



CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

Orano

As of June 30, 2023

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CONSOLIDATED INCOME STATEMENT

<i>(in millions of euros)</i>	<i>Notes</i>	H1 2023	H1 2022
REVENUE		2,296	2,142
Cost of sales		(1,963)	(1,730)
GROSS MARGIN		333	411
Research and development expense		(62)	(51)
Marketing and sales expense		(17)	(20)
General expense		(58)	(51)
Other operating income	4	110	65
Other operating expense	4	(47)	(39)
OPERATING INCOME		260	315
Share in net income of joint ventures and associates	12	1	(1)
Operating income after share in net income of joint ventures and associates		261	315
Financial income from cash and cash equivalents		6	4
Cost of gross debt		(62)	(72)
Cost of net debt		(56)	(67)
Other financial income		428	751
Other financial expense		(412)	(1,256)
Other financial income and expense *	6	16	(504)
NET FINANCIAL INCOME (EXPENSE)		(40)	(572)
Income tax	7	(57)	(41)
NET INCOME		164	(298)
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT		117	(359)
NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		47	61

* First-time adoption of IFRS 9 phase III at January 1, 2023 using the prospective method (see Note 2)

CONSOLIDATED COMPREHENSIVE INCOME

<i>(in millions of euros)</i>	H1 2023	H1 2022
NET INCOME	164	(298)
Other items not recyclable to the income statement	30	103
Revaluation of the net liability in respect of defined-benefit obligations	30	105
Income tax related to other non-recyclable items	-	(1)
Share in other non-recyclable items from joint ventures and associates, net of tax	-	(1)
Other items recyclable to the income statement	48	(30)
Translation differences	(23)	152
Change in value of cash flow hedges *	77	(187)
Income tax related to other recyclable items	(6)	4
Share in other recyclable items from joint ventures and associates, net of tax	-	-
Total other items of comprehensive income (net of income tax)	78	73
COMPREHENSIVE INCOME	242	(226)
- Attributable to owners of the parent	194	(285)
- Attributable to non-controlling interests	48	59

* First-time adoption of IFRS 9 phase III at January 1, 2023 using the prospective method (see Note 2)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

<i>(in millions of euros)</i>	<i>Notes</i>	June 30, 2023	December 31, 2022
NON-CURRENT ASSETS			
Goodwill	8	1,309	1,325
Intangible assets	9	1,267	1,266
Property, plant and equipment	9	8,773	8,534
Right-of-use assets – leases	10	76	75
End-of-lifecycle assets - third-party share	11	88	93
Financial assets earmarked for end-of-lifecycle operations	11	7,851	7,501
Investments in joint ventures and associates	12	16	15
Other non-current assets	13	148	172
Deferred tax assets		89	116
CURRENT ASSETS		4,227	4,080
Inventories and work-in-process		1,604	1,443
Trade accounts receivable and related accounts		904	689
Contract assets		101	98
Other operating receivables		659	618
Other non-operating receivables		40	43
Current tax assets		40	40
Other current financial assets	13	196	270
Cash and cash equivalents	14	683	879
TOTAL ASSETS		23,844	23,177

EQUITY AND LIABILITIES

<i>(in millions of euros)</i>	<i>Notes</i>	June 30, 2023	December 31, 2022
Capital	15	132	132
Consolidated premiums and reserves		1,381	1,600
Revaluation of the net liability in respect of defined-benefit obligations		(113)	(142)
Unrealized gains and losses on financial instruments		-	(70)
Currency translation reserves		49	72
Equity attributable to owners of the parent		1,450	1,591
Non-controlling interests		371	57
EQUITY		1,821	1,648
NON-CURRENT LIABILITIES		11,948	11,719
Employee benefits	16	461	475
Provisions for end-of-lifecycle operations	11	8,427	8,159
Other non-current provisions	17	358	359
Share in negative net equity of joint ventures and associates	12	25	23
Non-current financial liabilities	18	2,606	2,635
Non-current lease liabilities		68	65
Deferred tax liabilities		2	2
CURRENT LIABILITIES		10,075	9,810
Current provisions	17	2,259	2,179
Current financial liabilities	18	177	189
Current lease liabilities		16	16
Trade payables and related accounts		1,123	1,010
Contract liabilities		5,474	5,396
Other operating liabilities		1,004	995
Other non-operating liabilities		12	3
Current tax liabilities		9	21
TOTAL EQUITY AND LIABILITIES		23,844	23,177

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	H1 2023	H1 2022
<i>(in millions of euros)</i>			
Net income		164	(298)
Net amortization, depreciation and impairment of PP&E and intangible assets and marketable securities maturing in more than 3 months		218	236
Net increase in (reversal of) provisions		(158)	(128)
(Payments)/repayment of insurers on assets earmarked for social security liabilities		45	44
Net effect of accretion of assets and provisions		342	(482)
Income tax expense (current and deferred)		57	41
Net accrued interest included in cost of debt		57	68
Loss (gain) on disposal of fixed assets and change in fair value of financial assets	4 and 6	(384)	1,013
Share in net income of joint ventures and associates	12	(1)	1
Dividends received from joint ventures and associates and share of income from consortiums		10	12
Other non-cash items		30	(64)
Cash flow from operations before interest and taxes		380	442
Net interest received (paid)		(53)	(71)
Net interest paid on lease liabilities		(2)	(1)
Income tax paid		(26)	(7)
Cash flow from operations after interest and tax		299	363
Change in working capital requirement		(132)	70
NET CASH FLOW FROM OPERATING ACTIVITIES		167	433
Capital expenditure		(362)	(307)
Disposals of property, plant and equipment and intangible assets		7	7
Acquisitions of shares of consolidated companies, net of acquired cash		(2)	-
Acquisitions of financial assets earmarked for end-of-lifecycle		(1,230)	(1,341)
Disposals of financial assets earmarked for end-of-lifecycle		1,301	1,408
Change in cash management financial assets	13	48	-
Loans granted to joint ventures and associates		-	-
Repayment of loans from joint ventures and associates		2	-
Acquisitions of other financial assets		-	(8)
Disposals of other financial assets		1	1
NET CASH FLOW FROM INVESTING ACTIVITIES		(236)	(240)
Capital increases subscribed by non-controlling interests		-	-
Transactions with non-controlling interests		-	(57)
Dividends paid to non-controlling interests		(63)	(39)
Repayment of lease liabilities	10	(9)	(11)
Increase in financial liabilities		-	-
Decrease in financial liabilities	18	(34)	(216)
Change in other financial liabilities	18	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES		(106)	(322)
Effect of exchange rate changes		(4)	13
CHANGE IN NET CASH		(179)	(116)
Net cash at the beginning of the period		798	1,109
Net cash at the end of the period	14	683	1,054
(-) short-term bank facilities and non-trade current accounts in credit	18	(64)	(62)
Net cash at the end of the period		618	993

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Number of shares	Capital (Note 15)	Consolidat ed premiums and reserves	Revaluati on of the net liability in respect of defined- benefit obligation s	Unrealized gains and losses on financial instruments *	Currency translati on reserves	Total equity attributabl e to owners of the parent	Non- controllin g interests	Total sharehol ders' equity
<i>(in millions of euros)</i>									
January 1, 2022	264,152,778	132	1,990	(225)	12	(34)	1,876	(18)	1,858
Net income for the first half of 2022			(359)				(359)	61	(298)
Other items of comprehen sive income				102	(181)	153	74	(1)	73
Comprehe nsive income			(359)	102	(181)	153	(285)	59	(226)
Dividends paid							0	(44)	(44)
Other changes **			(6)	-		-	(6)	(1)	(6)
June 30, 2022	264,152,778	132	1,626	(123)	(169)	119	1,585	(3)	1,583
January 1, 2023	264,152,778	132	1,600	(142)	(70)	72	1,591	57	1,648
Net income for the first half of 2023			117				117	47	164
Other items of comprehen sive income				29	71	(23)	77	1	78
Comprehe nsive income			117	29	71	(23)	194	48	242
Dividends paid			0				0	(68)	(68)
Other changes ***			(335)	-		-	(335)	335	-
June 30, 2023	264,152,778	132	1,381	(113)	0	49	1,450	371	1,821

* First-time adoption of IFRS 9 phase III at January 1, 2023 using the prospective method (see Note 2)

** Other changes in the first half of 2022 include restatements related to the application of the IFRS IC decision concerning the recognition of software development costs under the SaaS method (IAS 38) for (6) million euros

*** Other changes in the first half of 2023 for (335 million euros) correspond to a financial contribution entirely assumed by Orano Expansion to the benefit of Imouraren SA (via a forgiveness of debt), with no modification to the percentages held by Imouraren shareholders, in accordance with the terms of the global partnership agreement with the State of Niger (see Note 1)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023

All amounts are presented in millions of euros unless otherwise indicated. Certain totals may have rounding differences.

NOTE 1 - SIGNIFICANT EVENTS OF THE PERIOD

Partnership with XTC New Energy to manufacture battery components for electric vehicles in France

On May 16, 2023, Orano and the XTC New Energy group, a specialist in the production of cathode materials for batteries, signed agreements to create two joint ventures devoted to the production of critical materials for electric vehicle batteries. Under the terms of these agreements, Orano and XTC New Energy are committed to pooling their expertise to set up two production plants on a single industrial site in Dunkirk, in the Hauts-de-France region of France. At the same time, Orano is continuing to develop its project to recycle materials contained in batteries in order to reuse them in new components.

Changes in uranium, conversion and enrichment market prices

Market prices for uranium and conversion and enrichment services continued to increase during the first half of 2023, carrying on the trend from 2022. The conflict in Ukraine has continued and remains the leading cause of the increase in market indicators, especially for conversion and enrichment services.

The long-term price of uranium rose from 52 US dollars per pound of U_3O_8 at the end of 2022 to 56 US dollars per pound at the end of June 2023. The long-term conversion price averages out at 31 US dollars per kilogram of uranium for the first half of 2023, compared to 27 US dollars per kilogram of uranium in 2022. Lastly, long-term enrichment prices have increased from 136 US dollars per separative work unit ("SWU") at the end of 2022 to 146 US dollars per SWU at the end of June 2023.

Financial market performance

Growth in the main global economies has shown a certain resilience as central banks have continued to apply monetary tightening policies as part of the fight against inflation. As a result, stock market indices performed well during the first half of 2023 and the slowdown in inflation indices has stabilized long-term rates. In this context, the valuation of earmarked assets has increased and the discount rates for liabilities have remained stable.

Signature of the global partnership agreement in Niger

On May 4, 2023, the State of Niger and Orano signed a global partnership agreement. This agreement, which reflects the intention of Niger and Orano to strengthen their long-term relationship, covers several topics including the execution of the Imouraren project and the clearance of Imouraren SA's financial position, the conditions for the ongoing operations of the Somaïr mine, the rehabilitation of Cominak and Orano's social commitment in Niger. It reconciles Niger's desire to maximize the economic and financial benefits from the use of the mining rights, the preservation of the economic sustainability of Somaïr and the limitation of the socioeconomic impact of the closure of Cominak (see Changes in equity and Note 4).

NOTE 2 - ESTIMATES, JUDGMENTS AND ACCOUNTING PRINCIPLES

Estimates and judgments

In preparing its consolidated financial statements, Orano must make estimates, assumptions and judgments impacting the carrying amount of certain assets and liabilities, income and expense items, or information disclosed in certain notes to the financial statements. Orano updates its estimates and judgments on a regular basis to reflect past experience and other factors deemed pertinent, based on economic conditions. Depending on changes in these assumptions or in circumstances that may arise, particularly in the economic climate, the amounts appearing in its future financial statements may differ from current estimates, especially in the following areas:

- operating margins on contracts recognized according to the percentage-of-completion method, which are estimated by the project teams and reviewed by management in accordance with the group's procedures (see Note 17);
- cash flow forecasts and the discount and growth rates used for impairment tests for goodwill and other property, plant and equipment and intangible assets (see Notes 8 and 9);
- all assumptions used to assess the value of pension commitments and other employee benefits, including the rate of wage increases and discount rates, retirement age and employee turnover (see Note 16);
- all assumptions used to assess the value of provisions for end-of-lifecycle operations (see Note 11) and, where appropriate, the assets corresponding to the third-party share, in particular:
 - estimated costs of those operations,
 - inflation and discount rates,
 - schedule of future disbursements,
 - operating life of the facilities,
 - scenario chosen with regard to knowledge of the initial condition of the facilities, the target final condition, and waste treatment and removal methods and their availability,
 - procedures for final shutdown,
 - safety requirements and regulatory developments;
- assumptions used to measure the existence of provisions or contingent liabilities for nuclear materials belonging to the group: the estimated costs of these operations, the provisional payment schedule, inflation and discount rates (see Notes 17 and 22);
- estimates and judgments regarding the outcome of ongoing litigation and, more generally, estimates regarding all of Orano's provisions and contingent liabilities (see Note 22);
- estimates and judgments relating to the recoverability of accounts receivable from the group's customers and other financial assets; and
- estimates of future taxable income allowing the recognition of deferred tax assets (see Note 7).

Preparation of the financial statements

The consolidated financial statements for the six months to June 30, 2023, approved by the Board of Directors on July 27, 2023, were prepared in accordance with IAS 34 relating to interim financial information. Being condensed financial statements, they do not include all the disclosures required for the preparation of full consolidated financial statements under IFRS and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2022.

Specific methods for the preparation of intermediate financial statements

- Orano applies the methodology prescribed by IAS 34 to determine the tax expense for the interim period. It is calculated by applying the estimated average effective tax rate for the year for each tax jurisdiction to the pre-tax result for the period. However, a different tax rate is used for income categories subject to specific tax rates, such as the results of disposals of securities subject to the long-term capital gains regime; and
- the interim period expense relating to retirement benefits and other employee benefits is calculated using the discount rate determined as of December 31, 2022. In applying this method, Orano has calculated the expense for the first half of 2023 in respect of the current service cost, the accretion expense of the provision, and the income relating to the expected return on hedging assets using the actuarial assumptions determined as of December 31, 2022, in accordance with IAS 19. Changes in actuarial assumptions taken into account for the valuation of social security liabilities as of June 30, 2023 are recorded in "Other items of comprehensive income" in almost their entire amount.

Accounting principles

The accounting principles applied in the preparation of the condensed consolidated financial statements as of June 30, 2023 are identical to those described in Note 1 to the consolidated financial statements for the financial year ended December 31, 2022, with the exception of IFRS 9 "Financial instruments" phase III "hedge accounting" which the group has decided to apply from January 1, 2023. They have been prepared in accordance with IFRS, as published by the International Accounting Standards Board (IASB) and adopted in the European Union at June 30, 2023.

The standards and interpretations of IFRS as adopted in the European Union are available on the website:
http://ec.europa.eu/finance/company-reporting/standards-interpretations/index_fr.htm

The group has not adopted early any standards, amendments or interpretations published by the IASB whose application was optional or not mandatory within the European Union as at June 30, 2023.

Pension reform

Law 2023-270 of April 14, 2023 on the corrective financing of social security for 2023 raises the legal retirement age from 62 to 64 years.

This age will be gradually increased from September 1, 2023, by three months per generation for those born after September 1, 1961 to reach age 64 in 2030 for those born in 1968 and thereafter.

At the same time, the contribution period to benefit from a full pension will be increased to 43 years in 2027, for generations born in 1965 and thereafter. The application of the so-called "Touraine" law of 2014 is being accelerated. It provided for an extension of the contribution period from 42 years today to 43 years by 2035, starting with the generation born in 1973. For people who would not have been able to make 43 years of contributions, the full retirement age (without discount) remains set at 67 years.

The impact of this reform on the pension obligation is treated as a plan amendment. Consequently, it constitutes a past service cost.

In the financial statements as of June 30, 2023, the cost of past services was fully recognized in the income statement under "Other operating income" (see Note 4).

Application of IFRS 9 phase III

The group has decided to adopt the new IFRS 9 general hedge accounting model, under which it must ensure that its hedging relationships are consistent with its objectives and risk management strategy, and adopt a more qualitative approach to the assessment of its hedges.

The change in accounting method related to the adoption of IFRS 9 has been applied prospectively (with no impact on prior years or on the net position at January 1, 2022). Thus the cost of premiums/discounts for new operations launched since January 1, 2023, is excluded from the hedge designation and recognized as a hedge cost in accordance with IFRS 9. This cost is recognized in equity as a change in fair value over the life of the hedge (*i.e.* an expense of 3 million euros in respect of the first half of 2023), and will impact net financial income (expense) upon maturity.

For foreign exchange hedging transactions set up before 2023, the cost of the premium/discount continues to be recognized in net financial income (expense) over the life of the hedge, in accordance with IAS 39.

Standards and amendments published by the IASB but not adopted by the European Union as at January 1, 2023

- amendment to IAS 1 "Presentation of financial statements - Classification of liabilities as current or non-current";
- amendment to IFRS 16 "Lease liability in a sale and leaseback";
- amendment to IAS 7 and IFRS 7 "Supplier finance arrangements"; and
- amendment to IAS 12 "International tax reform - Pillar two model rules": the Orano group falls within the scope of application of the Globe rules and carries out the work necessary to assess the impacts of these new rules. For the calculation of the projected rate applied at June 30, 2023, the group took into account the temporary exemption from recognizing deferred taxes that could result from the application of the Globe rules.

Standards, amendments and interpretations that came into force on January 1, 2023

- amendment to IAS 1 "Disclosure of accounting policies";
- amendment to IAS 8 "Definition of accounting estimates";
- amendment to IAS 12 "Deferred tax related to assets and liabilities arising from a single transaction"; and
- amendment to IFRS 17 "Insurance contracts".

These amendments have no significant impact on the half-year financial statements.

New standards and interpretations adopted by the European Union for which application is not yet mandatory and which have not been early adopted

- amendment to IFRS 16 "Definition of a lease: Substitution rights";
- amendment to IFRS 9 "Guarantee over a derivative contract";
- amendment to IFRS 17 and IFRS 9 "Insurance premium receivable from an intermediary"; and
- amendment to IFRS 9 and IAS 19 "Homes and home loans provided to employees".

These amendments and improvements were not applied early as at January 1, 2023. The group is currently analyzing the potential impacts of these amendments.

NOTE 3 - SEGMENT INFORMATION

BY BUSINESS SEGMENT

H1 2023

<i>(in millions of euros)</i>	Mining	Front End	Back End	Corporate, other operations and eliminations	Total
Gross revenue	739	673	1,009	(126)	2,296
Inter-segment sales	(2)	(58)	(72)	133	-
Contribution to consolidated revenue	737	615	936	8	2,296
Operating income before end-of-lifecycle activity	146	151	(15)	(17)	265
Income from end-of-lifecycle activities	-	(2)	(3)	-	(5)
Operating income	146	149	(19)	(17)	260
Share in net income of joint ventures and associates	-	-	-	-	1
Net financial income	-	-	-	-	(40)
Income tax	-	-	-	-	(57)
Net income	-	-	-	-	164
EBITDA *	205	177	107	(7)	482
<i>% of gross revenue</i>	<i>27.8%</i>	<i>26.2%</i>	<i>10.6%</i>	<i>n.a.</i>	<i>21.0%</i>

*(see Note 5)

In the first half of 2023, the group generated approximately 46% of its revenue with the EDF group.

Revenue is recognized when the control of the material is transferred for the Mining and Front End divisions, and predominantly on the basis of the percentage-of-completion method for the Back End segment.

H1 2022

	Mining	Front End	Back End	Corporate, other operations and eliminations	Total
<i>(in millions of euros)</i>					
Gross revenue	749	556	921	(85)	2,142
Inter-segment sales	(3)	(29)	(63)	95	-
Contribution to consolidated revenue	746	527	858	10	2,142
Operating income before end-of-lifecycle activity	186	170	(18)	(12)	326
Income from end-of-lifecycle activities	-	(6)	(4)	-	(10)
Operating income	186	164	(22)	(12)	315
Share in net income of joint ventures and associates	-	-	-	-	(1)
Net financial income	-	-	-	-	(572)
Income tax	-	-	-	-	(41)
Net income	-	-	-	-	(298)
EBITDA *	282	221	93	-	596
<i>% of gross revenue</i>	<i>37.6%</i>	<i>39.7%</i>	<i>10.1%</i>	<i>n.a.</i>	<i>27.8%</i>

* (see Note 5)

In the first half of 2022, the group generated approximately 54% of its revenue with EDF.

CONTRIBUTION TO CONSOLIDATED REVENUE BY BUSINESS SEGMENT AND CUSTOMER LOCATION

H1 2023

	Mining	Front End	Back End	Corporate and other operations	Total
<i>(in millions of euros)</i>					
France	293	256	650	5	1,205
Europe (excluding France)	36	148	70	2	256
Americas	106	117	98	1	321
Asia	228	93	118	-	439
Africa and Middle East	74	-	1	-	76
Total	737	615	936	8	2,296

H1 2022

<i>(in millions of euros)</i>	Mining	Front End	Back End	Corporate and other operations	Total
France	411	243	627	5	1,286
Europe (excluding France)	32	57	68	4	204
Americas	76	115	79	-	270
Asia	201	111	84	-	354
Africa and Middle East	27	-	1	-	28
TOTAL	746	527	858	10	2,142

NOTE 4 - OTHER OPERATING INCOME AND EXPENSES

Other operating income

<i>(in millions of euros)</i>	H1 2023	H1 2022
Gain on disposals of non-financial assets	-	-
Reversal of impairment on assets	66	30
Other income	44	35
Total other operating income	110	65

For the first half of 2022 and 2023, the reversal of impairment mainly concerns the industrial assets of the Conversion CGU and the assets of the Midwest deposit in Canada (see Note 9).

In the first half of 2023, other income mainly includes:

- the decrease in Orano commitments related to the pension reform in the amount of 4 million euros (see Notes 2 and 16); and
- the reversal of provisions following the elimination of tax risks in the amount of 30 million euros.

In the first half of 2022, other income included an insurance indemnity for additional costs incurred by the failure of certain crystallizers at the Philippe Coste plant in 2021 in the amount of 21 million euros.

Other operating expense

<i>(in millions of euros)</i>	H1 2023	H1 2022
Loss on disposals of non-financial assets	(1)	-
Impairment of other assets (excluding goodwill)	(1)	(5)
Dismantling costs net of provisions/reversals of provisions for end-of-lifecycle operations	(5)	(10)
Other expenses	(40)	(24)
Total other operating expense	(47)	(39)

In the first half of 2023, other expenses include a provision for expenses related to the societal commitment in application of the global partnership agreement with the State of Niger for 30 million euros (see Note 1).

In the first half of 2022, other expenses include a provision for the risk of payment of a contractual indemnity in the amount of 14 million euros.

NOTE 5 - TRANSITION FROM OPERATING INCOME TO EBITDA

<i>(in millions of euros)</i>	H1 2023	H1 2022
Operating income	260	315
Net increase in amortization and impairment of intangible assets, net of reversals	38	46
Net increase in depreciation and impairment of property, plant and equipment net of reversals	169	179
Net increase in amortization and impairment of right-of-use lease assets, net of reversals	11	12
Net gain on disposal of property, plant and equipment and intangible assets	1	-
Effects of takeovers and losses of control	-	-
Charges to provisions, net of reversals *	(158)	(118)
(Payments)/repayment of insurers on assets earmarked for social security liabilities	45	44
Costs of end-of-lifecycle operations performed	116	119
EBITDA	482	596

* Except provisions and reversals of provisions on current assets

NOTE 6 - NET FINANCIAL INCOME (EXPENSE)

Cost of gross debt

The cost of gross debt at the end of June 2023 includes interest expenses relating to bonds for an amount of 53 million euros (compared to 52 million euros at June 30, 2022).

The interest expense related to IFRS 16 incurred in the first half of 2023 was 2 million euros (compared to 1 million euros at June 30, 2022).

Other financial income and expense

	H1 2023	H1 2022
<i>(in millions of euros)</i>		
Change in fair value through profit or loss of earmarked assets	382	(1,011)
Dividends received	39	46
Accretion gains on dismantling assets - third-party share	2	2
Accretion expenses on end-of-lifecycle operations	(212)	(163)
Impact of changes in discount rates and inflation rates	(59)	453
Share related to end-of-lifecycle operations	152	(673)
Foreign exchange gain (loss)	(4)	15
Change in fair value through profit or loss of non-earmarked assets	3	(2)
Interest on advances received on contracts	(38)	(41)
Financial income from pensions and other employee benefits	(8)	(2)
Impact on net debt and other provisions of accretion and changes in discount and inflation rates	(65)	193
Other financial income	2	9
Other financial expense	(25)	(1)
Share not related to end-of-lifecycle operations	(136)	169
Other financial income and expense *	16	(504)

* First-time adoption of IFRS 9 phase III at January 1, 2023 using the prospective method (see Note 2)

The premiums/discounts on foreign exchange hedging instruments are recognized in other financial expenses for the first half of 2023 and in other financial income for the first half of 2022.

NOTE 7 - TAXES

The income tax expense in the first half of 2023 was 57 million euros (compared to 41 million euros in the first half of 2022).

NOTE 8 - GOODWILL

	December 31, 2022	Increases	Disposals	Impairment	Currency translation adjustments	June 30, 2023
<i>(in millions of euros)</i>						
Mining	902	-	-	-	(16)	886
Front End	161	-	-	-	-	161
Back End	262	-	-	-	-	262
Total	1,325	-	-	-	(16)	1,309

Mining

Given the absence of any indication of impairment for this activity during the first half of the year, the group has not carried out any impairment testing as at June 30, 2023.

Front End

In the Front End segment, goodwill is carried by the Enrichment activity. Given the absence of any indication of impairment for this activity during the first half of the year, the group has not carried out any impairment testing as at June 30, 2023.

Back End

In the Back End segment, goodwill was carried by the Recycling BU in the amount of 172 million euros, the NPS BU in the amount of 69 million euros, the DS BU in the amount of 15 million euros and the Projects BU in the amount of 6 million euros. Given the absence of any indication of impairment for this activity during the first half of the year, the group has not carried out any impairment testing as at June 30, 2023.

NOTE 9 - INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

NET INTANGIBLE ASSETS

	December 31, 2022	Increases	Disposals	Net charges to amortization/im pairment *	Translation differences	Other changes	June 30, 2023
<i>(in millions of euros)</i>							
Pre-mining expenses	799	21	-	(26)	-	12	806
R&D expenses	1	-	-	-	-	-	1
Mineral rights	-	-	-	-	-	-	-
Concessions & patents	291	-	-	(4)	-	-	287
Software	59	-	-	(7)	-	3	54
Other	26	-	-	(1)	-	-	25
In progress	91	16	-	-	-	(13)	94
TOTAL	1,266	38	-	(38)	-	2	1,267

* Including a reversal of impairment for 8 million euros.

NET PROPERTY, PLANT AND EQUIPMENT

	December 31, 2022	Increases	Disposals	Net charges to depreciation/im- pairment *	Translation differences	Other changes **	June 30, 2023
<i>(in millions of euros)</i>							
Land	76	-	-	-	-	-	76
Buildings	939	1	-	(42)	-	65	962
Plant, equipment and tooling	5,011	20	(1)	(133)	(2)	369	5,264
Dismantling assets – attributable to owners of the parent	277	-	-	(9)	-	76	343
Other	240	1	-	(16)	-	14	239
In progress	1,990	283	-	32	(1)	(415)	1,889
TOTAL	8,534	305	(1)	(169)	(4)	109	8,773

* Including 57 million euros of reversals of impairment losses net of provisions

** Including 45 million euros related to the commissioning of new evaporators and 30 million euros related to the economic conditions of end-of-lifecycle provisions (see Note 11)

MINING ASSETS

Mining assets in Namibia – Trekkopje

The net carrying amount of property, plant and equipment and intangible net assets in Namibia includes the infrastructure of both mining and desalination plant producing industrial water.

The value in use of the desalination plant is tested separately from that of the mining infrastructure. It is determined on the basis of its business plan discounted at a rate of 10.00% (compared to 11.00% at December 31, 2022). No additional impairment loss was recognized as of June 30, 2023 (compared to impairment of 14 million euros as of December 31, 2022).

The net carrying amount of the property, plant and equipment and intangible assets of the Trekkopje mine is justified on the basis of their fair value measured at June 30, 2023, using a multiple of uranium resources in the ground.

Mining assets in Canada - Midwest

The carrying amount of the property, plant and equipment and intangible assets of the Midwest deposit were subject to impairment in the amount of 8 million euros at December 31, 2019, based on their fair value measured using a multiple of uranium resources in the ground.

Given the increase in the multiple of uranium resources in the ground over several years since that date, the increase in the uranium spot price during the first half of 2023 and its development outlook, as well as the presence of industrial facilities in operation close to the deposit, the potential development prospects for the deposit have led to a reversal, at June 30, 2023, of the provision for impairment recorded in 2019.

After taking into account this provision reversal of 8 million euros, the net carrying amount of the Midwest assets was 58 million euros at June 30, 2023 (compared to 49 million euros at December 31, 2022).

INDUSTRIAL ASSETS OF THE CONVERSION CASH-GENERATING UNIT (CGU)

The Conversion CGU includes the industrial assets of Comurhex 2 in Malvési and Philippe Coste in Tricastin.

An impairment test was carried out on June 30, 2023 on the industrial assets of the conversion CGU, given the positive estimated evolution of conversion price indices. This impairment test resulted in the recognition of a reversal of impairment of 50 million euros. The net carrying amount of the Conversion CGU's industrial assets thus stood at 635 million euros at June 30, 2023.

The value in use of the Conversion CGU was measured at June 30, 2023 using a discount rate of 8.5% (compared to 7.5% at June 30, 2022, the date of the last test), a euro/US dollar exchange rate of 1.08 corresponding to the rate at June 30, 2023 (compared to 1.04 at June 30, 2022) and sales price assumptions for conversion units resulting from Orano's analysis of the foreseeable medium- and long-term change in the balance between supply and demand. The price curves for the remainder to be sold are determined in euros.

In addition, the result of the test remains sensitive to the discount rate, long-term price expectations of the conversion, as well as the euro/US dollar parity. The value in use of the assets of the Conversion CGU would fall by the amounts below in the event of use of:

- a discount rate 50 basis points higher (*i.e.* 9.0% instead of 8.5%): 26 million euros;
- sales price assumptions 1 euro lower per kilogram of converted uranium compared with Orano's projected price curves: 48 million euros; and
- a euro/US dollar exchange rate 5 eurocents higher (*i.e.* 1.13 instead of 1.08): 18 million euros.

NOTE 10 - LEASES

RIGHT OF USE – LEASES

	December 31, 2022	Increase/Ne w leases	Reduction/wit hdrawal from leases	Net charges to depreciation	Other changes	Translation differences	June 30, 2023
<i>(in millions of euros)</i>							
Property assets	63	10	(1)	(7)	-	-	65
Other assets	12	3	-	(4)	-	-	11
Total	75	13	(1)	(11)	-	-	76

NOTE 11 - END-OF-LIFECYCLE OPERATIONS

PROVISIONS FOR END-OF-LIFECYCLE OPERATIONS

<i>(in millions of euros)</i>	Net carrying amount at December 31, 2022	Reversal used	Third-party expenses	Revisions to estimates	Accretion	Other changes	Net carrying amount at June 30, 2023
Provisions for dismantling	5,048	(69)	(8)	79	131	56	5,237
Provisions for waste retrieval and packaging	1,333	(31)	-	-	35	15	1,351
Provisions for long-term waste management and site monitoring	1,427	(7)	-	9	37	16	1,481
Provisions for end-of-lifecycle operations (regulated *)	7,808	(108)	(8)	88	203	86	8,069
Provisions for end-of-lifecycle operations (non-regulated *)	352	(8)	-	2	9	4	358
PROVISIONS FOR END-OF-LIFECYCLE OPERATIONS	8,159	(116)	(8)	90	212	90	8,427

(*) Scope of application of the French law of June 28, 2006

At June 30, 2023, used provisions in the amount of 116 million euros correspond to the expenses relating to the end-of-lifecycle operations incurred by the group.

Revisions to estimates amounting to 90 million euros mainly relate to new projects and include allocations relating to:

- the dismantling of decommissioned facilities, WRP and long-term waste management operations for an amount of 5 million euros, offset by operating income; and
- the dismantling of facilities in operation for 45 million euro (following the commissioning of the new evaporators), offset by dismantling assets, attributable to owners of the parent; and
- the dismantling of some of the facilities shut down in the north zone of the Tricastin site, previously under the responsibility of the CEA and financed by the latter, in the amount of 40 million euros.

The other changes, totaling 90 million euros, are explained by the application of economic conditions for the first half of 2023 (4.50% on an annual basis).

The application of the economic conditions are offset by the following:

- financial expense of 59 million euros (see Note 6);
- an increase in dismantling assets attributable to owners of the parent, for 30 million euros (see Note 9); and
- an increase in the third-party share of dismantling assets for 1 million euros.

Discount rate

At June 30, 2023, Orano applied a discount rate assumption of 5.19% and a long-term inflation rate assumption of 2.35%, *i.e.* an actual rate of 2.77% (unchanged from December 31, 2022 with the same long-term discount and inflation rates).

At June 30, 2023, a discount rate 10 basis points higher or lower than that used would have the effect of changing the closing balance of provisions for end-of-lifecycle operations by -146 million euros with a rate of 5.29%, or +151 million euros with a rate of 5.09%.

DISMANTLING ASSETS – THIRD-PARTY SHARE

Dismantling assets include two items:

- the dismantling assets attributable to owners of the parent are recorded on the statement of financial position under property, plant and equipment (see Note 9); and
- third-parties' share of dismantling assets (described in this Note) corresponds to the financing expected from third parties contributing to the dismantling of certain facilities or equipment which Orano is legally or contractually obliged to dismantle.

	Net carrying amount at December 31, 2022	Decrease from period expense	Accretion	Change in assumptions, revision to estimates, etc.	Net carrying amount at June 30, 2023
<i>(in millions of euros)</i>					
Dismantling assets – third- party share (regulated *)	88	(8)	2	1	84
Dismantling assets – third-party share (non-regulated *)	4	-	-	-	4
TOTAL DISMANTLING ASSETS - THIRD PARTY SHARE	93	(8)	2	1	88

(*) Scope of application of the French law of June 28, 2006

FINANCIAL ASSETS EARMARKED FOR END-OF-LIFECYCLE OPERATIONS

	June 30, 2023		December 31, 2022	
<i>(in millions of euros)</i>	Net carrying amount	Market value	Net carrying amount	Market value
Portfolio of earmarked securities	7,748	7,770	7,438	7,437
Receivables related to end-of-lifecycle operations	103	103	63	63
TOTAL FINANCIAL ASSETS EARMARKED FOR END-OF-LIFECYCLE	7,851	7,872	7,501	7,500
Of which earmarked assets (regulated *)	7,788	7,809	7,438	7,437
Of which earmarked assets (non-regulated *)	63	63	63	63

(*) Scope of application of the French law of June 28, 2006

Receivables related to end-of-lifecycle operations correspond to:

- a receivable on EDF and the CEA, resulting from the over-funding of Andra assumed by Orano between 1983 and 1999 (payment by Orano of contributions divided between nuclear operators above its share) in the amount of 63 million euros; and
- a receivable on the CEA in respect of the final payment to finance the dismantling of part of the facilities shut down in the north zone of the Tricastin site in the amount of 40 million euros, recognized in June 2023.

At June 30, 2023, the Orano group benefited from a temporary exemption until December 31, 2023 on the management of financial assets to cover the end-of-lifecycle operations of nuclear operators Orano Recyclage and Orano Chimie Enrichissement, granted by the administrative authority as defined in Article D. 594-2 of the French Environmental Code, which raises the holding limit of the assets described in a), b), c) and d) of paragraph 1 of Article R. 332-3 of the French Insurance Code to 15%.

As of June 30, 2023, for the end-of-lifecycle obligations falling within the scope of Articles L. 594-1 *et seq.* of the French Environmental Code, the legal entities comprising Orano had earmarked assets representing 97.8% of end-of-lifecycle liabilities (compared to 96.4% at December 31, 2022). This coverage ratio is determined as follows:

<i>(in millions of euros)</i>	June 30, 2023	December 31, 2022
Provisions for end-of-lifecycle operations (regulated *)	8,069	7,808
Dismantling assets – third-party share (regulated *)	84	88
Earmarked assets at market value (regulated *)	7,809	7,437
End-of-lifecycle assets (regulated *)	7,894	7,525
(Deficit)/Surplus of earmarked assets (regulated *)	(175)	(283)
Coverage ratio of end-of-lifecycle operations (regulated *)	97.8%	96.4%

(*) Scope of application of the French law of June 28, 2006

End-of-lifecycle assets taken into account in the coverage ratio include the receivable on the CEA in respect of the final payment.

NOTE 12 - INFORMATION ON JOINT VENTURES AND ASSOCIATES

SHARE OF NET INCOME OF JOINT VENTURES AND ASSOCIATES

<i>(in millions of euros)</i>	H1 2023	H1 2022
ETC	2	4
SI-nerGIE	-	(4)
Interim Storage Partner	-	-
Other joint ventures	(1)	(1)
TOTAL	1	(1)

INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

<i>(in millions of euros)</i>	June 30, 2023	December 31, 2022
Interim Storage Partner	9	9
Accelerated Decommissioning Partners (ADP)	7	6
TOTAL	16	15

SHARE IN NEGATIVE NET EQUITY OF JOINT VENTURES AND ASSOCIATES

<i>(in millions of euros)</i>	June 30, 2023	December 31, 2022
ETC	24	17
SI-nerGIE	1	6
TOTAL	25	23

NOTE 13 - OTHER CURRENT AND NON-CURRENT ASSETS

OTHER NON-CURRENT ASSETS

	June 30, 2023	December 31, 2022
<i>(in millions of euros)</i>		
Derivatives on financing activities	5	-
Other assets	144	172
Total other non-current assets	148	172

Other assets include inventories of uranium and deposits to finance future expenditure for the redevelopment of foreign mining sites in the amount of 79 million euros as of June 30, 2023 (compared to 105 million euros as of December 31, 2022).

OTHER CURRENT FINANCIAL ASSETS

	June 30, 2023	December 31, 2022
<i>(in millions of euros)</i>		
Derivatives on financing activities	1	30
Cash management financial assets	186	230
Other financial assets	9	9
TOTAL OTHER CURRENT FINANCIAL ASSETS	196	270

NOTE 14 – CASH AND CASH EQUIVALENTS

	June 30, 2023	December 31, 2022
<i>(in millions of euros)</i>		
Net cash	213	423
Cash equivalents	470	456
Total	683	879

At June 30, 2023, cash includes cash not immediately available to the group in the amount of 123 million euros (compared to 240 million euros at December 31, 2022), chiefly reflecting legal restrictions abroad.

NOTE 15 – SHARE CAPITAL

Orano's share capital broke down as follows:

	June 30, 2023	December 31, 2022
French state	90%	90%
CEA	1 share	1 share
MHI	5%	5%
JNFL	5%	5%
Total	100%	100%

NOTE 16 – EMPLOYEE BENEFITS

The discount rate used to value commitments as of June 30, 2023 was 3.7% for the eurozone (compared to 3.3% at December 31, 2022) and 4.70% for the US region (compared to 4.85% as of December 31, 2022).

The pension reform resulted in a reduction of 4 million euros in Orano's commitments (see Notes 2 and 4).

BREAKDOWN OF NET AMOUNT RECOGNIZED

June 30, 2023	Medical expenses and accident/disability	Retirement benefits	Job-related awards	Early retirement benefits	Supplemental retirement benefits	Total
<i>(in millions of euros)</i>						
Actuarial liability	2	293	6	507	42	850
Fair value of plan assets	-	101	-	257	31	389
Total defined benefit obligation	2	192	6	250	11	461

CHANGE IN THE ACTUARIAL LIABILITY

<i>(in millions of euros)</i>	Medical expenses and accident/disability	Retirement benefits	Long-service awards	Early retirement benefits	Supplemental retirement benefits	Total
Actuarial liability December 31, 2022	2	313	6	536	42	900
Current service cost	-	7	-	8	-	16
Past service costs (including plan changes and reductions)	-	(6)	-	2	-	(4)
Disposals/Liquidation/Plan reductions	-	-	-	-	-	-
Accretion expense	-	5	-	9	1	15
Employee contributions	-	-	-	-	-	-
Plan transfer	-	-	-	-	-	-
Impact on the income statement	-	6	-	19	1	26
Experience differences	-	-	-	-	-	-
Demographic assumption differences	-	-	-	-	-	-
Financial assumption differences (adjustment of discount rate)	-	(11)	-	(15)	(1)	(27)
Impact on other comprehensive income items	-	(11)	-	(15)	(1)	(27)
Benefits paid during the year	-	(15)	-	(33)	(1)	(49)
Acquisitions/Mergers	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-
Actuarial liability June 30, 2023	2	293	6	507	42	850

NOTE 17 - OTHER PROVISIONS

	December 31, 2022	Allocations	Reversal used	Reversals not used	Other changes *	June 30, 2023
<i>(in millions of euros)</i>						
Mining site redevelopment and decommissioning of treatment facilities	356	1	(11)	-	10	355
Other non-current provisions	3	-	-	-	-	3
Non-current provisions	359	1	(11)	-	10	358
Provisions for onerous contracts	164	57	(28)	-	(35)	158
Provisions for contract completion	1,694	84	(77)	(26)	84	1,758
Other current provisions	321	54	(8)	(35)	11	343
Current provisions	2,179	196	(114)	(61)	60	2,259
Total provisions	2,538	196	(125)	(61)	69	2,617

* Including 64 million euros in accretion and changes in discount and inflation rates recognized in net financial income (see Note 6)

PROVISIONS FOR ONEROUS CONTRACTS

Provisions for onerous contracts mainly concern the Front End segment. For the conversion business, the backlog of orders over the half year resulted in reversals of provisions in the amount of 18 million euros. In addition, the updating of the indices and cost assumptions for the Conversion business resulted in an allocation of 53 million euros.

PROVISIONS FOR CONTRACT COMPLETION

The main provisions for the financial year relate to future costs of treatment and storage services for waste and scrap generated by operations.

The main reversals during the financial year relate to the expenses incurred for the treatment and storage of previously provisioned waste and scrap.

Discount rate

As of June 30, 2023, Orano assumed discount rates of between 5.08% and 5.26% and a long-term inflation rate of 2.35%.

For the year ended December 31, 2022, Orano assumed a long-term inflation rate of 2.35% and discount rates of between 5.11% and 5.24%.

As of June 30, 2023, a discount rate 10 basis points higher or lower than that used would have the effect of changing the closing balance of provisions for contract completion by a negative or positive 23 million euros.

OTHER CURRENT PROVISIONS

As of June 30, 2023, other current provisions include:

- provisions for disputes;
- provisions for business risks;
- provisions for customer guarantees;
- provisions for ongoing clean-up;
- provisions for the remediation of leased assets;
- provisions for restructuring and layoff plans;
- provisions for tax risks;
- provisions for contingencies (see Note 4); and
- provisions for losses (see Note 4).

NOTE 18 - FINANCIAL LIABILITIES

<i>(in millions of euros)</i>	Non-current liabilities	Current liabilities	June 30, 2023	December 31, 2022
Bonds *	2,445	-	2,445	2,478
Accrued interest not yet due on bond debt	-	43	43	42
Bank borrowings	6	-	6	6
Interest-bearing advances	141	8	149	148
Short-term bank facilities and current accounts in credit **	-	64	64	81
Miscellaneous debt	2	-	2	2
Derivatives	13	62	75	66
Total	2,606	177	2,783	2,824

* after interest rate risk management

** of which financial current accounts in credit for the ETC joint venture for 27 million euros (compared to 54 million euros at December 31, 2022)

CHANGE IN FINANCIAL LIABILITIES

<i>(in millions of euros)</i>	
Financial liabilities at December 31, 2022	2,824
Cash flows	(87)
Non-cash flows:	
Accrued interest not yet due on borrowings	43
Translation differences	1
Other changes	1
Financial liabilities at June 30, 2023	2,783

Reconciliation of cash flows on financial liabilities between the note on financial liabilities and cash flows from financing activities:

<i>(in millions of euros)</i>	
Cash flows from financial liabilities	(87)
Interest paid	36
Financial instruments	(3)
Short-term bank facilities and current accounts in credit	20
Cash flow from financial liabilities included in net cash flow from financing activities	(34)

BOND DEBT

Issue date	Carrying amount (in millions of euros)	Currency	Nominal (in millions of currencies)	Nominal rate	Maturity
September 23, 2009	717	EUR	716	4.875%	September 23, 2024
April 23, 2019	737	EUR	750	3.375%	April 23, 2026
November 15, 2022	496	EUR	500	5.375%	May 15, 2027
September 8, 2020	495	EUR	500	2.750%	March 8, 2028
TOTAL	2,445				

The fair value of these bonds was 2,420 million euros at June 30, 2023.

NOTE 19 - ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS

FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

June 30, 2023

Assets

	Carrying amount	Non- financial assets	Financial assets		
			At amortized cost	At fair value through profit or loss	Fair value
(in millions of euros)					
Non-current assets	7,999	31	949	7,019	7,989
Financial assets earmarked for end-of-lifecycle operations	7,851	-	851	7,000	7,872
Other non-current assets	148	31	98	19	117
Current assets	2,482	549	1,645	288	1,933
Trade accounts receivable and related accounts	904	-	904	-	904
Other operating receivables	659	511	51	98	148
Other non-operating receivables	40	38	2	-	2
Other current financial assets	196		9	187	196
Cash and cash equivalents	683	-	680	3	683
Total assets	10,482	580	2,595	7,307	9,922

<i>(in millions of euros)</i>	TOTAL
Financial assets earmarked for end-of-lifecycle operations measured at amortized cost	851
Financial assets earmarked for end-of-lifecycle operations measured at fair value through profit or loss	7,000
Financial assets earmarked for end-of-lifecycle operations (carrying amount)	7,851
Change in fair value of the assets at amortized cost (bond mutual funds)	21
Fair value of financial assets earmarked for end-of-lifecycle operations	7,872
Other financial assets measured at fair value through profit or loss	307
Fair value of financial assets analyzed by valuation technique	8,179
Other financial assets measured at amortized cost	1,743
Fair value of financial assets	9,922

Breakdown of assets recognized at fair value by valuation technique

	Level 1 Listed prices, unadjusted	Level 2 Observable data	Level 3 Unobservable inputs	Total
<i>(in millions of euros)</i>				
Non-current assets	6,632	1,245	14	7,891
Financial assets earmarked for end-of-lifecycle operations	6,632	1,240	-	7,872
Other non-current financial assets	-	5	14	19
Current assets	189	98	-	288
Other operating receivables		98		98
Other current financial assets	186	1	-	187
Cash and cash equivalents	3		-	3
Total assets	6,822	1,343	14	8,179

Liabilities and equity

	Carrying amount	Non-financial liabilities	Financial liabilities		Fair value
			At amortized cost	At fair value through profit or loss *	
(in millions of euros)					
Non-current liabilities	2,674	-	2,661	13	2,649
Non-current financial liabilities	2,606	-	2,593	13	2,581
Non-current lease liabilities	68		68		68
Current liabilities	2,333	217	1,985	130	2,116
Current financial liabilities	177	-	113	65	177
Current lease liabilities	16		16		16
Trade payables and related accounts	1,123	-	1,123	-	1,123
Other operating liabilities	1,004	216	723	66	788
Other non-operating liabilities	12	1	11	-	11
Total liabilities	5,006	217	4,646	143	4,765

* Level 2

December 31, 2022

Assets

	Carrying amount	Non- financial assets	Financial assets		
			At amortized cost	At fair value through profit or loss	Fair value
(in millions of euros)					
Non-current assets	7,673	56	777	6,840	7,617
Financial assets earmarked for end-of-lifecycle operations	7,501	-	675	6,826	7,500
Other non-current assets	172	56	102	14	116
Current assets	2,499	536	1,602	361	1,963
Trade accounts receivable and related accounts	689	-	689	-	689
Other operating receivables	618	497	54	68	121
Other non-operating receivables	43	39	4	-	4
Other current financial assets	270		9	261	270
Cash and cash equivalents	879	-	847	32	879
Total assets	10,172	591	2,379	7,201	9,580

<i>(in millions of euros)</i>	TOTAL
Financial assets earmarked for end-of-lifecycle operations measured at amortized cost	675
Financial assets earmarked for end-of-lifecycle operations measured at fair value through profit or loss	6,826
Financial assets earmarked for end-of-lifecycle operations (carrying amount)	7,501
Change in fair value of the assets at amortized cost (bond mutual funds)	(1)
Fair value of financial assets earmarked for end-of-lifecycle operations	7,500
Other financial assets measured at fair value through profit or loss	375
Fair value of financial assets analyzed by valuation technique	7,876
Other financial assets measured at amortized cost	1,704
Fair value of financial assets	9,580

Breakdown of assets recognized at fair value by valuation technique

	Level 1 Listed prices, unadjusted	Level 2 Observable data	Level 3 Unobservable inputs	Total
<i>(in millions of euros)</i>				
Non-current assets	6,318	1,183	14	7,514
Financial assets earmarked for end-of-lifecycle operations	6,318	1,183	-	7,500
Other non-current financial assets	-	-	14	14
Current assets	264	98	-	361
Other operating receivables		68		68
Other current financial assets	231	30	-	261
Cash and cash equivalents	32		-	32
Total assets	6,581	1,280	14	7,876

Liabilities and equity

		Non-financial liabilities	Financial liabilities		
			At amortized cost	At fair value through profit or loss (*)	Fair value
<i>(in millions of euros)</i>	Carrying amount				
Non-current liabilities	2,700	-	2,687	14	2,671
Non-current financial liabilities	2,635	-	2,622	14	2,606
Non-current lease liabilities	65		65		65
Current liabilities	2,214	151	1,885	178	2,063
Current financial liabilities	189	-	132	57	189
Current lease liabilities	16		16		16
Trade payables and related accounts	1,010	-	1,010	-	1,010
Other operating liabilities	995	150	724	121	845
Other non-operating liabilities	3	1	2	-	2
Total liabilities	4,914	151	4,571	192	4,733

(*) Level 2

NOTE 20 - RELATED-PARTY TRANSACTIONS

Related-party transactions include:

- current transactions with non-consolidated companies, associates, joint ventures and, in particular, companies controlled by the French State; and
- the gross compensation and benefits granted to directors and members of the Executive Committee.

The nature of related-party transactions has not changed significantly since December 31, 2022.

NOTE 21 - OFF-BALANCE SHEET COMMITMENTS

COMMITMENTS RELATED TO OPERATIONAL ACTIVITIES

	June 30, 2023	December 31, 2022
<i>(in millions of euros)</i>		
Commitments given	834	807
Commitments given in connection with the performance of contracts	726	718
Operating commitments given	91	79
Other commitments given	17	10
Commitments received	101	98
Contractual commitments	101	98
Other commitments received	-	-
Reciprocal commitments	333	233

FINANCING COMMITMENTS

<i>(in millions of euros)</i>	June 30, 2023	December 31, 2022
Commitments given	13	8
Commitments received	5	6
Reciprocal commitments	880	880

Reciprocal commitments bear chiefly on unused lines of credit and investment orders.

During 2022, Orano refinanced its syndicated revolving credit facility (RCF) in advance for a total amount of 880 million euros with a margin indexed to environmental and governance criteria. This confirmed syndicated credit facility, taken out with a pool of 10 banks, with an associated 5-year maturity, was the subject of a first extension option exercised during the first half of 2023. A second extension option may be exercised in 2024.

NOTE 22 - DISPUTES AND CONTINGENT LIABILITIES

Orano may be party to certain regulatory, judicial or arbitration proceedings in the normal course of business. The group is also the subject of certain claims, lawsuits or regulatory proceedings outside the ordinary course of business, the most significant of which are summarized below.

Uramin

In June 2018, Orano SA and Orano Mining became civil parties in the “acquisition” section of the Uramin investigation, following a “notice to victim” received by AREVA SA in 2015 from the investigating judge in charge of the case. The Orano group intends to defend its interests through Orano SA and Orano Mining. The judicial investigation is still in progress and no date concerning a possible judgment has been set to date.

Investigations

The Company has been aware, since November 28, 2017, of a preliminary investigation opened by the French National Financial Prosecutor’s Office at the end of July 2015 concerning a uranium trading operation carried out in 2011. It also learned, on November 23, 2020, of the opening of a judicial investigation in the same case and became a civil party in December 2022.

Since August 27, 2018, it has also been aware of an investigation into the circumstances surrounding the granting of mining licenses in Mongolia.

Orano is working with the legal authorities in connection with these legal proceedings, which are ongoing. If it were found that there had been misappropriation or any other act that could have harmed the group, Orano would take the necessary legal action to defend its interests.

Release of the Arlit hostages

On October 6, 2016, the manager of a protection services company sued AREVA SA and Orano Cycle SA before the Nanterre Tribunal de Grande Instance to obtain payment of a success fee that he claims to be due for services purportedly rendered to the AREVA group in Niger between September 2010 and October 2013. AREVA SA and Orano Cycle SA believe that these allegations are unfounded. Along with that proceeding, the parties to the suit tried to settle under court-appointed mediation. Despite the efforts of AREVA and Orano to find a compromise, this was unsuccessful. The procedure on the merits therefore resumed in 2020. Even if the court should not accept the Orano group's position, the financial impact would be limited, though it could entail other, indirect consequences, such as in the media.

Appeals against certain administrative decisions concerning the activities of the Orano group

The activities of the Orano group require the receipt of various authorizations or administrative decisions (such as prefectural orders, building permits, etc.). These decisions are sometimes challenged, in France and on the part of NGOs, which in certain cases can have an impact on the timetable for carrying out the relevant activities.

Tax proceedings and disputes

The group, comprising entities located in different countries, regularly faces controls by local tax and customs authorities. Several audits and tax-related proceedings or disputes have been initiated or are currently being conducted by those authorities or in the courts. However, none are expected to give rise to, or has given rise to, a material tax expense that could have a significant impact on the financial statements. The group considers that it has sound means of defense and that it employs the legal procedures available to it to prevent any unfavorable outcome.

Contingent liabilities

The group owns uranium and thorium materials awaiting appropriate channels that are currently not fully recovered. After processing, these materials should bring economic benefits to the group in the future. However, in the event of a change in regulations or the finding that the economic assumptions cannot be achieved, the group may be required to set aside provisions for the processing and storage of these materials.

NOTE 23 - BACKLOG

As of June 30, 2023, Orano's backlog amounted to 25.7 billion euros.

NOTE 24 - EVENTS AFTER THE END OF THE PERIOD

A multi-year contract covering the period 2031-2040 in the amount of 1.7 billion euros with a European utility for the supply of uranium concentrates entered into force in early July 2023. This order will be recorded in the backlog during the second half of the year.

An attempt to overthrow the Nigerian government was announced in the press on July 26, 2023 and the situation remains unstable as at the reporting date of the financial statements. The group has set up a crisis unit to prioritize the safety of its employees. At the reporting date of the financial statements, Orano does not consider this event to have any immediate impact on its activities in Niger or on the value of its assets. The evolution of this situation and its potential impact on the group's activities will be monitored during the second half of the year.