local legislation, all surplus cash is invested with, and the financing requirements of subsidiaries met by, the parent company on an arm's length basis. Safran SA manages the Group's current and forecast financing requirements, and ensures that it has the ability to meet its financial commitments while maintaining a level of available cash funds and confirmed credit facilities commensurate with its scale and debt repayment profile.

The Group's net debt position is as follows:

(in € millions)	Dec. 31, 2024	June 30, 2025
Cash and cash equivalents (A)	6,514	6,707
Interest-bearing financial liabilities (B)	4,776	4,838
NET FINANCIAL POSITION (A) - (B)	**1,738**	**1,869**

The Group's gearing ratio is shown below:

(in € millions)	Dec. 31, 2024	June 30, 2025
Net debt	1,738	1,869
Total equity	10,725	13,778
GEARING RATIO	**-16.21%**	**-13.57%**

Credit rating

Standard & Poor's long-term credit rating is as follows:

	Long-term	Outlook
June 30, 2024	A-	Stable
June 30, 2025	A-	Stable

Financial covenants

Issues of senior unsecured notes on the US private placement market (USPP) on June 29, 2020 are subject to a financial covenant which states that the net debt to EBITDA ratio not exceed 3 (see Note 6.4.2 "Interest-bearing financial liabilities"). The covenant is tested every six months and the Group complied with the applicable ratio at June 30, 2025.

The terms "net debt" and "EBITDA" used in the aforementioned covenant are defined as follows:

- net debt: interest-bearing borrowings (excluding borrowings subject to specific conditions) less cash and cash equivalents;
- EBITDA: the sum of profit (loss) from operations and the net charge to depreciation, amortization and provisions for impairment of assets (calculated based on adjusted data).

Revolving credit facilities

On May 4, 2022, Safran set up a €2 billion revolving credit facility, with an original maturity of May 2027, that was undrawn at June 30, 2025. Following the exercise of the two one-year extension options, the maturity has been extended to May 2029.

The financial terms and conditions of the liquidity line are indexed to the achievement by the Group of two sustainable development criteria: CO_2 emissions (Scopes 1 and 2) and the proportion of women among senior executives. There is no contractual obligation to achieve these sustainable development criteria and failure to do so would not constitute a breach of contract. Achievement or not of the criteria has no impact on the Group's ability to use the facility.

Sale of receivables without recourse

Net debt at both June 30, 2025 and December 31, 2024 does not include the confirmed trade receivables sold without recourse, relating to CFM International Inc. (joint operation).

This facility, rolled over in January 2025, is capped at USD 1,500 million until January 2026.

A total of USD 645 million (USD 322 million based on a 50% interest) was outstanding on the facility at June 30, 2025, versus USD 396 million (USD 198 million based on a 50% interest) at December 31, 2024.

The facility may be terminated by the bank counterparties if there is a significant deterioration in the credit rating of the customer whose trade receivables have been sold.

NOTE 7 NOTES TO THE CASH FLOW STATEMENT

7.1 Cash flow from operating activities

An analysis of the main cash flow items relating to operating activities is provided below:

DEPRECIATION, AMORTIZATION, IMPAIRMENT AND PROVISIONS

An analysis of these items in first-half 2025 and first-half 2024 is as follows:

(in € millions)	First-half 2024	First-half 2025
Depreciation and amortization	692	719
Provisions	111	(152)
Impairment	(37)	138
DEPRECIATION, AMORTIZATION, IMPAIRMENT AND PROVISIONS	**766**	**705**

CHANGE IN WORKING CAPITAL

Changes in the main working capital items over first-half 2025 and first-half 2024 are as follows:

(in € millions)	First-half 2024	First-half 2025
Change in inventories and work-in-progress	(1,297)	(1,119)
Change in operating receivables and payables	731	(241)
Change in contract costs	(84)	(77)
Change in contract assets and liabilities	585	1,235
Change in other receivables and payables	(75)	34
CHANGE IN WORKING CAPITAL	**(140)**	**(168)**

OTHER

(in € millions)	First-half 2024	First-half 2025
Cancellation of income tax expense	(38)	2,060
Income tax paid	(157)	(360)
Other items	(7)	(9)
Tax credit	(86)	(92)
Elimination of profit/loss from joint ventures	82	158
Share-based payment expense	54	67
Foreign exchange losses	10	(17)
OTHER	**(142)**	**1,807**

7.2 Cash flow used in investing activities

An analysis of the main cash flow items relating to investing activities is shown below:

Payments for the acquisition of investments or businesses, net

In 2025, the net cash outflow of €147 million mainly includes the acquisition of CRT.

In 2024, the €189 million net cash outflow related to the acquisition of ADOS and to various capital increases.

7.3 Cash flow used in financing activities

An analysis of the main cash flows relating to financing activities is shown below:

- dividend payments for 2024 totaling €1,216 million;
- share buyback for €707 million at June 30, 2025;
- redemption of OCEANEs not converted for a total of €49 million;
- increase in short-term borrowings.

NOTE 8 ADDITIONAL INFORMATION

8.1 Related parties

The Group's related parties are Safran shareholders (notably the French State) exercising control, joint control or significant influence over the Group; companies over which these shareholders exercise control, joint control or significant influence; associates, joint ventures and management executives.

Transactions with related parties other than joint ventures and associates primarily concern the delivery of aviation products to Dassault Aviation, Airbus and the French Directorate General of Weapons Procurement (DGA). They are as follows:

(in € millions)	First-half 2024	First-half 2025
Sales to related parties other than joint ventures	2,563	2,716
Purchases from related parties other than joint ventures	(85)	(88)

(in € millions)	Dec. 31, 2024	June 30, 2025
Amounts receivable from related parties other than joint ventures	2,501	2,401
Amounts payable to related parties other than joint ventures	5,911	6,690

(in € millions)	Dec. 31, 2024	June 30, 2025
Commitments given to related parties other than joint ventures[1]	2,568	2,175

(1) *See Note 8.2.1 "Off-balance sheet commitments and contingent liabilities relating to the Group's operating activities".*

The following transactions were carried out with joint ventures:

(in € millions)	First-half 2024	First-half 2025
Sales to joint ventures[1]	305	581
Purchases from joint ventures	(89)	(78)

(1) *Mainly with Shannon Engine Support Limited.*

(in € millions)	Dec. 31, 2024	June 30, 2025
Amounts receivable from joint ventures	573	646
Amounts payable to joint ventures	393	464

(in € millions)	Dec. 31, 2024	June 30, 2025
Commitments given to joint ventures[1]	1,768	1,938

(1) *Chiefly the reservation of engine capabilities with Shannon Engine Support Limited.*

8.2 Off-balance sheet commitments and contingent liabilities

8.2.1 Off-balance sheet commitments and contingent liabilities relating to the Group's operating activities

The various types of commitments given and contingent liabilities incurred by the Group are as follows:

GUARANTEES GIVEN IN CONNECTION WITH THE PERFORMANCE OF OPERATING AGREEMENTS

These guarantees relate mainly to guarantees granted by Safran to customers and principals (essentially aircraft manufacturers) in which Safran or the subsidiary provide a joint and several guarantee that its subsidiaries will perform their duties under their contractual obligations. These guarantees are given in respect of research, design, development, manufacturing, marketing and product support programs in place at Group subsidiaries. They are generally granted for the term of the program concerned, and are capped at a certain amount.

OFFSET OBLIGATIONS

In some countries, as a condition to the Group securing major contracts, it may be required to fulfill direct, semi-direct or indirect local offset obligations, as required by law or regulations. This is particularly the case in the defense industry.

Failure to meet these obligations within the required timeframe may lead to penalties for the Group, which may, in some cases, not discharge the obligation. When there are doubts as to the Group's ability to meet its obligations, the contractual penalty is recognized as a deduction from revenue.

LEASE COMMITMENTS

Lease commitments given concern leases qualifying for the IFRS 16 exemption criteria (short-term leases or leases of low-value assets), as well as leases signed but not yet started.

FINANCIAL COMMITMENTS LINKED TO THE SALE OF GROUP PRODUCTS

The Group may enter into financial commitments as part of certain civil aircraft engine sales campaigns. These commitments form part of financing packages proposed by aircraft manufacturers to airlines. The commitments are made by the Group together with its partner GE Aerospace alongside aircraft manufacturers, and generally correspond to the share represented by engines in the financing of the aircraft concerned. They can take the form of backstop aircraft financing, backstop guarantees granted to lending institutions for aircraft financing, asset value guarantees at a given date, or trade-ins of used aircraft at a given date and at a given price.

Unlike asset value guarantees and used aircraft trade-ins, backstop commitments are in fact financing commitments granted in principle when an order is placed but which only take effect at the customer's request when the ordered aircraft are delivered. They are not included in the Group's off-balance sheet commitments since (i) the probability that they will be called by the airline is too uncertain because the deliveries are too far in the future, and (ii) in the past, few commitments have been called due to their incentiveless financing terms and to the fact that they represent a "last recourse" after the active leasing, banking, credit insurance and investor markets.

CONTINGENT LIABILITIES ARISING ON ORDINARY ACTIVITIES

As part of their ordinary activities, the Group, some of its subsidiaries, or certain joint arrangements or consortia in which they are shareholders or members, may be subject to various claims from customers. These claims usually consist of compensation claims for failing to meet technical specifications, for a delay in the development phase, late completion and/or for additional work in connection with product performance and reliability falling outside the scope of the warranties and commitments provisioned or included within contract costs (see Note 6.3.1 "Overview of provisions"). While the initial amount of any such claim may be material in certain cases, it does not necessarily have any bearing on the costs that may be ultimately incurred to satisfy the customer. As these claims represent contingent liabilities, no provision has been recognized beyond contractual liability limits, if any.

In the absence of an agreement between the parties, some of these claims may give rise to litigation, the most significant of which are indicated in Note 8.3, "Disputes and litigation".

Commitments given and contingent liabilities

The Group granted the following commitments in connection with its operating activities:

(in € millions)	Dec. 31, 2024	June 30, 2025
Purchase commitments on intangible assets	11	10
Purchase commitments on property, plant and equipment	434	575
Guarantees given in connection with the performance of operating agreements	6,809	6,025
Lease commitments	153	229
Financial commitments linked to the sale of Group products	26	24
Other commitments given	4,032	4,038
COMMITMENTS GIVEN AND CONTINGENT LIABILITIES	**11,465**	**10,901**

Guarantees given in connection with the performance of operating agreements

Guarantees granted to Airbus are shown within "Guarantees granted to related parties" in Note 8.1, "Related parties".

Financial commitments linked to the sale of Group products

Only the amounts of commitments actually in place at the reporting date are shown in the above off-balance sheet commitments table. The Group's gross exposure in respect of these financing commitments in their transaction currency represents USD 28 million at June 30, 2025 (USD 27 million at December 31, 2024), or €24 million (€26 million at December 31, 2024). However, these amounts do not reflect the actual risk to which Safran is exposed. In view of the value of the underlying assets pledged as security or eventually owned, the net exposure represents USD 2 million at June 30, 2025 (USD 1 million at December 31, 2024), or €2 million at June 30, 2025 (€1 million at December 31, 2024) for which a provision, based on an assessment of the risk, is booked in the financial statements. The risk and corresponding provision are determined based on a probability model of events likely to generate a future net outflow of resources for the Group.

Undiscounted backstop commitments based on transaction currency amounted to USD 1.7 billion at June 30, 2025. They are not included in off-balance sheet commitments.

Other commitments given

As part of Safran USA's contemplated acquisition of Collins Aerospace's actuation and flight control business, Safran SA contractually granted a USD 1.8 billion payment guarantee to Goodrich Corporation and Hamilton Sundstrand Corporation on behalf of its subsidiary Safran USA.

If certain regulatory approvals were to block the acquisition, Safran would have to pay termination costs of up to USD 72 million.

In connection with the French government's aerospace support plan, Safran undertook to subscribe to the Ace Aéro Partenaires (AAP#1) investment fund in an amount of €58 million.

Following the various funding rounds completed, Safran's remaining commitment amounted to €3 million at June 30, 2025.

In July 2024, Safran committed to contributing €45 million to the new "Ace Aero Partenaires 2" support fund for the French aerospace sector. At June 30, 2025, the remaining commitment stood at €42 million.

Commitments received

The Group was granted the following commitments in connection with its operating activities:

(in € millions)	Dec. 31, 2024	June 30, 2025
Commitments received from banks on behalf of suppliers	8	10
Completion warranties	16	15
Endorsements and guarantees received	2	2
Other commitments received	304	292
COMMITMENTS RECEIVED	**330**	**319**

8.2.2 Off-balance sheet commitments and contingent liabilities relating to the Group's scope of consolidation

Vendor warranties are given or received on the acquisition or sale of companies.

(I) VENDOR WARRANTIES GIVEN

(in € millions)	Dec. 31, 2024	June 30, 2025
Vendor warranties given[1]	36	36

(1) Vendor warranties, the amount of which may be fixed or determinable.

(II) VENDOR WARRANTIES RECEIVED

(in € millions)	Dec. 31, 2024	June 30, 2025
Vendor warranties received	221	221

Vendor warranties granted in connection with the disposal of the Security businesses

In connection with the sale of the Identity and Security businesses on May 31, 2017, Safran granted Advent International a specific indemnity capped at BRL 200 million (€31 million) to cover any financial consequences arising from the dispute between Morpho do Brasil and the Brazilian tax authorities concerning the calculation method for value added tax on certain products.

Guarantees received in connection with acquisitions

On the sale of Aubert & Duval, Eramet granted Safran a general liability guarantee of €35 million and various specific warranties totaling €150 million.

In connection with the acquisition of Thalès' aeronautical electrical systems business, Thalès granted Safran a contractual general liability guarantee for €18 million and specific warranties for €18 million covering various matters.

8.3 Disputes and litigation

Safran and certain Group subsidiaries are party to regulatory, legal or arbitration proceedings arising in the ordinary course of their operations. Safran and certain Group subsidiaries are also party to claims, investigations, legal action and regulatory proceedings outside the scope of their ordinary operations.

The amount of the provisions booked is based on the level of risk for each case, as assessed by Safran and its subsidiaries, and largely depends on their assessment of the merits of the claims and defensive arguments, bearing in mind that the occurrence of events during the proceedings can lead to a reassessment of the risk at any time.

A provision is only booked to cover the expenses that may result from such proceedings when the expenses are probable and their amount can be either quantified or reasonably estimated.

Safran considers that the provisions booked are adequate to cover the risks it incurs.

A number of civil and/or criminal lawsuits related to the Group's activities have been filed against certain Safran subsidiaries, notably in connection with aviation accidents. The Group's insurance policy would cover any civil damages payable by Safran or its subsidiaries under these proceedings.

Certain subsidiaries are the object of claims made by their customers, notably aircraft manufacturers and airlines. These claims can relate to compliance with delivery deadlines, problems with product quality, commercial disagreements, especially those linked to regulatory changes or, more generally, alleged non-compliance with agreements. Such claims give rise to technical, industrial and commercial negotiations that may lead to settlement agreements, without resulting in legal or arbitration proceedings.

8.4 Subsequent events

Acquisition of flight control and actuation activities from Collins Aerospace

On July 21, 2025, Safran finalized its acquisition of Collins Aerospace's actuation and flight control activities, which are mission critical for commercial and military aircraft and helicopters, for a purchase price of USD 1.8 billion.

With this transaction, Safran becomes a global leader in flight control and actuation systems and is well-positioned for next-generation platforms.

In order to meet the decarbonization ambition of the industry, the next generation of single-aisle aircraft will have disruptive architecture features and be increasingly electrified requiring a breakthrough in flight control and actuation systems. The combination of Collins' best-in-class hydraulic and mechanical actuation capabilities with Safran's strong know-how in electro-mechanical actuation and electronics will enable the Group to meet this challenge.

This acquisition also brings added complementarity for Safran in helicopter and nacelle actuation where the Group is already among the global leaders. In the defense segment, Safran is enhancing its offer in actuation and flight control solutions for military aircraft and missiles, reinforcing the growth of its sovereignty activities.

The key strategic benefits of this acquisition for Safran include:

- A highly complementary product offering, positioning Safran as a sector leader with an expanded portfolio in flight control and actuation systems,
- A well-balanced exposure across commercial, military, and helicopter segments with strong positions on both mature and growing platforms,
- Complementary expertise in hydraulic and electromechanical actuation, strengthening Safran's capability to support the next-generation aircraft,
- Attractive recurring revenue potential from service activities, representing approximately 40% of revenue,
- Compelling value creation supported by short-medium term cost synergy potential with further upside from commercial synergies.

The acquired business employs approximately 4,000 people across eight main facilities in Europe (United Kingdom, Italy and France) and Asia, and has activities in Poland, the United States and India.

Flight control and actuation systems from Collins are integrated on board 180 platforms, and generated revenue of around USD 1.55 billion in 2024 and an EBITDA of about USD 130 million.

This business will be fully consolidated in the Group's financial statements within the Safran Electronics & Defense CGU from August 1, 2025.

Sale of the electromechanical actuation business

On July 21, 2025, concurrently with the acquisition of Collins Aerospace, Safran completed the sale of its electromechanical actuation business to the Woodward Group for a price of approximately USD 46 million.

This transaction includes intellectual property, operations assets, talent and long-term customer agreements for Horizontal Stabilizer Trim Actuation (HSTA) systems[1] for aircraft stabilization to support safe and efficient flight.

The sale also includes other electromechanical products and electronic control units with a portfolio of commercial aviation and business aircraft applications.

The business generated revenue of approximately USD 65 million in 2024.

(1) *Notably used for the Airbus A350.*

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STATUTORY AUDITORS' REVIEW REPORT

For the six months ended June 30, 2025

STATUTORY AUDITORS' REVIEW REPORT ON THE INTERIM FINANCIAL INFORMATION

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of Article L.451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed interim consolidated financial statements of Safran for the six months ended June 30, 2025;
- the verification of the information contained in the interim activity report.

These condensed interim consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting", as adopted by the European Union.

2. Specific verification

We have also verified the information presented in the interim activity report on the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed interim consolidated financial statements.

Paris-La Défense, July 30, 2025

The Statutory Auditors

Forvis Mazars SA		Ernst & Young et Autres	
Jérôme de Pastors	Christophe Berrard	Philippe Berteaux	Nicolas Macé

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CORPORATE GOVERNANCE

ANNUAL GENERAL MEETING OF MAY 22, 2025 – DIVIDEND PAYMENT OF €2.90 PER SHARE

The Ordinary and Extraordinary Shareholders' Meeting was held on May 22, 2025 at the Safran Campus – 31, rue de Vilgénis, 91300 Massy (France).

All of the resolutions submitted to the vote of the Annual General Meeting were approved.

In particular, shareholders approved:

- the 2024 financial statements and the setting of the 2024 dividend at €2.90 per share;
- the appointment of Valérie Baudson as an independent Director to replace Hélène Auriol Potier;
- the re-appointment of Fabienne Lecorvaisier as an independent Director;
- the re-appointment of Patrick Pélata as an independent Director;
- all of the resolutions relating to corporate officer compensation (2024 compensation and 2025 compensation policies);
- the new authorization allowing Safran to buy back its own shares at a price not exceeding €365 per share;
- amendments to the bylaws concerning, in particular, the procedures for appointing Directors representing employee shareholders and the terms of office of Directors;
- financial authorizations allowing Safran to seize appropriate opportunities arising on the financial markets, which cannot be used during a public offer.

MEMBERSHIP STRUCTURE OF THE BOARD OF DIRECTORS AND ITS STANDING COMMITTEES

The Board of Directors

Following the approval by the shareholders at the Annual General Meeting of May 22, 2025 of all the resolutions relating to its membership structure, the Board of Directors comprises 16 members, including:

- seven independent Directors;
- one representative of the French State and one Director put forward by the French State;
- two Directors representing employee shareholders and two Directors representing employees.

At the close of the Annual General Meeting, the proportion of independent Directors was 58.3%[1] and the proportion of women on the Board remains at 41.7%[1].

(1) *In accordance with the AFEP-MEDEF Corporate Governance Code for Listed Companies and French law, Directors representing employee shareholders and Directors representing employees are not included when calculating the percentage of independent Directors.*

At the filing date of this report, the Board of Directors is thus composed of the following members:

Directors	Independent
Ross McInnes, Chairman of the Board of Directors	
Olivier Andriès, Chief Executive Officer	
Anne Aubert, Director representing employee shareholders	
Valérie Baudson	✓
Patricia Bellinger	✓
Fabrice Brégier	✓
Monique Cohen, Chair of the Appointments and Compensation Committee	
Christèle Debarenne-Fievet, Director representing employees	
Pascale Dosda, Director representing employee shareholders	
Céline Fornaro, representative of the French State	
Laurent Guillot, Chairman of the Audit and Risk Committee	✓
Ivan Hardouin, Director representing employees	
Alexandre Lahousse, Director put forward by the French State	
Fabienne Lecorvaisier	✓
Patrick Pélata, Lead Independent Director, Director responsible for monitoring climate issues and Chairman of the Innovation, Technology & Climate Committee	✓
Robert Peugeot	✓
16 MEMBERS, OF WHICH 58.3% INDEPENDENT[(1)]	

(1) *In accordance with the AFEP-MEDEF Corporate Governance Code for Listed Companies, Directors representing employee shareholders and Directors representing employees are not taken into account when calculating the percentage of independent Directors.*

The standing Committees of the Board of Directors

On May 22, 2025, the Board of Directors:

- appointed Patrick Pélata as Lead Independent Director, replacing Monique Cohen, and reappointed him as Director responsible for monitoring climate issues, as well as to his positions in all three Committees;
- appointed Valérie Baudson as a member of the Appointments and Compensation Committee, replacing Hélène Auriol Potier;
- re-appointed Fabienne Lecorvaisier as a member of the Audit and Risk Committee and appointed her as a member of the Innovation, Technology and Climate Committee.

At the filing date of this report, the standing Committees of the Board of Directors are composed as follows:

Audit and Risk Committee	Independent
Laurent Guillot, Chairman	✓
Ivan Hardouin (Director representing employees)	
Céline Fornaro (representative of the French State)	
Fabienne Lecorvaisier	✓
Patrick Pélata	✓
Robert Peugeot	✓
6 MEMBERS, OF WHICH 80% INDEPENDENT (4/5[(1)])	

(1) *In accordance with the AFEP-MEDEF Corporate Governance Code for Listed Companies, Directors representing employee shareholders and Directors representing employees are not taken into account when calculating the percentage of independent Directors.*

Appointments and Compensation Committee	Independent
Monique Cohen, Chair	
Patrick Pélata – Lead Independent Director	✓
Valérie Baudson	✓
Patricia Bellinger	✓
Christèle Debarenne-Fievet (Director representing employees) – “compensation” discussions	
Céline Fornaro (representative of the French State)	
6 MEMBERS, OF WHICH 60% INDEPENDENT (3/5[1])	

(1) In accordance with the AFEP-MEDEF Corporate Governance Code for Listed Companies, Directors representing employee shareholders and Directors representing employees are not taken into account when calculating the percentage of independent Directors.

Innovation, Technology & Climate Committee	Independent
Patrick Pélata, Chairman	✓
Fabrice Brégier	✓
Ivan Hardouin (Director representing employees)	
Laurent Guillot	✓
Alexandre Lahousse (Director put forward by the French State)	
Fabienne Lecorvaisier	✓
6 MEMBERS, OF WHICH 80% INDEPENDENT (4/5[1])	

(1) In accordance with the AFEP-MEDEF Corporate Governance Code for Listed Companies, Directors representing employee shareholders and Directors representing employees are not taken into account when calculating the percentage of independent Directors.

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All financial information pertaining to Safran is available on the Group's website at www.safran-group.com, in the Finance section.

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