orano

Press Release

Impact of Covid-19 on operations contained
Solid liquidity position

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Registered office:
125, avenue de Paris
92230 Châtillon, France
Tel: +33 (0)1 34 96 00 00
Fax: +33 (0)1 34 96 00 01

Press Office
+33 (0)1 34 96 12 15
press@orano.group

Investor Relations
Marc Quesnoy
investors@orano.group

The end of June saw the return of activity to close to pre-Covid 19 levels, except for the mining sites which remain shut down in Canada, and Kazakhstan operating at a slower pace, which are most strongly impacting the second half.

- Revenue of €1,782 million, up +7.8% on the first half of 2019
- EBITDA margin at 22.8%, despite operational performance adversely affected by the Covid-19 crisis

Net income attributable to owners of the parent impacted by the negative performance of the financial markets due to the health crisis

- Net income attributable to owners of the parent at -€212 million, combining positive operating performance and a strongly negative return on assets earmarked for end-of-lifecycle commitments in the first half of 2020
- Adjusted net income attributable to owners of the parent[1] at +€17 million, compared with -€111 million in the first half of 2019, reflecting the solid performance of operating businesses despite the crisis

Positive net cash flow and solid liquidity position

- Net cash flow of +€46 million versus -€59 million in the first half of 2019, the cash impacts of the Covid-19 crisis being mainly deferred until the second half.
- Net debt stable during the period at €2.2 billion, with €1.8 billion in cash as of June 30.

Adjustment to 2020 financial outlook[2]

- Slight decrease in revenue
- EBITDA margin between 22% and 25%
- Continuation of positive net cash flow

The Orano Board of Directors met yesterday and approved the financial statements closed on June 30, 2020. When asked about the results, Philippe Knoche, Chief Executive Officer, stated:

"In this wholly unprecedented environment, the responsiveness and commitment of Orano's teams have ensured the continuity of industrial operations and services essential to our customers' power generation. Thanks to the commitment of Orano's people, the group's operating income has been broadly maintained. This unprecedented crisis has strengthened Orano's role as a key industrial player in ensuring the continuity of production for our customers. From the health crisis to the economy, climate change and security of supply, major challenges lie ahead. With a solid financial position and the confidence of our customers, Orano is more prepared than ever."

[1] See definition in Appendix 2.
[2] Compared with those communicated on February 28, 2020, subject to the pandemic being controlled.

I. Analysis of Group key financial data

During the global Covid-19 crisis in the first half of 2020, Orano's core industrial operations and services continued to meet its customers' strategic needs.

At end-June, all industrial facilities and the majority of service businesses, in France and the rest of the world, returned to their pre-crisis levels of activity, with the exception of:

- In Mining, Canadian facilities, which have been shut down since the end of March in agreement with our partner to protect the northern communities employed at those sites, in addition to several development investments in Kazakhstan;
- In the Back End segment, Dismantling and Services activities due to restrictions on accessing some customer sites.

None of the group's contractual commitments were called into question in the context of the Covid-19 crisis. Ad hoc discussions are under way with some customers to restructure certain contractual arrangements without prejudice to the parties.

The Covid-19 crisis has not affected the value of the group's industrial assets, but has negatively impacted the level of activity and operational performance, particularly in the Mining and Back End segments.

Table of key financial data

In millions of euros	**H1 2020**	**H1 2019**	***Change***
Revenue	1,782	1,654	*+€128 M*
Operating income	158	179	*-€21 M*
EBITDA	406	404	*+€2 M*
Adjusted net income attributable to owners of the parent	17	(111)	*+€128 M*
Net income attributable to owners of the parent	(212)	259	*-€471 M*
Operating cash flow	240	81	*+€159 M*
Net cash flow from company operations	46	(59)	*+€105 M*

In millions of euros	**June 30, 2020**	**December 31, 2019**	***Change***
Backlog	28,862	29,944	*-€1,082 M*
(Net debt) / Net cash	(2,190)	(2,191)	*+€1 M*

The financial indicators are defined in the financial glossary in **Appendix 2 - Definitions**.

Backlog

Orano's backlog stood at €28.9 billion as of June 30, 2020, down compared with December 31, 2019 (€29.9 billion). The backlog represents close to eight years of revenue.

Order intake for the first half of 2020 totaled €774 million, mainly from export contracts signed with Asian and American customers.
This amount is used to replenish the backlog in short-cycle services activities, as significant multi-year contracts are not renewed every year.

Revenue

Orano's **revenue** amounted to €1,782 million at June 30, 2020, versus €1,654 million at June 30, 2019 (+7.8%; +7.6% like-for-like), in line with the group's expectations regarding its backlog scheduling. This increase notably reflects a more favorable seasonal effect for the Mining segment and an increase for the Front End segment, partly offset by the adverse impacts of the Covid-19 crisis on Back End activity, particularly in Recycling and Dismantling and Services.

The revenue share from international customers reached 43.9% in the first six months of 2020, compared with 41.4% in the first half of 2019. The revenue share from Asian customers accounted for 19.1% of sales, up slightly from the same period in 2019.

- **Mining** revenue totaled €626 million, up +27.2% compared with June 30, 2019 (+27.0% like-for-like). This change is due to a more favorable distribution of backlog scheduling volumes over the period.

- **Front End** revenue totaled €463 million, an increase of +25,6% compared with the first half of 2019 (+25.5% like-for-like). The growth in sales was driven mostly by the increase in volumes of SWU (enrichment) linked to backlog scheduling.

- **Back End** revenue, which includes Recycling, Nuclear Packages and Services, Dismantling & Services and Projects, totaled €687 million, down -12.3% compared with June 30, 2019 (-12.5% like-for-like). First-half sales were impacted by the Covid-19 crisis with (i) the partial shutdown of the reprocessing plant in La Hague for almost a month, and (ii) difficulties in accessing customer sites for the Dismantling and Services businesses. However, this significant decrease was mitigated by an increase in the Nuclear Packages and services business over the period, especially in the United States.

- **Corporate and other operations** revenue, consisting primarily of Orano Med, was €6 million compared with €10 million at June 30, 2019.

Operating income

Orano's **operating income** stood at €158 million, a decrease of €21 million on June 30, 2019. This change breaks down by business line as follows:

- An increase of +€30 million in operating income from the **Mining** segment, which totaled €209 million, compared with €179 million at June 30, 2019. This improvement in operating income can be attributed to the increase in sales volume over the half year, offsetting the negative impact of the Covid-19 crisis on the business, particularly in Canada.

- The stabilization of **Front End** operating income, which stood at €45 million, compared with €44 million in the first half of 2019. The increase in sales volumes, particularly in enrichment, is offset by less favorable price mix effects than in the first half of 2019.

- A -€51 million decrease in the **Back End**, which recorded operating income of -€76 million, compared with -€25 million at June 30, 2019. The decline is due to the impact of the Covid-19 crisis with the temporary and partial shutdown of the La Hague reprocessing plant and the difficulties of accessing customer sites for the Dismantling and Services businesses, partly offset by a positive contribution from Nuclear Packages and Services.

- A slight decrease of -€3 million in operating income from **Corporate and other operations**, which stood at -€21 million at June 30, 2020, as against -€18 million in the first half of 2019. This includes centralized purchases for the group and some stakeholders of Covid-19 protective equipment for around €9 million.

Adjusted net income attributable to owners of the parent

The significant volatility in net financial income resulting from the application of IFRS 9 on January 1, 2018 led the group to implement a new performance indicator on December 31, 2018. This new alternative performance indicator (adjusted net income attributable to owners of the parent) reflects Orano's industrial performance independently of the impact of the financial markets on the return on earmarked assets (which must be appreciated over the long term), of regulatory changes and of discount rates related to end-of-lifecycle commitments. The definition of adjusted net income attributable to owners of the parent is provided in Appendix 2 of this document.

Adjusted net income attributable to owners of the parent amounted to €17 million at June 30, 2020, compared with -€111 million at June 30, 2019.

Based on the operating income commented on above and restated for the share in net income of joint ventures and associates for €5 million and the share of non-controlling interests in income for the period for -€14 million, adjusted net income attributable to owners of the parent is obtained by adding the following main items:

- **Adjusted net financial income,** which amounted to -€117 million at June 30, 2020, compared with -€274 million at June 30, 2019. This improvement is essentially due to the higher discount rates, net of inflation, of provisions for long-term work completion (excluding end-of-cycle provisions) in the first half of 2020, which were down in the same period in 2019.

- The adjusted net tax expense was -€15 million, compared with -€5 million in the first half of 2019.

Net income attributable to owners of the parent

Net income attributable to owners of the parent amounted to -€212 million at June 30, 2020, compared with €259 million in the same period in 2019. This change was primarily due to the negative return on assets earmarked for end-of-lifecycle commitments, reflecting the situation in the financial markets as a result of the health crisis.

The following table reconciles net income attributable to owners of the parent with reported net income attributable to owners of the parent, by reintegrating the financial impacts related to end-of-lifecycle commitments:

In millions of euros	**June 30, 2020**	**June 30, 2019**	***Change***
Adjusted net income attributable to owners of the parent	**17**	**(111)**	***+€128 M***
Unwinding expenses on end-of-lifecycle liabilities	(142)	(150)	*+€8 M*
Impact of changes in end-of-lifecycle operation discount rates	177	(9)	*+€186 M*
Return on earmarked assets	(264)	548	*-€812 M*
Tax impact of adjustments	0	(19)	*+€19 M*
Reported net income attributable to owners of the parent	**(212)**	**259**	***-€471 M***

Operating cash flow

As of June 30, 2020, Orano's **EBITDA** was €406 million, stable compared with June 30, 2019, when it was €404 million. Despite the severe disruptions caused by the Covid-19 crisis, the Mining, Front End and Back End segments all contributed positively to the group's EBITDA for the period. EBITDA by business line is presented in Appendix 1.

The change in operating WCR amounted to +€41 million, an improvement of +€138 million on the first half of 2019. This was mainly due to (i) the decrease in inventories in Mining, in connection with the shutdown of the Canadian facilities, and in Front End, particularly for Conversion, and (ii) the contribution of Back End export contracts in the Recycling and Nuclear Packages and Services businesses.

Net investment edged slightly down by €18 million, excluding gains (losses) from disposals, to stand at €205 million at June 30, 2020, versus €223 million at June 30, 2019. This was largely due to the disruption caused to some projects by the Covid-19 crisis.

Orano's **operating cash flow** was therefore positive at €240 million in the first half of 2020, a significant increase of +€159 million compared with the same date in 2019.

Net cash flow from company operations

Added to operating cash flow, whose composition is explained above, net cash flow from company operations is obtained by adding:

- The cash cost of financing activities, at -€109 million, up compared with the end of June 2019 (-€87 million) due to the payment on the anniversary date of the coupon on the new €750 million bond issued in April 2019;
- Dividends paid to the group's minority shareholders in the mining businesses in the first half of 2020 for -€24 million, whereas no payment was made in the same period in 2019;
- Cash consumption linked to end-of-lifecycle operations of -€9 million (compared with -€1 million at June 30, 2019);
- A tax payment of -€12 million in 2019 (compared with -€21 million in the first half of 2019);
- Other items totaling -€40 million, up in comparison to the end of June 2019 (-€32 million). partly due to the payment of an advance to one of the group's service providers.

Net cash flow from company operations thus stood at +€46 million in the first half of 2020, compared with -€59 million in the first half of the previous year.

Net financial debt and cash

As of June 30, 2020, Orano had €1.8 billion, consisting of €1.5 billion in cash and cash equivalents, plus €0.3 billion in cash management financial assets.

This cash position was strengthened by a confirmed and undrawn syndicated credit facility of €940 million, signed with 11 banking partners in early 2019. The maturity of this facility was extended from July 2022 to July 2023 with the unanimous approval of the lenders.

The group's liquidity position allows it to meet its medium-term commitments, and in particular the repayment of bonds outstanding for the amount of €402 million in September 2020 and €715 million in March 2021.

The group's net financial debt totaled €2.2 billion at June 30, 2020, stable compared with the situation at December 31, 2019.

II. Events since the last publication

- On March 24, 2020, Orano Canada Inc. and Cameco made the decision to temporarily suspend production at the Cigar Lake mine (operated by Cameco) and the McClean Lake plant (operated by Orano) which processes the minerals from the Cigar Lake mine. This measure was taken to safeguard the health and safety of employees, contractors and local communities due to the pandemic, in the specific context of the sites operating in “Fly-In/Fly-Out”, and a significant share of whose employees come from isolated communities in the northern Saskatchawan. Operations will resume in September 2020, health conditions permitting.

  In Kazakhstan, and in coordination with our partner Kazatomprom, drilling and well field development activities at the Katco mine were suspended from April 2020 in order to significantly reduce the workforce on-site and focus operations on the existing fields. Drilling will probably restart in August. Given the mine's operating momentum, production losses due to this development delay have not affected the first half year, but will be visible in the second half year.

- Orano DS, a subsidiary of Orano's Dismantling and Services business, acquired three companies specializing in industrial maintenance (valve systems, rotating machinery, boilermaking) from the German group KSB, on June 30, 2020: KSB Service Energie (KSE), KSB Service Cotumer (KSC) and Société de Travaux d'Ingénierie Industrielle (STII). Recognized for the role they play in providing services to the French nuclear fleet and to industry, these companies enhance Orano's service offer with specialized resources which complement the nuclear maintenance businesses in which the group is already present. The acquisition forms part of Orano’s bid to develop certain service businesses and consolidate its presence with nuclear operators in France and worldwide.

2020 financial outlook

The group suspended its outlook for 2020 on March 20, at the outbreak of the health crisis.

Despite good resiliency of the group's results to the Covid-19 crisis over the past six months, and taking into account the future impacts and remaining uncertainties in the second half, the group is revising its initial outlook for 2020 as follows:

- Slight decrease in revenue;
- EBITDA margin between 22% and 25%;
- Continuation of positive net cash flow

Nevertheless, this outlook is contingent on the pandemic being controlled in France and the countries where the group operates, particularly in the mining sector.

The 2020 outlook does not include the proposed used fuel treatment and recycling plant in China, which is still under negotiation.

Upcoming events

July 31, 2020 – 09:00 CEST   Webcast and telephone conference

2020 Half-year results

To access the results presentation, which will be held today at 9:00 am (Paris time), please follow the links below:

French version: https://webcast.orano.group/20200731/resultats_semestriels_2020/startup.php

English version: https://webcast.orano.group/20200731/2020_half_year_results/startup.php

Note

Status of the 2020 half-year financial statements with regard to the audit:

The review of the consolidated half-year financial statements has been completed and the limited review report issued.

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This document contains forward-looking statements relative to Orano’s financial position, results, operations, strategy and outlook. These statements include forecasts and estimates as well as the assumptions on which they are based, and statements related to projects, objectives and expectations concerning future operations, products and services or future performance. These forward-looking statements are generally identified by the words “expect to”, “anticipate”, “believe”, “plan”, “could”, “foresee” or “estimate”, and by other similar terms. Although Orano’s management believes that these forward-looking statements are reasonable, bearers of Orano shares are hereby advised that these forward-looking statements are subject to numerous risks and uncertainties that are difficult to foresee and generally beyond Orano’s control, which may mean that the expected results and developments differ significantly from those expressed, induced or forecast in the forward-looking statements and information. These risks include those developed or identified in Orano’s public documents, including those listed in Orano’s Annual Activity Report for 2019 (available online from Orano’s website at www.orano.group). The attention of bearers of Orano shares is drawn to the fact that the realization of all or part of these risks is likely to have a significant unfavorable impact on Orano. Thus, these forward-looking statements do not constitute guarantees as to Orano’s future performance. These forward-looking statements can be assessed only as of the date of this document. Orano makes no commitment to update the forward-looking statements and information, except as required by applicable laws and regulations.

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Appendix 1 – EBITDA by business segment

As of June 30, 2020, Orano's **EBITDA** was €406 million, stable compared with June 30, 2019, when it was €404 million. This change breaks down as follows:

- An increase of +€9 million in **Mining** (€280 million, versus €271 million at June 30, 2019) due to the increase in volumes sold, erasing the negative impact of the crisis on the business, particularly in Canada.

- An increase of +€11 million in the Front End (€112 million, compared with €101 million at June 30, 2019) due to an increase in the volume of sales of SWU (Enrichment).

- A decrease of -€32 million in the **Back End** (€28 million, versus €60 million at June 30, 2019), given the partial shutdown of Recycling production and the contraction in the Dismantling and Services business due to the Covid-19 crisis, partially mitigated by the reimbursement of residual assets in respect of outsourced employee benefits.

- An improvement of +€13 million for **Corporate and other operations** (-€14 million, versus -€27 million at June 30, 2019) with the restructuring expenses ending in 2019.

Appendix 2 – Definitions

- **Like-for-like (LFL):** at constant exchange rates and consolidation scope.

- **Operating working capital requirement (Operating WCR):**

Operating WCR represents all of the current assets and liabilities related directly to operations. It includes the following items:

- inventories and work-in-process;
- trade accounts receivable and related accounts;
- advances paid;
- contract assets;
- other accounts receivable, accrued income and prepaid expenses;
- derivative hedging instruments and hedged items relating to commercial operations;
- minus: trade accounts payable and related accounts, contract liabilities, other operating debts, expenses payable.

Note: Operating WCR does not include non-operating receivables and payables such as income tax liabilities, amounts receivable on the sale of non-current assets, and liabilities in respect of the purchase of non-current assets.

- **Backlog:**

The backlog is determined on the basis of firm orders, excluding unconfirmed options, using the contractually set prices for the fixed component of the backlog and, for the variable component, the market prices based on the forecast price curves prepared and updated by Orano. Orders in hedged foreign currencies are valued at the rate hedged. Non-hedged orders are valued at the rate in effect on the last day of the period. The backlog reported for long-term contracts recorded under the percentage of completion method and partially performed as of the reporting date is equal to the difference between (a) the projected sales revenue from the contract at completion and (b) the sales revenue already recognized for this particular contract. Accordingly, the backlog takes into account indexation and price revision assumptions used by the group to determine the projected revenue at completion**.**

- **Net cash flow from company operations:**

Net cash flow from company operations is equal to the sum of the following items:

- operating cash flow;
- cash flow from end-of-lifecycle operations;
- change in non-operating receivables and liabilities;
- financial income;
- tax on financial income;
- contract liabilities, other operating debts, expenses payable.
- dividends paid to minority shareholders of consolidated subsidiaries;
- net cash flow from operations sold, discontinued and held for sale, and cash flow from the sale of those operations;
- acquisitions and disposals of current and non-current financial assets, with the exception of bank deposits held for margin calls on derivative instruments or collateral backed by structured financing and cash management financial assets.

Net cash flow from company operations thus corresponds to changes in net debt (i) with the exception of transactions with Orano SA shareholders, accrued interest not yet due for the period and currency translation adjustments, and (ii) including accrued interest not yet due for the period N-1.

- **Operating cash flow (OCF):**

Operating cash flow (OCF): operating cash flow (OCF) represents the amount of cash flow generated by operating activities before income tax. It is equal to the sum of the following items:

- EBITDA;
- plus losses or minus gains on disposals of property, plant and equipment and intangible assets included in operating income;
- plus the decrease or minus the increase in operating working capital requirement between the beginning and the end of the period (excluding reclassifications, currency translation adjustments and changes in consolidation scope);
- minus acquisitions of property, plant and equipment and intangible assets, net of changes in accounts payable related to fixed assets;
- plus sales of property, plant and equipment and intangible assets included in operating income, net of changes in receivables on the sale of fixed assets;
- plus prepayments received from customers during the period on non-current assets;
- plus acquisitions (or disposals) of consolidated companies (excluding equity associates), net of the cash acquired.

- **Net debt:**

Net debt is defined as the sum of all current and non-current financial liabilities, less cash and cash equivalents, financial instruments recorded on the assets side of the balance sheet including borrowings, bank deposits constituted for margin calls on derivative instruments and collateral backed by structured financing and cash management financial assets.

- **Earnings before interest, taxes, depreciation and amortization (EBITDA):**

EBITDA is equal to operating income after depreciation, depletion, amortization and provisions, net of reversals. EBITDA is restated to exclude the cost of end-of-lifecycle operations performed in nuclear facilities during the year (facility dismantling, waste retrieval and packaging). It should be noted that the cash flows linked to end-of-lifecycle operations are presented separately.

- **Cash flows from end-of-lifecycle operations:**

This indicator encompasses all of the cash flows linked to end-of-lifecycle operations and to assets earmarked to cover those operations. It is equal to the sum of the following items:

- revenue from the portfolio of earmarked assets, cash from disposals of earmarked assets;
- full and final payments received for facility dismantling;
- minus acquisitions of earmarked assets;
- minus cash spent during the year on end-of-lifecycle operations;
- minus full and final payments paid for facility dismantling.

- **Adjusted net income attributable to owners of the parent:**

This indicator is used to reflect Orano’s industrial performance independently of the impact of financial markets and regulatory changes in respect of end-of-lifecycle commitments. It comprises net income attributable to owners of the parent, adjusted for the following items:

- return on earmarked assets;
- impact of changes in discount and inflation rates;
- unwinding expenses of end-of-lifecycle operations (regulated scope);
- significant impacts of regulatory changes on end-of-lifecycle commitment estimates (adjustment impacting operating income);
- related tax effects.

Appendix 3 – Statement of income

In millions of euros	06/30/2020	06/30/2019	Chg H1 2020/ H1 2019
Revenue	**1,782**	**1,654**	***+€128 M***
Cost of sales	(1,571)	(1,335)	*-€236 M*
Gross margin	**211**	**318**	***-€107 M***
Research and development expense	(51)	(47)	*-€4 M*
Marketing and sales expense	(17)	(18)	*+€1 M*
General and administrative expense	(52)	(52)	*€0 M*
Other operating income and expense	67	(22)	*+€89 M*
Operating income	**158**	**179**	***-€21 M***
Share in net income of joint ventures and associates	5	7	*-€2 M*
Operating income after share in net income of joint ventures and associates	**163**	**186**	***-€23 M***
Financial income from cash and cash equivalents	11	11	*€0 M*
Financial interest on debt	(81)	(128)	*+€47 M*
Cost of net debt	**(70)**	**(117)**	***+€47 M***
Other financial income and expense	(276)	232	*-€508 M*
Net financial income (expense)	**(346)**	**115**	***-€461 M***
Income tax	(15)	(24)	*+€9 M*
Net income from continuing operations	**(198)**	**277**	***-€475 M***
Net income after tax from operations sold, discontinued or held for sale	0	0	*+€0 M*
Net income for the period	**(198)**	**277**	***-€475 M***
Including net income attributable to minority interests	14	18	*-€4 M*
Including net income attributable to owners of the parent	**(212)**	**259**	***-€471 M***

Appendix 4 – Consolidated statement of cash flows

In millions of euros	06/30/2020	06/30/2019	Chg H1 2020/ H1 2019
Cash flow from operations before interest and taxes	**295**	**414**	***-€119 M***
Net interest and taxes paid	(90)	(82)	*-€8 M*
Cash flow from operations after interest and tax	**205**	**332**	***-€127 M***
Change in working capital	32	(95)	*+€127 M*
Net cash flow from operating activities	**237**	**237**	***€0 M***
Net cash flow from investing activities	**(70)**	**(589)**	***+€519 M***
Net cash flow from financing activities	**(164)**	**420**	***-€584 M***
Effect of change in classification of non-monetary funds	0	(460)	*+€460 M*
Effect of exchange rate changes	(9)	2	*-€11 M*
Increase (decrease) in net cash	**(5)**	**(390)**	***+€385 M***
Net cash at the beginning of the period	1,420	1,953	*-€533 M*
Net cash at the end of the period	**1,414**	**1,563**	***-€149 M***
Short-term bank facilities and non-trade current accounts in credit	77	63	*+€14 M*
Cash and cash equivalents	**1,492**	**1,626**	***-€134 M***
Curent financial liabilities	1,358	943	*+€415 M*
Available net cash	**134**	**683**	***-€549 M***

Appendix 5 – Condensed balance sheet

In millions of euros	June 30, 2020	December 31, 2019
Net goodwill	1,248	1,247
Property, plant and equipment (PP&E) and intangible assets	9,379	9,626
Operating working capital requirement – assets	2,897	2,742
Net cash	1,492	1,492
Deferred tax assets	109	109
End-of-lifecycle assets	7,217	7,592
Other assets	646	774
Total assets	**22,988**	**23,582**
Equity and minority interests	1,011	1,248
Employee benefits	1,109	1,111
Provisions for end-of-lifecycle operations	7,660	8,010
Other provisions	2,335	2,319
Operating working capital requirement – liabilities	5,252	5,109
Financial liabilities	4,075	4,153
Other liabilities	1,546	1,631
Total liabilities	**22,988**	**23,582**

Appendix 6 – Orano key figures

In millions of euros	06/30/2020	06/30/2019	*Chg H1 2020/ H1 2019*
Revenue	**1,782**	**1,654**	***+€128 M***
of which:			
Mining	626	492	*+€134 M*
Front End	463	369	*+€94 M*
Back End	687	783	*-€96 M*
Corporate and other operations (*)	6	10	*-€4 M*
EBITDA	**406**	**404**	***+€2 M***
of which:			
Mining	280	271	*+€9 M*
Front End	112	101	*+€11 M*
Back End	28	60	*-€32 M*
Corporate and other operations (*)	(14)	(27)	*+€13 M*
Operating income	**158**	**179**	***-€21 M***
of which:			
Mining	209	179	*+€30 M*
Front End	45	44	*+€1 M*
Back End	(76)	(25)	*-€51 M*
Corporate and other operations (*)	(21)	(18)	*-€3 M*
Operating cash flow	**240**	**81**	***+€159 M***
of which:			
Mining	157	173	*-€16 M*
Front End	221	119	*+€102 M*
Back End	(53)	(156)	*+€103 M*
Corporate and other operations (*)	(85)	(54)	*-€31 M*

- Change in revenue at constant scope of consolidation and exchange rates (LFL):

In millions of euros	06/30/2020	06/30/2019	*Chg H1 2020/ H1 2019* *in %*	*Chg H1 2020/ H1 2019* *in % lfl*
Revenue	**1,782**	**1,654**	***+7.8%***	***+7.6%***
of which:				
Mining	626	492	*+27.2%*	*+27.0%*
Front End	463	369	*+25.6%*	*+25.5%*
Back End	687	783	*-12.3%*	*-12.5%*
Corporate and other operations (*)	6	10	*-35.3%*	*-35.3%*

(*) "Corporate and other operations" notably includes Corporate and Orano Med activities.

Appendix 7 – Sensitivity

- **Update of the sensitivity of Orano's net cash flow generation to market indicators**

As part of the update of its trajectories, the group has updated its sensitivities in relation to the net cash flow from company operations generation, which are presented below:

In millions of euros over the periods concerned	**Period 2020-2022**	**Period 2023-2028**	
Change in USD/EUR rate: +/-10 cents	**+71** **-67**	**+395** **-399**	Sensitivity cushioned by exchange-rate hedging in place
Changes in the price of one pound of uranium: +/-5 USD/lb	**+36** **-39**	**+306** **-293**	Sensitivity cushioned by the backlog
Change in the price of one unit of enrichment service: +/-5 USD/SWU	**+/-5**	**+/-26**	Sensitivity cushioned by the backlog

These sensitivities were assessed independently from one another.

Appendix 8 – Effects of adjustments on components of adjusted net income

In millions of euros	06/30/2020	06/30/2019	Chg H1 2020 / H1 2019
Operating Income	**158**	**179**	***-€21 M***
Share in net income of joint ventures and associates	5	7	*-€2 M*
Adjusted net financial income	(117)	(274)	*+€157 M*
Adjusted taxes	(15)	(5)	*-€10 M*
Net income attributable to non-controlling interests	(14)	(18)	*+€4 M*
Adjusted net income attributable to owners of the parent	**17**	**(111)**	***+€128 M***
Pre-tax adjusted net income detail			
Financial Income	**(346)**	**115**	***-€461 M***
Change in fair value through profit or loss of earmarked assets	(303)	377	*-€680 M*
Dividends received	37	166	*-€129 M*
Income from receivables and accretion gains on hedging assets	2	5	*-€3 M*
Impact of changes in discount rates and inflation rates	177	(9)	*+€186 M*
Unwinding expenses on end-of-lifecycle operations	(142)	(150)	*+€8 M*
Effect on Financial Income	***(229)***	***389***	***-€618 M***
Adjusted net financial income	**(117)**	**(274)**	***+€157 M***
Taxes	**(15)**	**(24)**	***+€9 M***
Effect of tax adjustments	0	19	*-€19 M*
Adjusted taxes	**(15)**	**(5)**	***-€10 M***