

# Credit Update

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**orano**

# Introduction

- **Nuclear power is a key source of energy to fulfil electricity demand and face the environmental challenges of tomorrow**
- **Orano, a newly established group, benefits from:**
  - Solid market positions and technology leadership
  - Robust backlog giving high visibility on revenue generation
  - Strengthened financial profile post-restructuring

# Credit Update – Summary

## 1. Nuclear market trends

## 2. Business overview

- a. Mining
- b. Front-End
- c. Back-End
- d. Orano Med
- e. End-of-lifecycle operations

## 3. Financial outlook

## 4. Conclusion

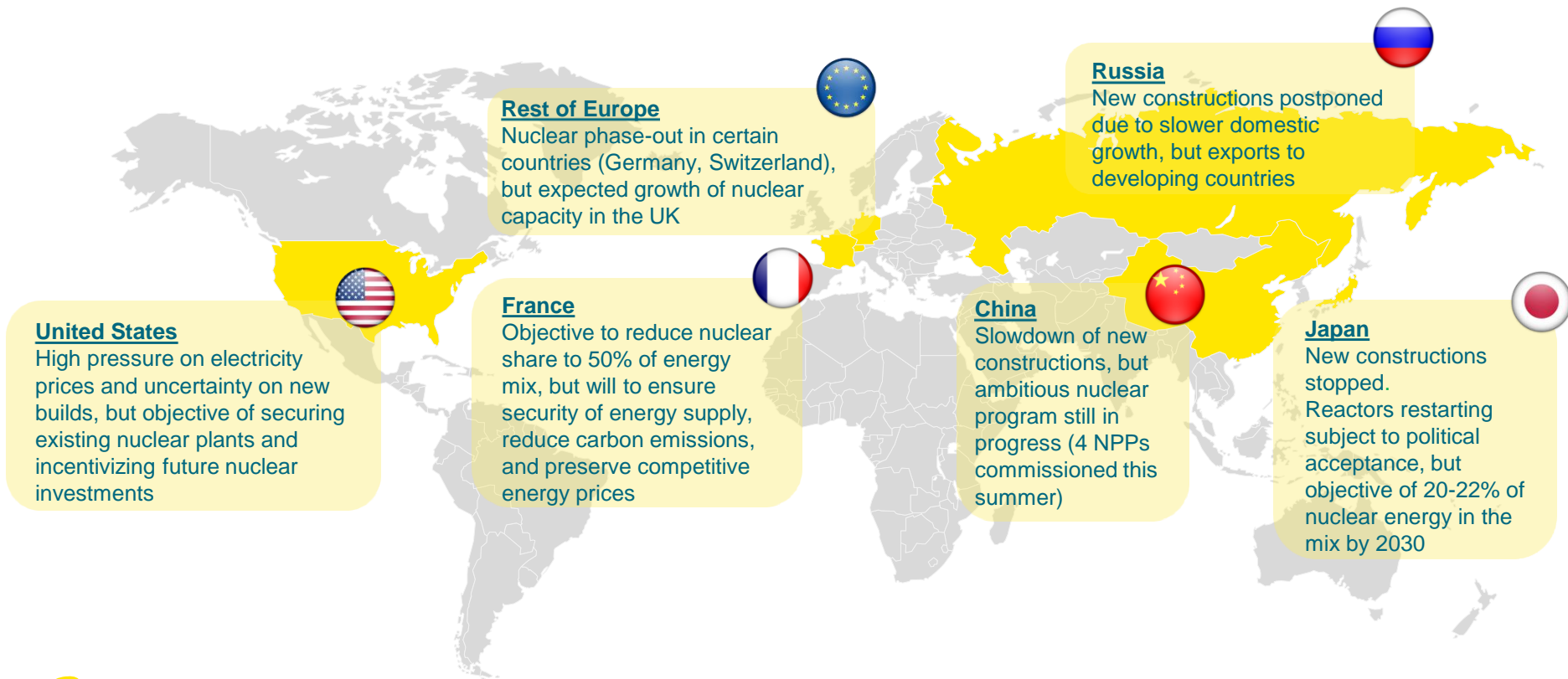
## 5. Q&A

# 01

## Nuclear market trends

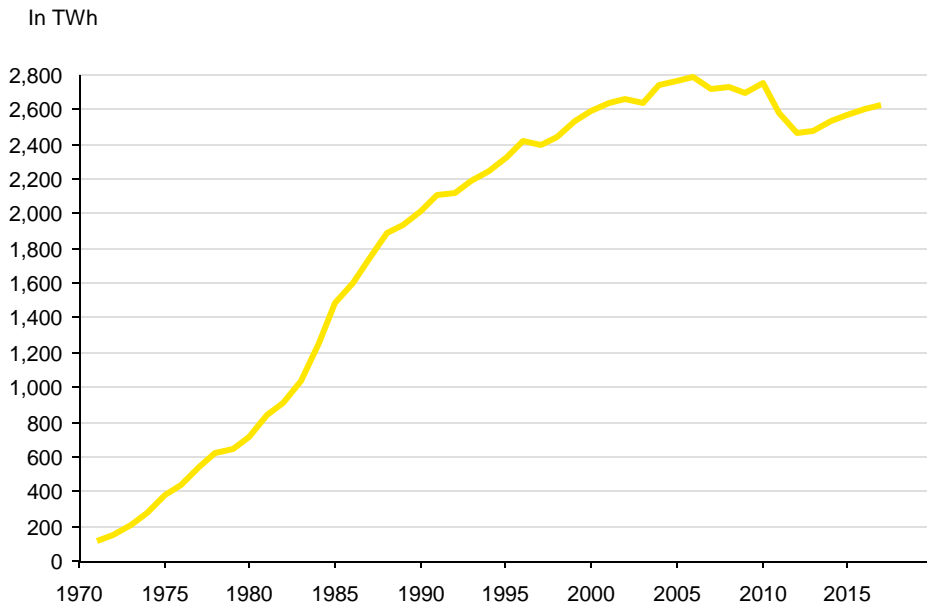


# Nuclear energy faces adverse market conditions in the short-to-medium term



# However, nuclear electricity production has grown steadily since 2012

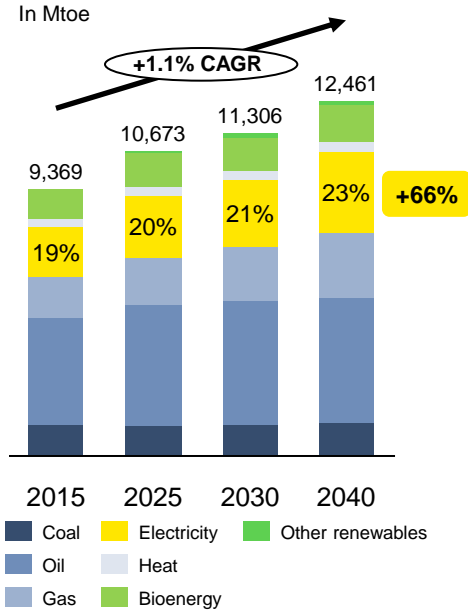
## World nuclear electricity production



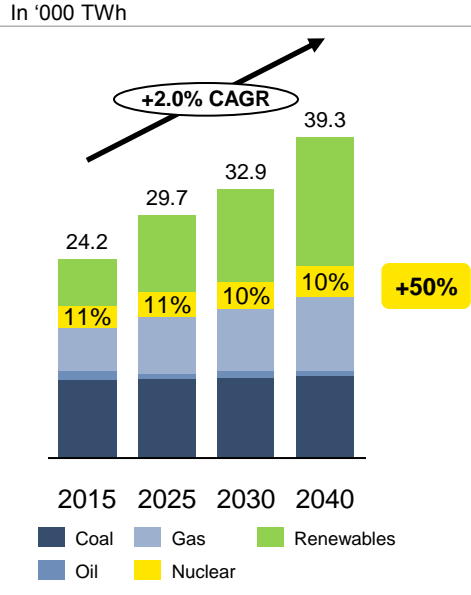
Source: Enerdata

# Nuclear energy remains key to meeting long-term challenges on energy and electricity markets

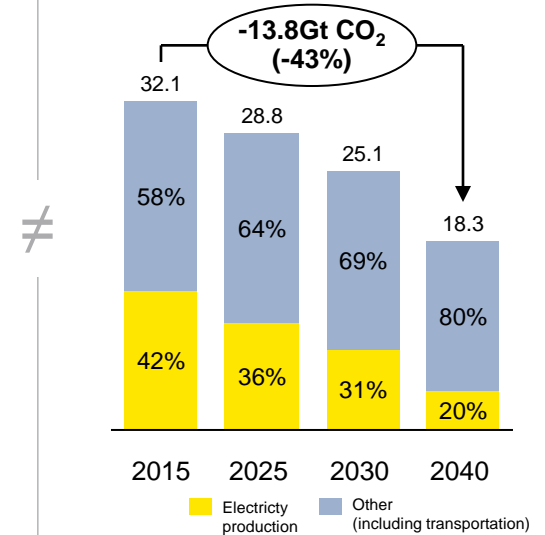
## World final energy consumption projections



## World power generation mix projections



## Projections of CO<sub>2</sub> emissions related to energy consumption

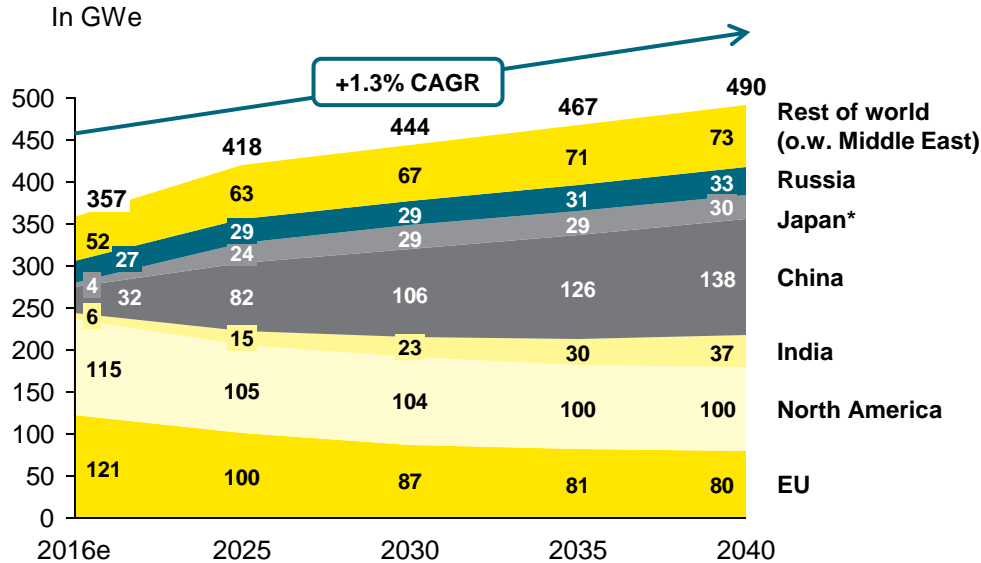


**New Policies Scenario**  
Based in IEA interpretation of countries commitment under the Paris Agreement

**Sustainable Development Scenario**  
Based on IEA interpretation of the Paris Agreement' long term objective to limit the increase in global average temperature to 1.5 °C

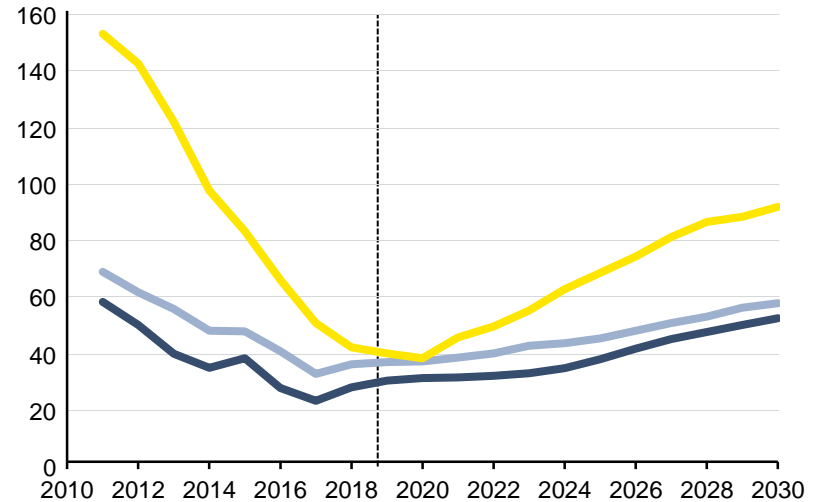
# Growth of nuclear capacity, led by China, will drive the recovery of market prices

## Evolution of the global nuclear capacity



Source: IEA World Energy Outlook 2017, New Policies scenario  
 Data based on the assumption that plants' internal consumption represents 5% of global nuclear capacity  
 (\*) Japan estimations based on World Nuclear Association from 2016e to 2025









## Uranium and Enrichment market price forecast



— UxC Annual Enrichment Term Price Q2 2018 - Composite Midpoint - Current US\$/lb U<sub>3</sub>O<sub>8</sub>  
— UxC Annual Uranium Long Term Base Price Q3 2018 - Composite - Current US\$/SWU  
— UxC Annual Uranium Spot Base Price Q3 2018 - Composite Midpoint - Current US\$/SWU



# Orano ranks in world top 3 in all its business units

			 orano (1)	 CNNC	 ROSATOM	 Cameco	 NDA Nuclear Regulatory Authority	 URENCO	 CONVERDYN	 KAZATOMPROM	OTHERS
MINING	Natural uranium	#3	~15% <sup>(2)</sup>	✓	✓	✓		✓		✓	✓
	Conversion	#2	~20% <sup>(3)</sup>	✓	✓	✓			✓		
FRONT END	Enrichment	#3	~15% <sup>(3)</sup>	✓	✓			✓			✓
	Recycling	#1	~70% <sup>(4)</sup>		✓		✓				
BACK END	Storage	#1	~30% <sup>(5)</sup>	<ul style="list-style-type: none"> <li>■ Holtec, NAC, GNS</li> </ul>							
	Logistics	#1	~20%	<ul style="list-style-type: none"> <li>■ GEODIS, Daher, UAM, Edlow</li> </ul>							
	Dismantling		n.a.	<ul style="list-style-type: none"> <li>■ Highly fragmented market</li> </ul>							

- (1) Global market shares, Orano estimations  
 (2) In proportion to the available shares  
 (3) In proportion to installed capacities

- (4) On the LWR (Light Water Reactors) fuels market  
 (5) On the dry storage market (excluding Russia)

# 02

## Business overview



# Orano's business card

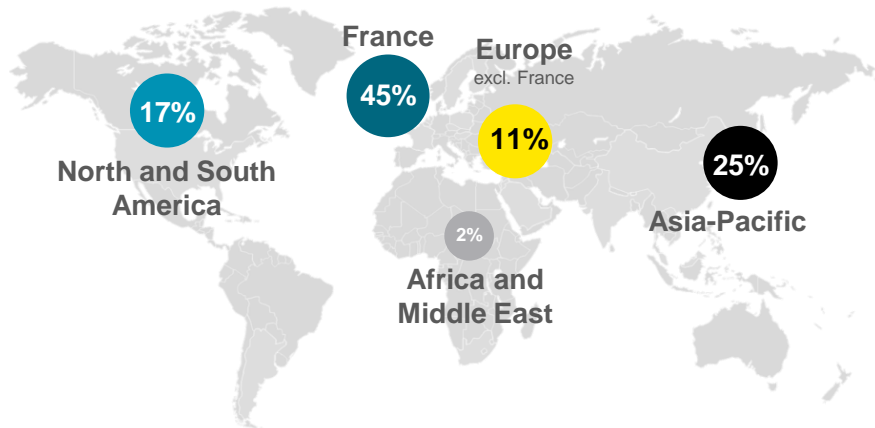
**€33.2 bn**  
In backlog  
as of June 2018  
i.e. more than  
8 years of  
revenue

**€3,926 M**  
in revenue  
2017

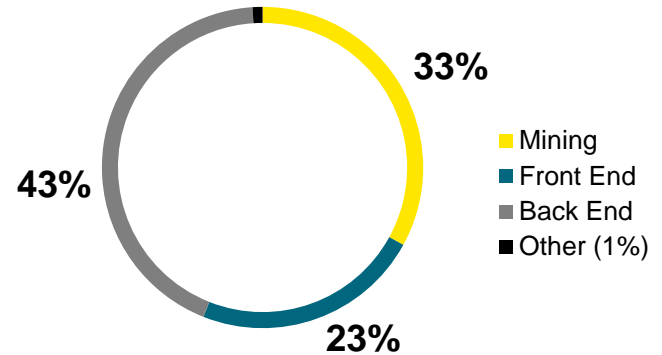
**16,000**  
employees  
across  
the world

among  
**Top 3**  
worldwide  
in each of  
its businesses

Breakdown of 2017 revenue by region



Breakdown of 2017 revenue by business



# Orano can rely on an unrivalled portfolio of technologies and unique employee skills

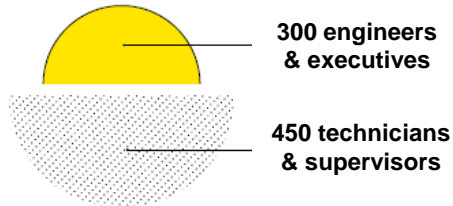
## ■ Unique skills and high level of expertise

- Network of high-level technical experts
- Professional school offering more than 250 technical training modules
- Close skill monitoring and active renewal critical skill programme

16,000 employees

467 experts appointed during the last campaign

New hires with permanent contract: c.750 per year



## ■ Unique technologies and unparalleled industrial know-how in all businesses...

Treatment



Recycling

Dismantling & Services

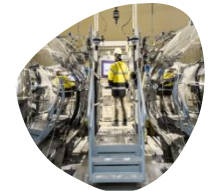


## ■ ...and modernized facilities and recent mines



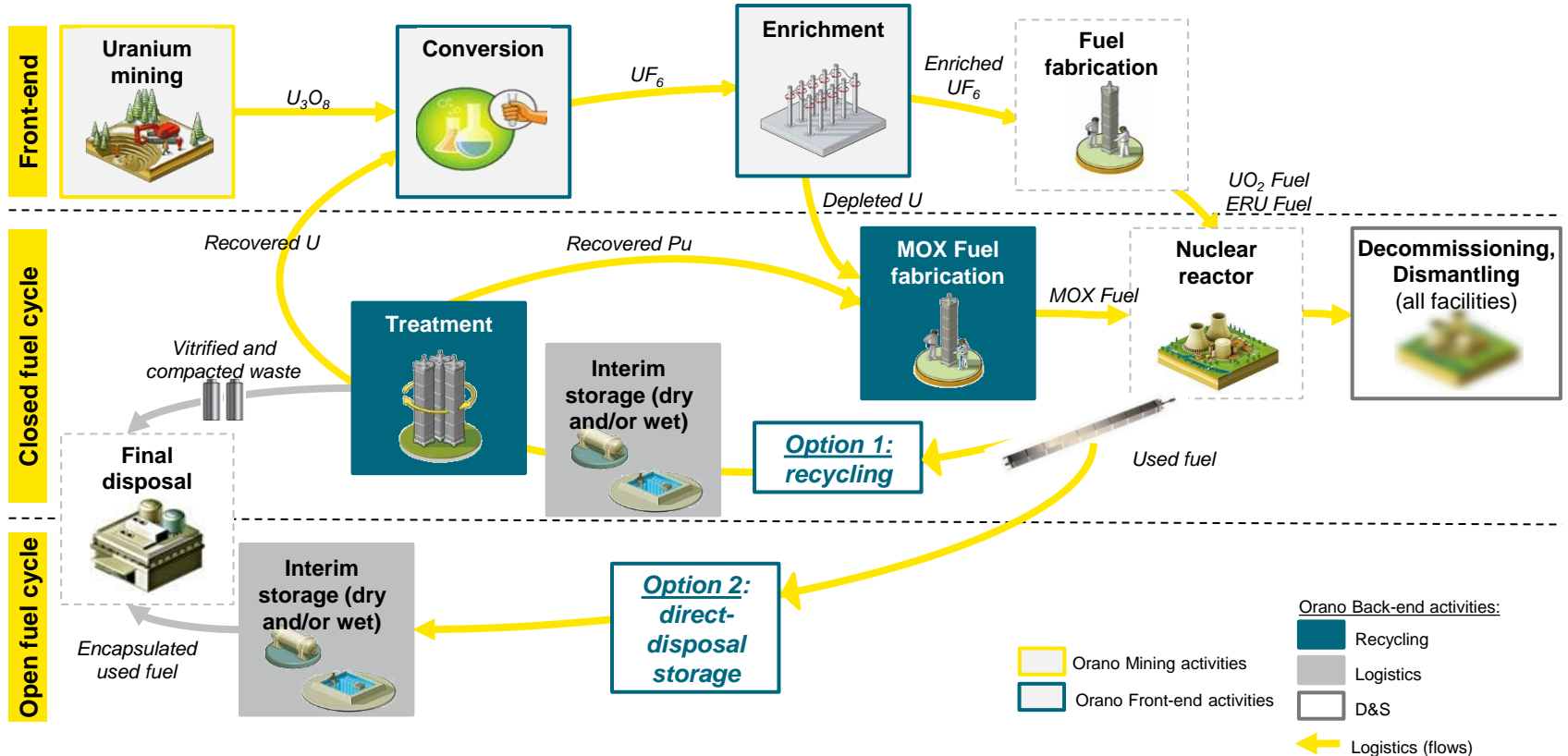
Mining

Conversion



Enrichment

# Overview of Orano's operations value chain and main flows





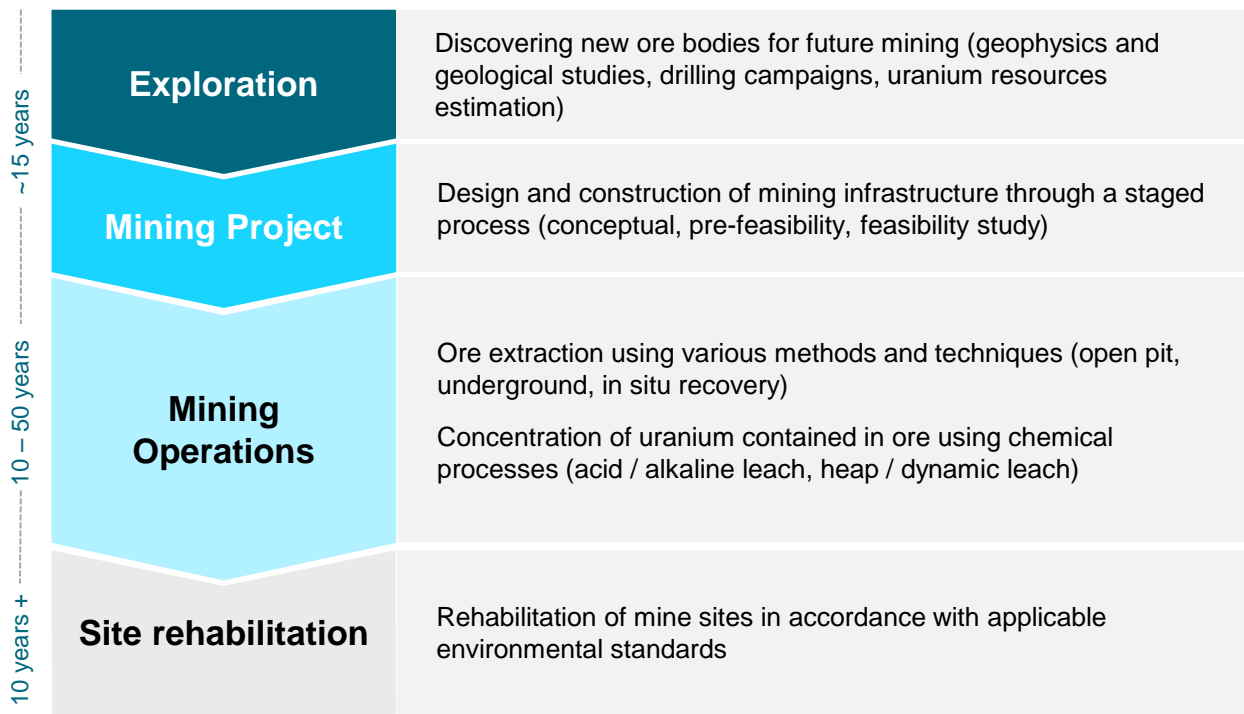
# 02

Business overview

**Mining**



# Orano is active throughout the global uranium mining cycle



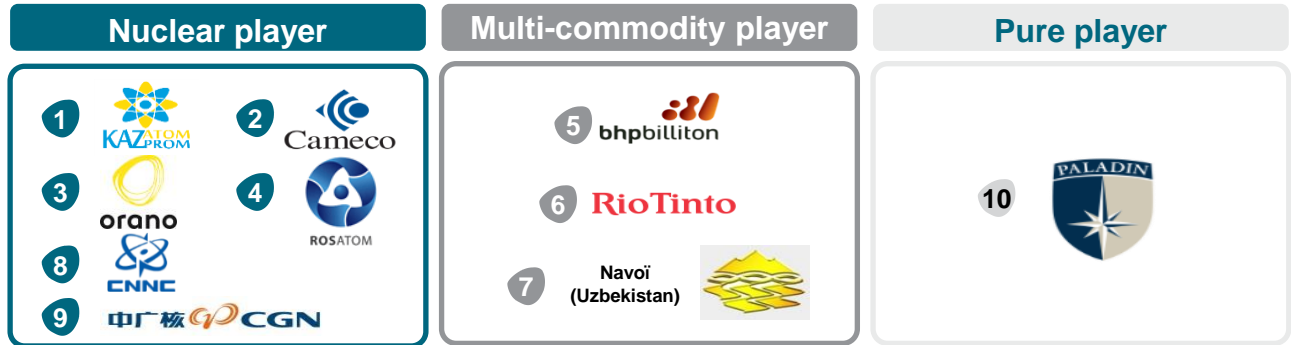
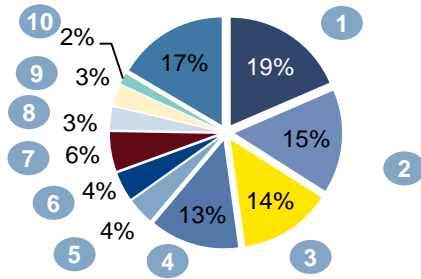
### Trading

- Purchase and sale of uranium products
- Services related to uranium (swaps, loans)

# Orano is the world's third-largest uranium producer, with a significant volume of reserves

## 2017 world production by key uranium players

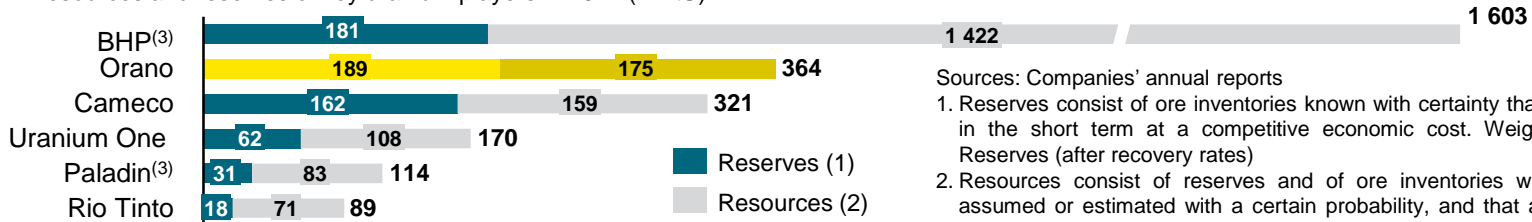
2017 Total world production = 59.8 ktU



Sources: Companies' annual reports and Orano estimates

## Orano uranium reserves are among the world's largest

Resources and reserves of key uranium players in 2017 (in ktU)



Sources: Companies' annual reports

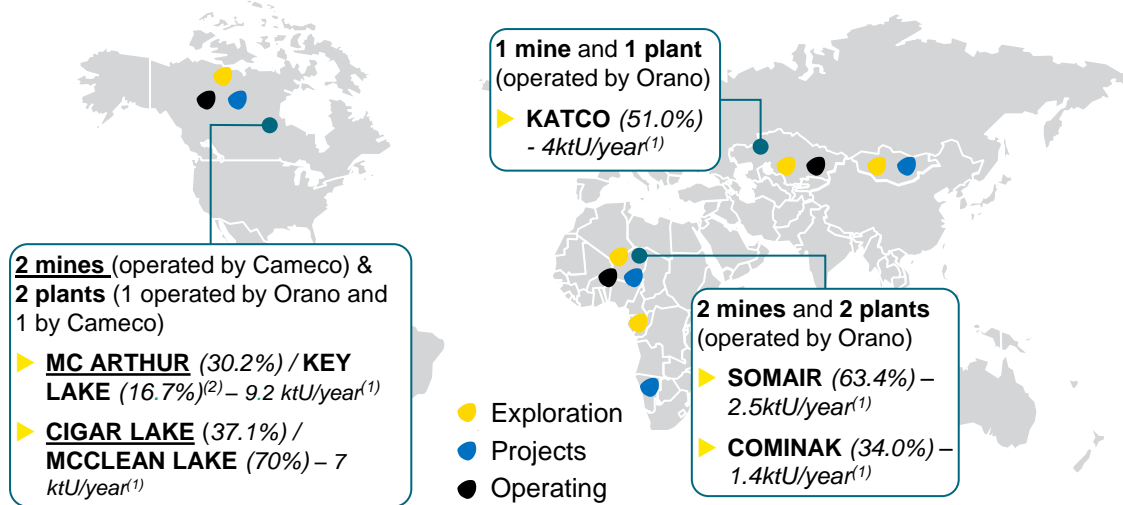
- Reserves consist of ore inventories known with certainty that can be feasibly mined in the short term at a competitive economic cost. Weighting factors: 100% of Reserves (after recovery rates)
- Resources consist of reserves and of ore inventories whose existence is only assumed or estimated with a certain probability, and that are potentially mineable over the medium to long term. Weighting factors: 75% of Measured + Indicated resources, + 50% of Inferred resources
- As of June 30, 2017



# Orano's uranium mines are geographically and technologically diversified

## A diversified portfolio of mining assets...

Operating mines representing a total capacity of 20 ktU in 2017  
 Financial consolidated share of Orano = 10.5 ktU in 2017



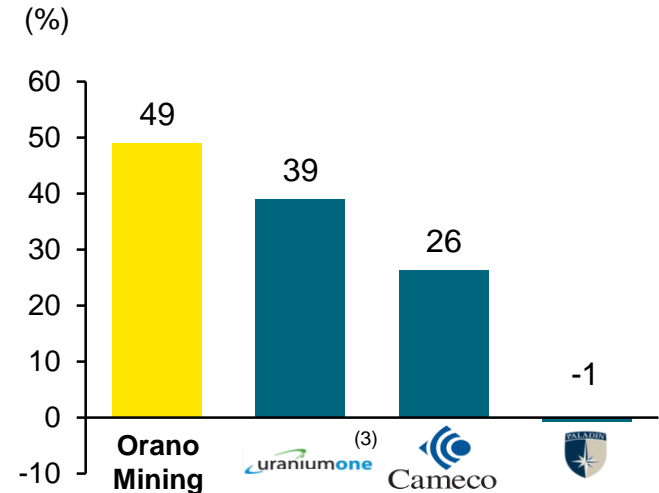
Source: Company reports, Orano estimates  
 (%): Orano's equity share

- Nominal capacity
- In July 2018, Cameco made the decision to extend the production suspension of McArthur/Key Lake for an indeterminate duration.



## ... with low production costs resulting in high profitability

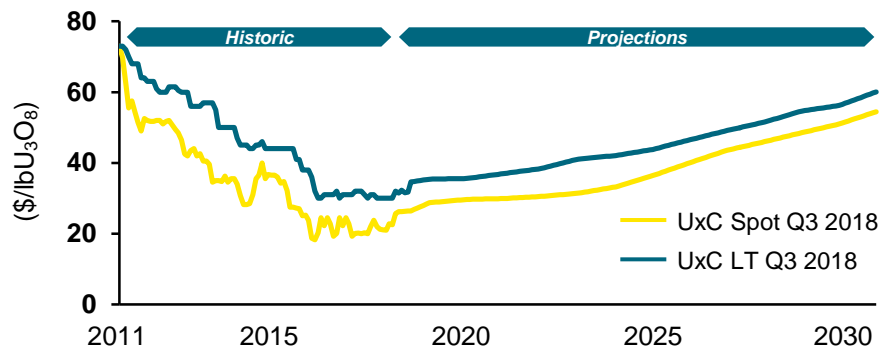
EBITDA margin rate in 2017 (%)



- Excluding share of results from JV. Uranium one owns 5 mines located in Kazakhstan and since 2014, is a 100% subsidiary of Rosatom /ARMZ.

# Uranium prices are deemed to recover, due to the need to launch new projects at higher costs

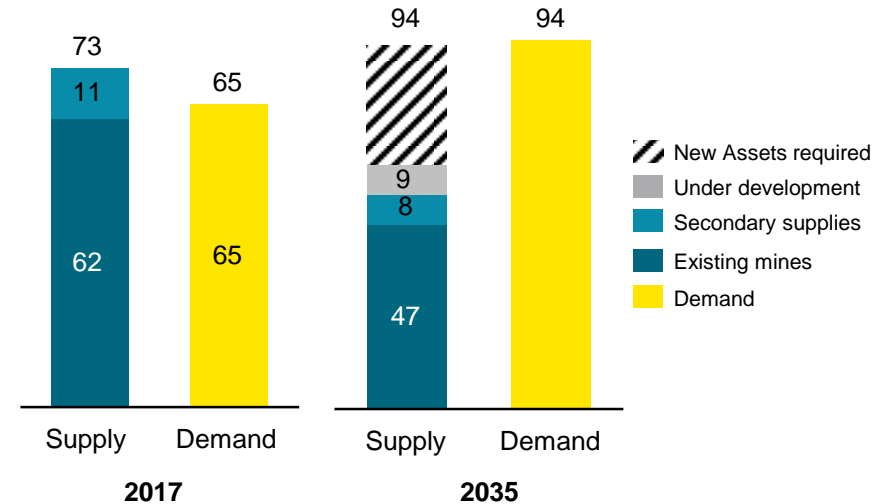
## Depressed markets post-Fukushima...



- **Contextual downturn post-Fukushima:**
  - Japanese reactors shut down
  - German decision to phase out
  - Delays in new build programs
  - Secondary supplies, mainly underfeeding from enrichment facilities
  - Inventory disposal

## ...deemed to recover, driven by both demand and supply dynamics

Supply and demand (ktU/year)



Sources: WNA Fuel report 2017, reference scenario

# Key business drivers - Mining

Outlook  
over the  
2018-2020  
period

Post-2020  
drivers

Sales

- A strong backlog, with contracts including a balanced mix of fixed prices and market prices (framed by caps and floors)
- Taking floor mechanisms into account, fixed prices represent c.90% of the backlog
- Stable volume of business

> 95% of  
2018-20 sales  
covered by  
the backlog

EBITDA

- Strong EBITDA margin, greater than 40% over the period, thanks to robust backlog, cost competitive assets and focus on operational performance

EBITDA  
margin  
> 40%  
over  
2018-20

CAPEX

- Low CAPEX compared to historical level

- Uranium market adjusting further to recent uranium producer decisions: prices should progressively recover to previous levels according to external sources (UxC)
- Keep competitive cost of production
- CAPEX necessary to maintain production level and new capacity investments

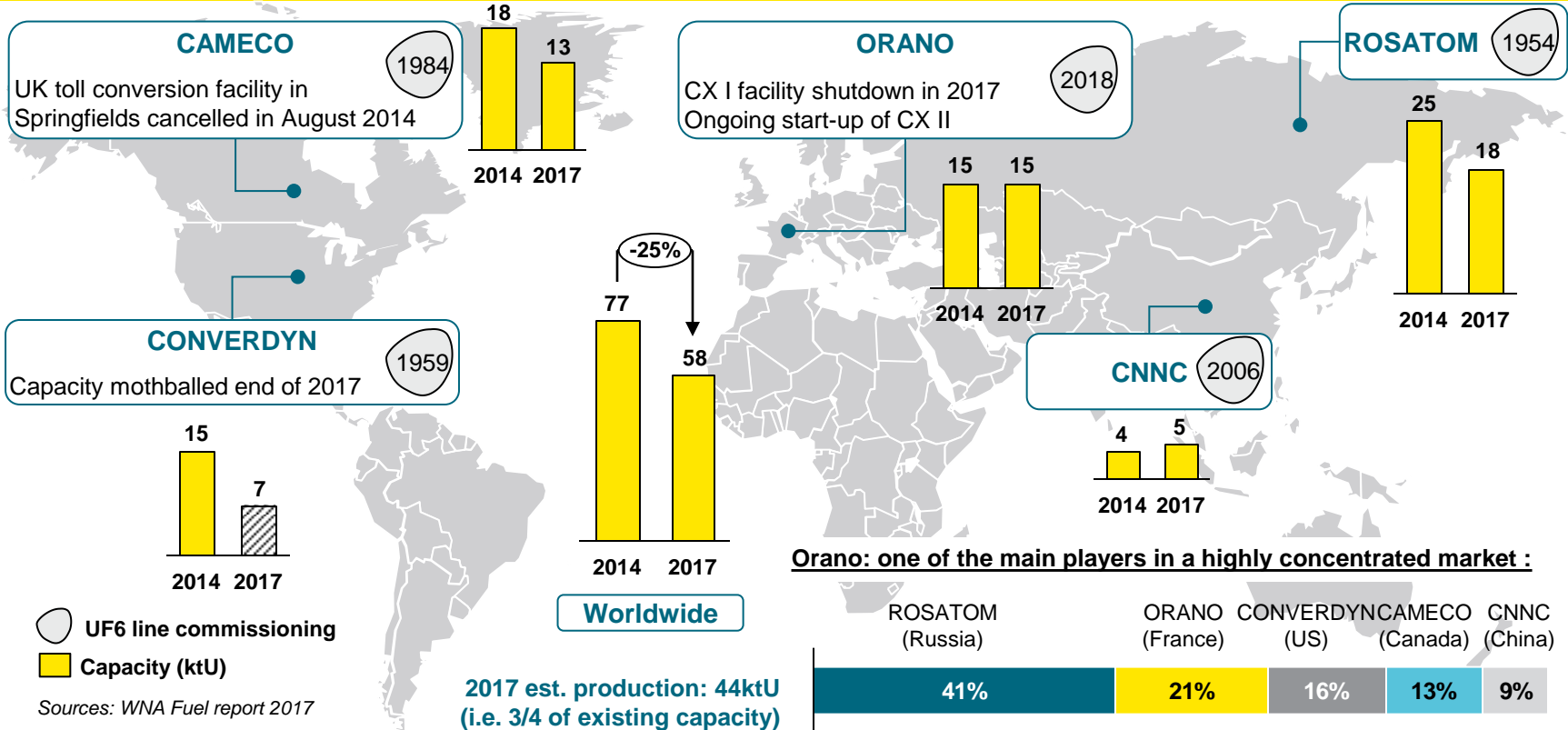
# 02

Business overview

**Front-End**

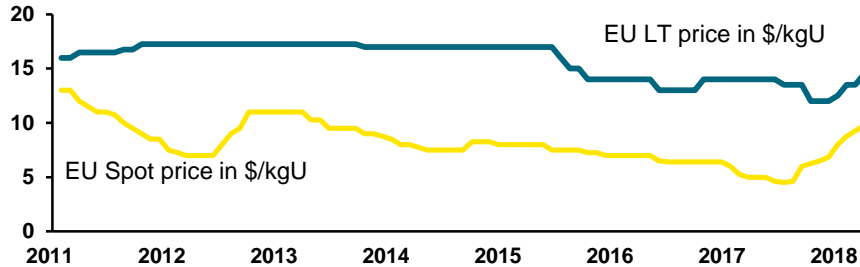


# Conversion industrial footprint is undergoing major restructuring worldwide



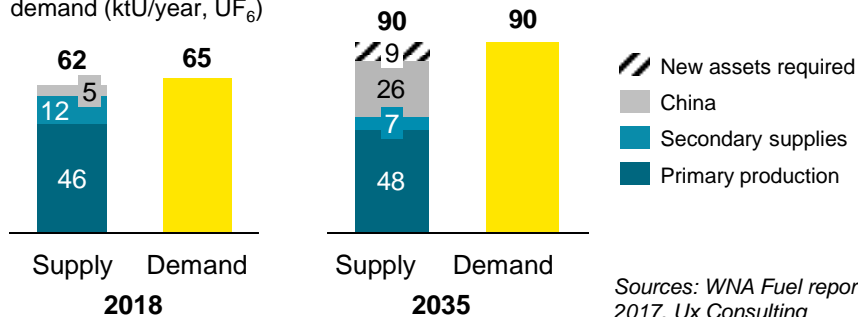
# With installed capacity rationalized, conversion market up-turn is anticipated

## A market recovering since end of 2017...



## ...to recover thanks to demand increase and investment in capacities

Conversion supply and demand (ktU/year, UF<sub>6</sub>)



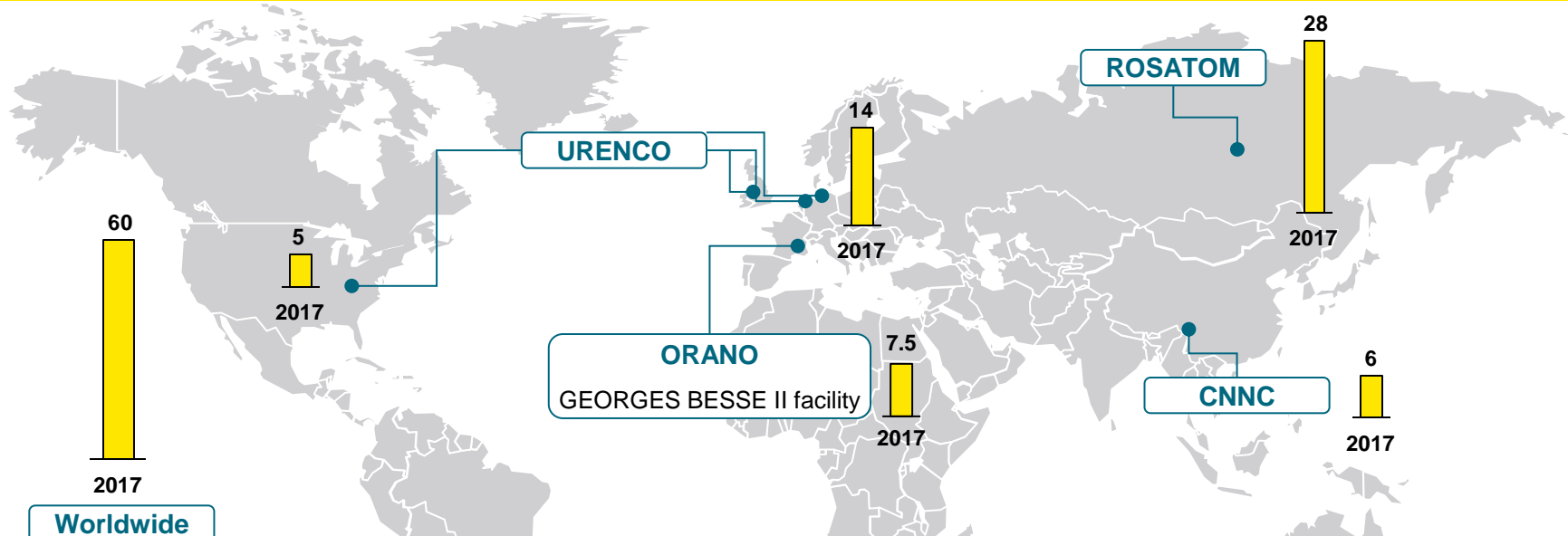
Sources: WNA Fuel report 2017, Ux Consulting

## Orano is well positioned to face current market situation and to capture opportunities

- **A solid backlog:**
  - 7.5 years of production sold...
  - ... mainly at fixed price (c.90% of the backlog), with very little exposure to market prices
- **The first player to renew its production capacity:** COMURHEX II, with 2 plants (Tricastin & Malvés) with nominal capacity of 15ktU
- **A competitive advantage** for our clients:
  - Production reliability
  - Highest safety and environmental standards
- **A strong technological advance** enhancing operational flexibility:
  - Unique conversion plant with innovative processes (Isoflash)
  - Lower consumption of chemicals and waste divided by 3



# In enrichment, replacement policy for obsolete centrifuges should drive global capacity in the future

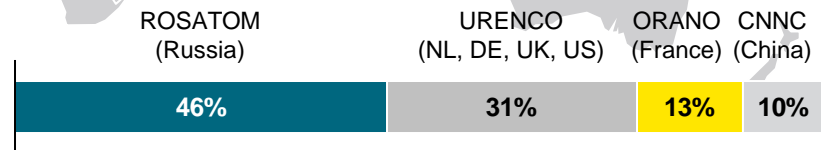


**Orano: a smaller player with a strong customer base in a highly sensitive market with technology barriers**

 Capacity (mSWU)

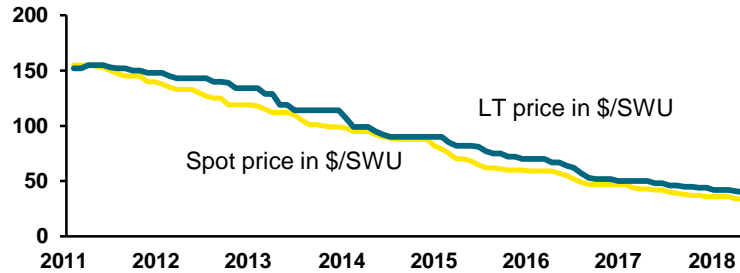
Sources: WNA Fuel report 2017, Urenco annual reports

2017 est. consumption:  
50 M SWU



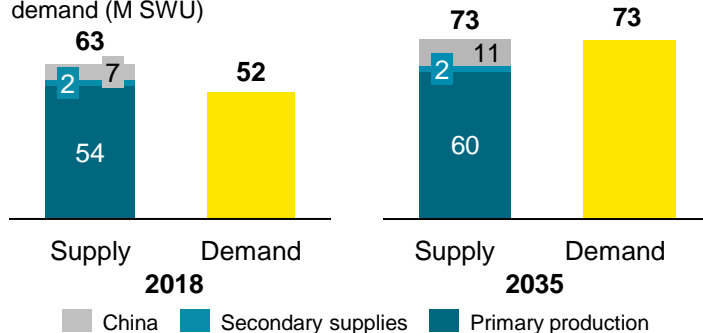
# The return to a positive enrichment market depends largely upon the speed of offer and demand rebalancing

## SWU price drop since Fukushima



## Long-term growth perspective

Enrichment supply and demand (M SWU)



## Favorable position of Orano in such a market context

- A **robust backlog of orders (both pricewise and duration-wise)**:
  - More than 10 years of production sold
  - Numerous contracts above \$100
  - Predominantly at fixed price (c.95% of the backlog) with very little exposure to market prices
- Renewed industrial assets: **Georges Besse II**, a state of the art enrichment plant, capitalizing on a mature and cost-effective technology:
  - Nominal capacity: 7.5 million SWU reached in 2016
  - A plant at the technological edge (ultracentrifugation), ensuring optimum operating costs





# Key business drivers - Chemistry & Enrichment

**Outlook  
over the  
2018-  
2020  
period**

**Post-2020  
drivers**

**Sales**

**EBITDA**

**CAPEX**

- Limited impact of the current bearish market thanks to strong pre-Fukushima backlog, with fixed prices representing more than 90%
- Increase in sales consistent with the expected outflows of backlog
- Low point in 2018 due to the CXI/CXII transition
- Recovery starting from 2019, thanks to cost performance from state of the art assets and “Value 2020” performance plan, with average EBITDA margin exceeding 20% over the period
- Progressive downturn in the capital expenditure program after 2018

**> 90% of  
2018-20  
sales  
covered by  
the backlog**

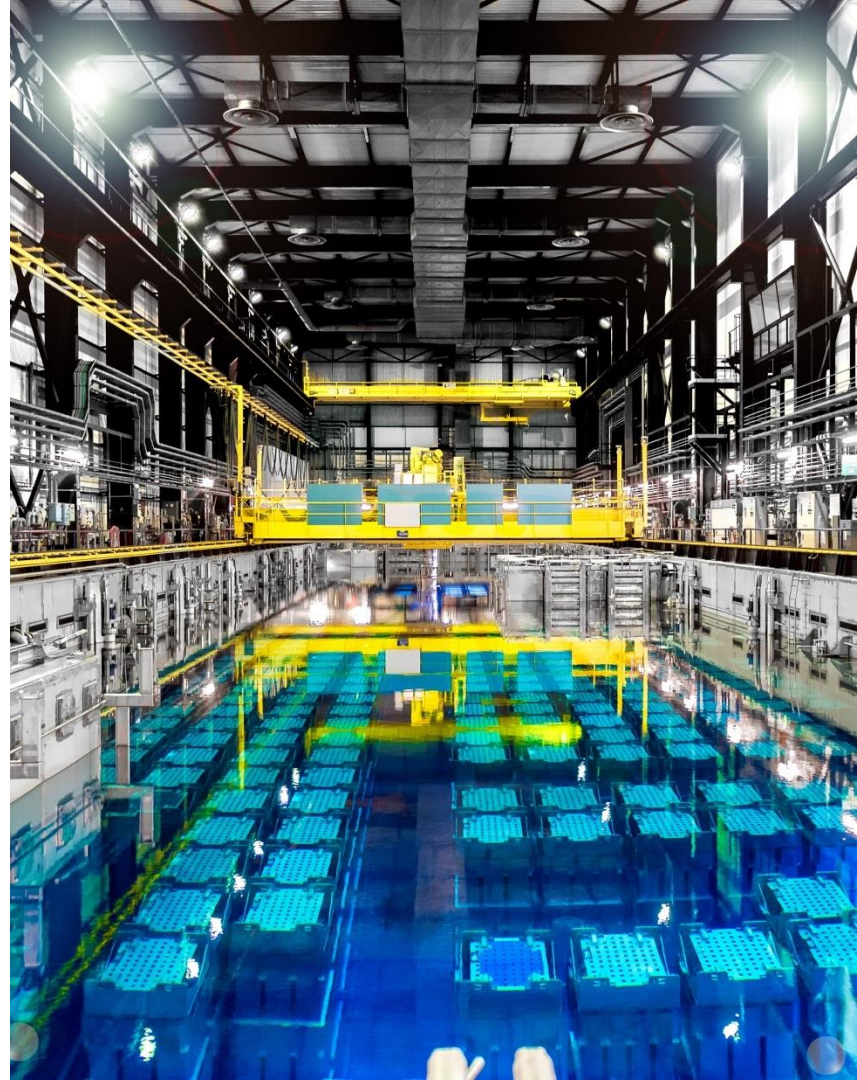
**EBITDA  
margin  
> 20%  
over 2018-20**

- Market prices should slowly recover according to external sources (UxC)
- Continued decrease in CAPEX with plant modernization program nearing completion

# 02

Business overview

**Back-End**



# Orano's Back-End activities are organized around 3 main pillars

1

## RECYCLING of spent nuclear fuel

- Spent fuel treatment
- Fabrication of recycled fuel
- Development of international projects

2

## LOGISTICS for nuclear-related storage and transportation

- Container design and fabrication
- Transportation management
- Storage

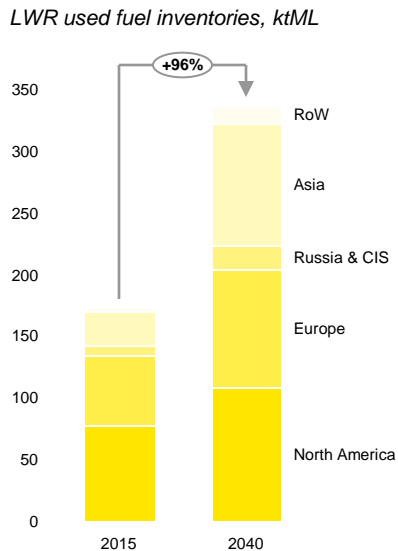
3

## DISMANTLING & SERVICES

- Planning for dismantling operations and project management
- Work on all facilities and on reactors
- Cleanup of nuclear facilities and site value development

# Orano offers solutions related to the management of spent fuel

## Spent fuel stockpiles will significantly increase by 2040

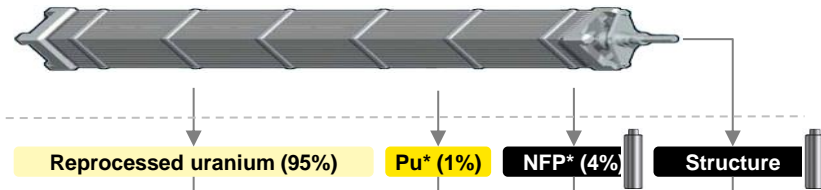


Source: Orano analysis

## Treating and recycling spent fuel involves using 2 value creation levers

Without recycling, the entire Fuel Assembly is considered as waste

With recycling, which first means separating its components:



### 1. Reusable materials are recycled into new fuel

- In particular, Pu is recycled into MOX fuel:
  - Pu being highly radioactive, no longer deeming it as waste divides the remaining waste toxicity by 10
  - Electricity production
- Lesser dependence on natural uranium

### 2. Non-reusable material, i.e. final waste, is isolated and conditioned in standard containers

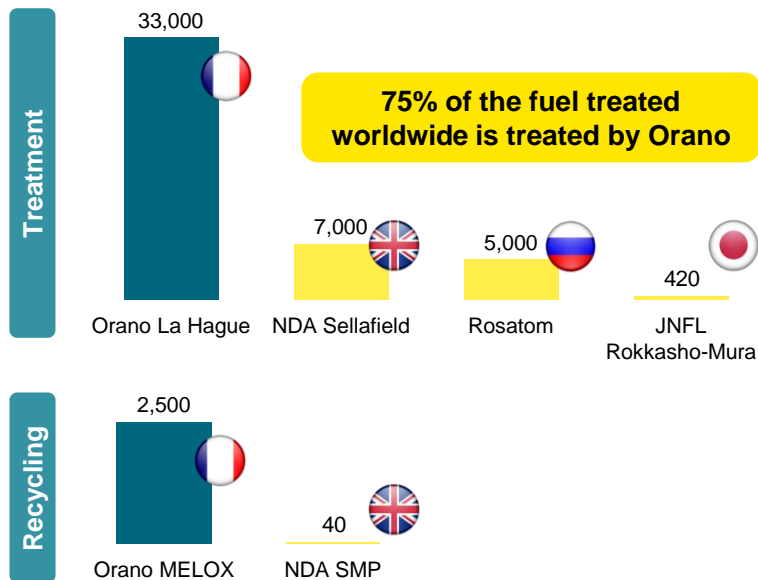
- Conditioning waste in stable and standard matrices allows:
  - Mitigation of risks associated with increasing stockpile of ageing spent fuel, through transformation into standardized stable waste form with no associated safeguards
  - Reduce final waste volume by 5 and radiotoxicity significantly
- As a result, both interim storage and final disposal repository footprints of final waste are optimized, thus reducing the cost of its management

\* Pu: Plutonium; NFP: Nuclear fission products

# Orano has the most significant experience in the world in nuclear fuel treatment and recycling...

## Cumulated production of recycling-conditioning operating plants in the world




As of December 31, 2017, tML for treatment, tMOX for recycling






Source: Orano analysis, WNA, IAEA publications

## Orano's operating plants



### 1 La Hague (North Cotentin)

- The world's largest nuclear fuel reprocessing plant with c. 2,500 employees
- Authorized maximum treatment capacity of 1,700mt per year
- Operational treatment capacity of 1,300 – 1,350mt per year
- Ongoing contracts:  (EDF & CEA)    
+ Other countries (treatment of research reactor fuel)

### 2 Melox (North Gard)

- Global leading plant for MOX fuel production (c. 700 employees)
- Authorized maximum fabrication capacity of 195tMOX per year
- Operational fabrication capacity of 150tMOX per year
- Ongoing contracts:   

# ... positioning Orano as a natural partner for all other treatment and recycling platforms around the world, with the support of its engineering subsidiary Orano Projets

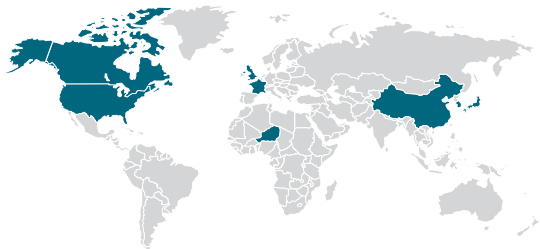
	Project	Project overview	Orano's contribution
Client	 <b>NDA &amp; Sellafield</b> 	<ul style="list-style-type: none"> <li>Assistance with on-site operations at the waste treatment facility at Sellafield</li> <li>Preliminary study for Pu disposal</li> </ul>	<ul style="list-style-type: none"> <li>Optimization of waste treatment and operations</li> <li>Orano offers a solution allowing the recycling into MOX of plutonium stocks</li> </ul>
	 <b>Rokkasho-Mura &amp; J-MOX</b> 	<ul style="list-style-type: none"> <li>Technological partnership for treatment and fuel recycling plants in Japan modeled on Melox and La Hague plants</li> </ul>	<ul style="list-style-type: none"> <li>Technical support for safety upgrade, training and restart of operations at Rokkasho-Mura and completion of J-Mox</li> </ul>
Prospect	 <b>China</b> 	<ul style="list-style-type: none"> <li>On-going negotiation for assistance in the construction of a treatment and recycling plant for CNNC</li> <li>On-going discussion for the sale of a vitrification shop</li> </ul>	<ul style="list-style-type: none"> <li>The plant's conception is based on the unique technologies developed at La Hague and Melox</li> <li>Ambition to start recycling operations on a commercial scale by 2030</li> <li>Orano's industrial experience is key to the project's success</li> </ul>

# Orano, the only player to provide all logistics services worldwide

## Orano handles every stage of the nuclear fuel cycle



## A worldwide presence



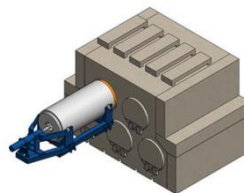
## 3 activities to serve customers in the nuclear fuel cycle

### Transport



- Comprehensive Transport Services** (Mines, conversion, enrichment, fresh fuel, Mox, spent fuel, etc.)

### Dry Storage



- Interim Spent Fuel Management Services** (supply of dry storage systems, loading services, aging management services, etc.)

### Waste Logistics

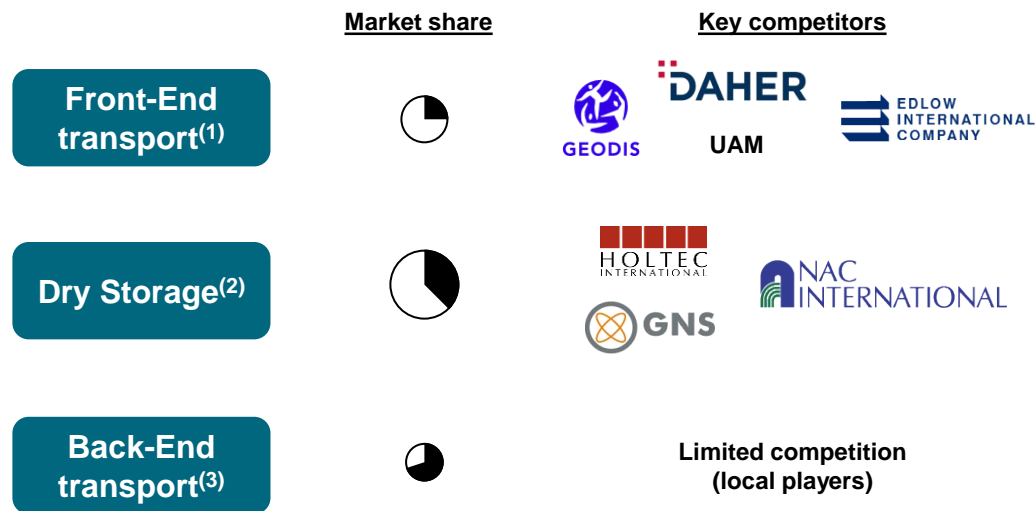



- A new service to meet future market demand** (pool clean-up, packaging and transportation services, etc.)



# Orano holds strong positions in the growing nuclear logistics market

Unique position on the fuel cycle, anchored in proven technologies and backed by innovation capabilities



 Orano market share / market size (est.)

Source: Orano analysis

(1) Market includes both Front-End Logistics (2/3) and Logistics for research reactors (1/3)

(2) Dry Storage market excludes Russia, Canada and India, which are not accessible to international competitors

(3) Market includes both national and international transportation of spent fuel

## A growing market

- Beyond already shutdown reactors yet to be dismantled, an increasing number of sites to be closed
- Development of new platforms for recycling discharged used fuel (eg. China)
- Delay in final repository sites availability brings additional dry storage solutions market (eg. US)
  - Need to extend duration of existing Interim Storage and to develop Centralized Interim Storage
  - New safety and security concerns to be addressed (eg. Ageing management)



# Focused on the French market, Orano operates in complementary segments: Dismantling and Services

## Key data

### Nuclear site Dismantling

- **Main customers: CEA, EDF, Orano (internal), Andra**
- **Employees: c. 2,350**

## Description

- **Dismantling and Decommissioning (“D&D”) of sites**
  - Lead projects to dismantle (from design to execution)
  - Dismantling projects, waste retrieval and packaging projects
- **Industrial Operations**
  - Operation of nuclear facilities undergoing dismantling and support facilities

## Key strengths

- Present across the whole nuclear cycle
- Focus on highest value-added segment:
  - Project management and administration
  - Post-operational clean-out
  - Laboratory and operator services

### Nuclear Services

- **Main customers: CEA, EDF, Orano (internal)**
- **Employees: c. 2,250**

- **Nuclear Maintenance Services**
  - Specialized maintenance
  - Nuclear Logistics Assistance & Operations
- **Integrated Logistics Services**
  - Scaffolding & Thermal Insulation installation and removal
  - Global Site Support Services
- **Radiological Protection, Environmental and Measurement activities**

- Present on its customers sites
- Innovative solutions



# Orano market is highly competitive, but offers long-term growth prospects

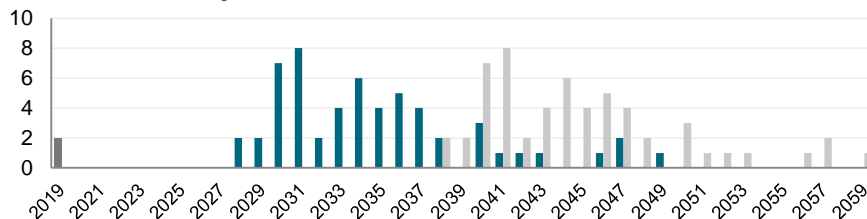
## Nuclear site Dismantling

France

Abroad

### Numerous nuclear power plants are expected to be retired in the coming decade, representing LT growth prospects

EDF reactors maturity considering an average duration of 50 years (■) and 60 years (□) from the commissioning



- For French nuclear power plants, the planning has been postponed beyond 2030: accessible markets may be c. €100m/year over the next decade
- Opportunities mainly in Germany (reactor pressure vessel and internal reactor components dismantling) and in the US (in connection with developments in Logistics)

### Demand is expected to grow in Services

- Significant growth in waste treatment activities to satisfy customer needs faced with technical, financial and legal constraints
- Market share to expand in maintenance and operator services
- Demand from EDF will increase because of its significant reactor retrofit program after 2015 ("Grand Carénage")

## Nuclear Services

### Orano's market share (est. France only)



### Key competitors



# Key business drivers – Back-End

Outlook over the 2018-2020 period

Post-2020 drivers

Sales

EBITDA

CAPEX

- Operations delivered through long-term contracts in France and a backlog representing more than 80% of sales over the period
- Several export opportunities (Asia, Europe, US)
- Significant business prospects in China for the Recycling activity
- Impact of top line growth
- Average EBITDA margin >15% over the period, supported by Value 2020
- Significant Capex plan with key equipment at La Hague and new safety requirement post-Fukushima
- Limited cash impact for Orano (strong financing from customers)

>80% of 2018-20 sales\* covered by the backlog

EBITDA margin >15% over 2018-20

- Business growth and increased profitability linked to the ability to win international contracts

(\* Excluding Dismantling and Services sales with a short-cycle business model)

# 02

Business overview

**Orano Med**



# Orano Med is at the heart of promising nuclear medicine research projects

## Orano Med, DNA: killing cancer cells using $^{212}\text{Pb}$

- Unique process making it possible to **extract  $^{212}\text{Pb}$** , a particularly rare radioactive isotope and to chelate it with active principles
- New approach for cancer treatments: targeted alpha therapy or radio-immunotherapy when it implies using antibodies
- Orano Med's ambition: **to develop effective and targeted anti-cancer therapies**
- Two prime objectives:
  - produce high-purity  $^{212}\text{Pb}$  in France...







... and Texas, to meet the needs of clinical development

- develop innovative treatments through scientific partnerships



## Pipeline involves several world-renowned partners

Partner	Indication	Pre-clinical	Phase I	Phase II	Phase III	Market
 RadioMedix INNOVATING THERANOSTICS	Treatment against neuro-endocrine tumors	➤				
 Roche	Undisclosed	➤				
 Université de Limoges CHU Centre Hospitalier de Limoges	Hematological malignancies	➤				
 NORDIC NANOVECTOR	Leukemia	➤				
Other partners / Internal programs	Undisclosed	➤				

Typical duration ~ 6-10 years 

# 02

Business overview

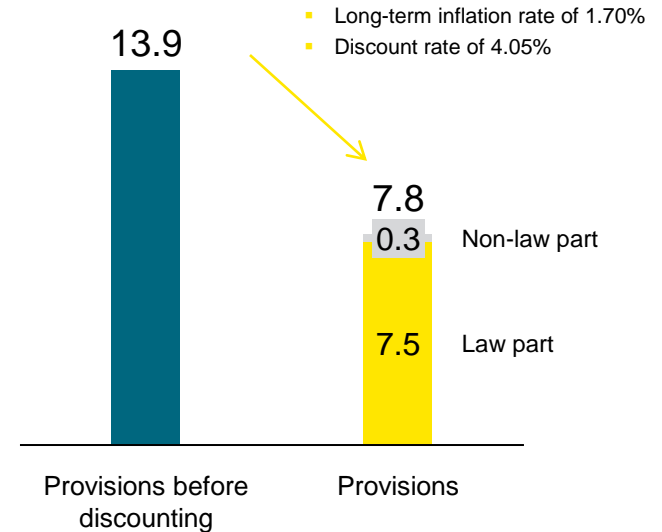
**End-of-lifecycle  
operations**



# Provisions for end-of-lifecycle operations

- Legal framework:
  - **securing and dismantling of Orano's own production facilities** when they are shut down in whole or in part on a permanent basis.
  - **retrieval and conditioning of Orano's various waste** generated by operating activities that could not be processed during treatment.
- **Main installations** concerned :
  - La Hague
  - Georges Besse I
  - Melox
- Tight monitoring by **administrative authority**
- Legal obligation that feeds the **group's know-how**, allowing **business development in D&D**

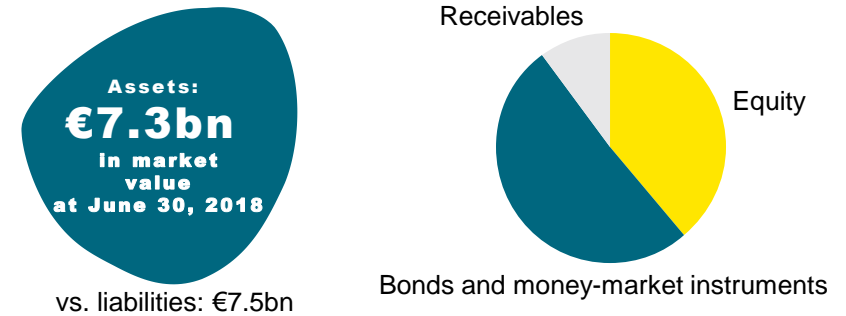
## Provisions as of June 30, 2018



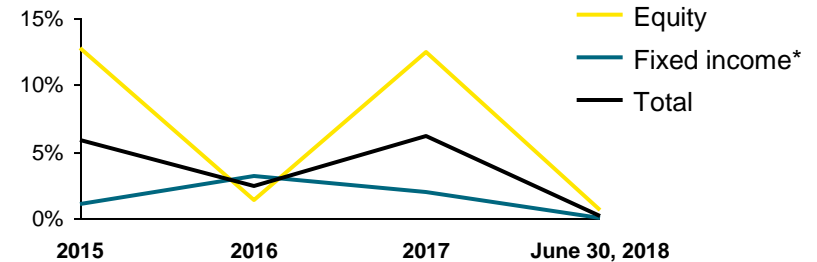
# Financial assets earmarked for end-of-lifecycle operations

- Obligation to **secure end-of-lifecycle provisions by building up a specific portfolio** earmarked for the future payments of the facility dismantling and waste management expenses
- Portfolio composition based on a schedule of disbursements over more than a century and **managed with long-term objectives**
- Asset allocations regularly reviewed to **optimize the risk/return** of the portfolio over the long term and **achieve performance targets**
  - Support from **independent consultants**
  - Validated by **governance**

## Portfolio breakdown



## Portfolio performance is linked to financial markets



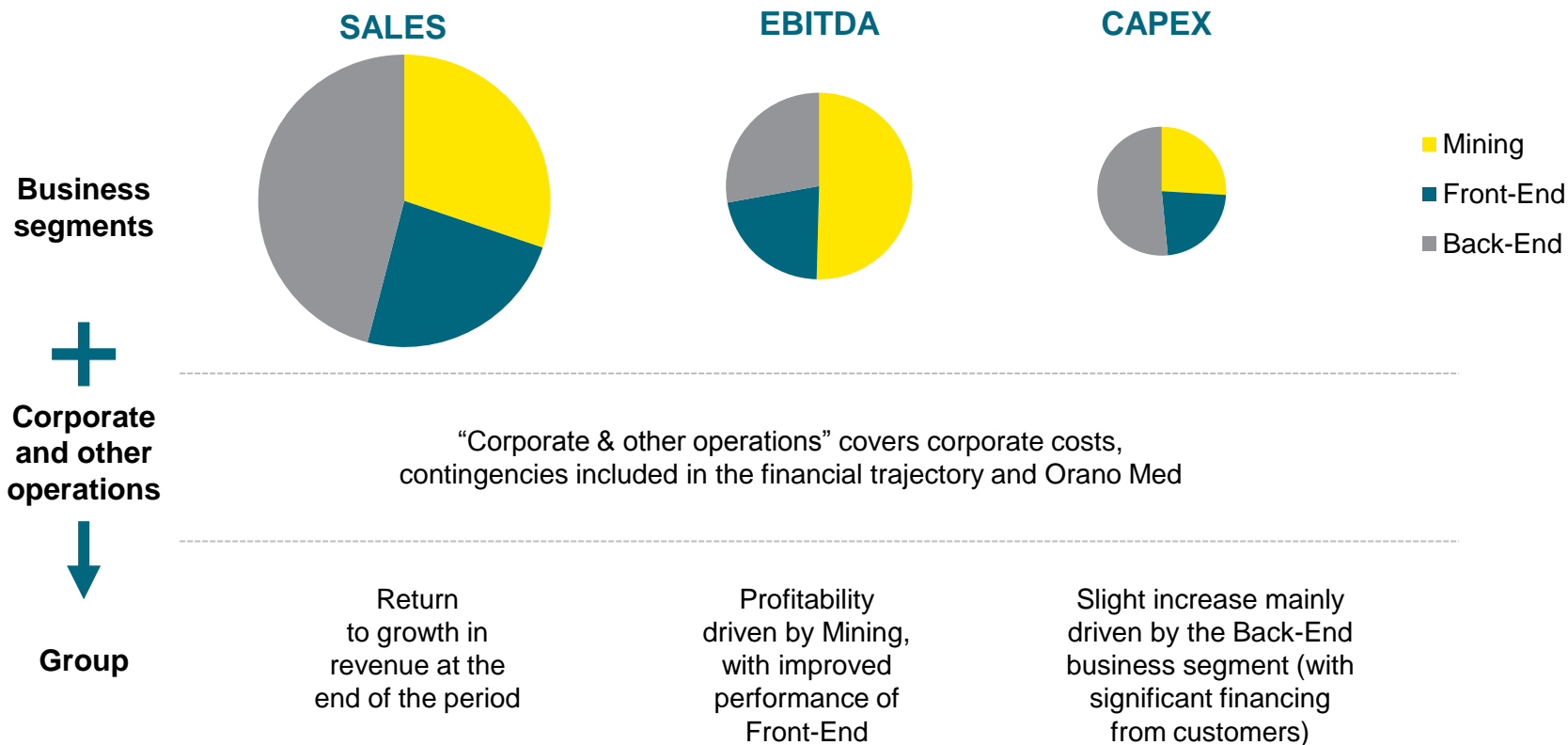


# 03

## Financial outlook



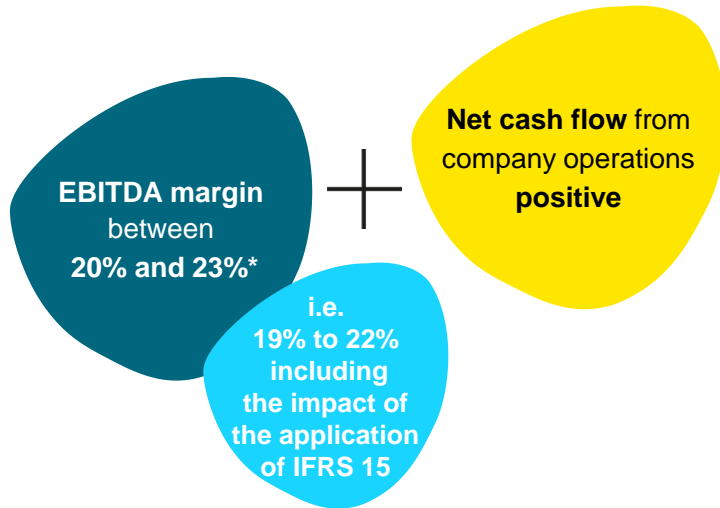
# Orano's outlook over the 2018-2020 period



# Outlook confirmed under constant accounting standards

## 2018 outlook

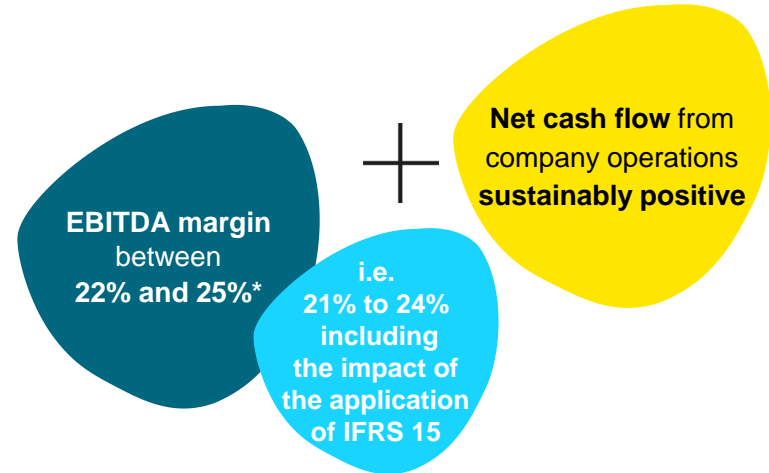
In a context of a moderate decline in revenue



(\*) Excluding impact of IFRS 15

## 2020 outlook

In a context of a return to growth in revenue



*This outlook excludes the impact of the proposed spent fuel treatment and recycling plant in China which is currently under negotiation.*

*These aspects could be subject to a review following the revision of the Multi-Year Energy Program expected by the end of 2018.*

# 04

## Conclusion



# Conclusion

- **Nuclear power market is expected to grow due to:**
  - Anticipated worldwide demand for electricity
  - Requirement to reduce CO<sub>2</sub> emissions
- **Orano is ready to capture opportunities:**
  - Proven technologies and innovation capabilities
  - Renewed assets
  - Unique skills and high level of expertise
- **Strengthened financial profile with operating resilience, despite a depressed Front-End market:**
  - Sound and diversified backlog representing more than 8 years of revenue
  - Strong liquidity position and positive cash generation outlook

# Q&A

# Appendices

# H1 2018 net income : -€205m

In millions of euros	H1 2017(*)	H1 2018	Change
<b>Revenue</b>	<b>1,794</b>	<b>1,713</b>	<b>-81</b>
<b>Operating income</b>	<b>(21)</b>	<b>163</b>	<b>+184</b>
Share in net income of joint ventures and associates	9	(4)	-13
Net financial income	(121)	(342)	-221
Income tax	(57)	(27)	+30
Net income after tax from operations sold, discontinued or held for sale	(2)	0	+2
<b>Consolidated net income</b>	<b>(154)</b>	<b>(205)</b>	<b>-51</b>
Net income attributable to minority interests	(38)	(5)	+33

- **Net financial income** impacted by:
  - (i) the lower return on assets earmarked for end-of-lifecycle operations due to the negative performance of the financial markets in the first half of 2018;
  - (ii) the impact of the reduction in discount rate on long-term provisions;
  - (iii) partly offset by a reduction in the cost of debt.
- **Income tax:** New tax consolidation group set up for Orano on September 1, 2017



# Net cash flow from company operations at June 30, 2018

In millions of euros	H1 2017(*)	H1 2018	Change
EBITDA	476	429	-47
Change in WCR	(213)	(54)	+159
CAPEX	(344)	(205)	+139
Other items	(2)	(3)	-1
<b>Operating cash flow</b>	<b>(83)</b>	<b>167</b>	<b>+250</b>
End-of-lifecycle cash flow	(15)	(8)	+7
Income tax	(227)	(11)	+216
Cost of borrowed capital	(107)	(148)	-41
Other items	(7)	(72)	-65
<b>Non-operating cash flow</b>	<b>(356)</b>	<b>(240)</b>	<b>+116</b>
<b>Net cash flow from company operations (**)</b>	<b>(439)</b>	<b>(73)</b>	<b>+366</b>

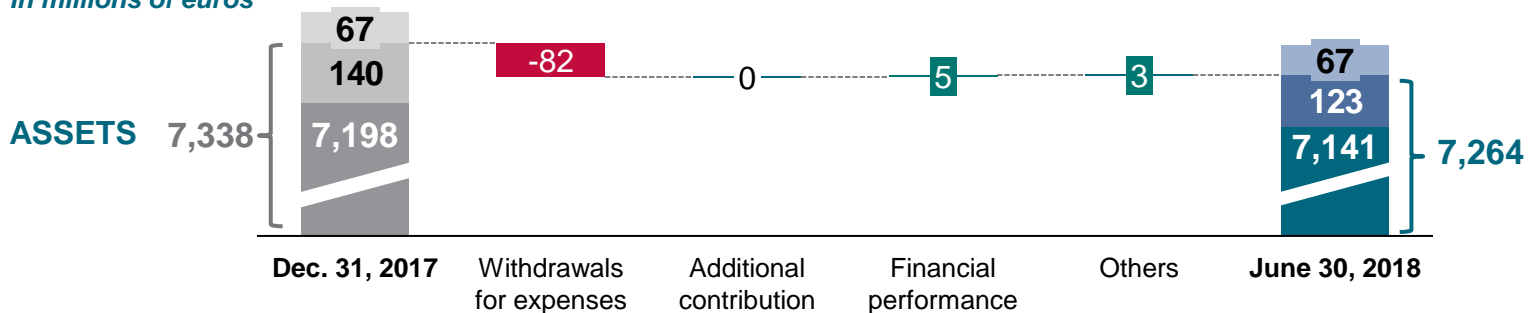
- **Reduction in tax disbursements:**
  - (i) Orano's tax consolidation scheme set up on September 1, 2017
  - (ii) liquidation of 2016 income tax paid in early 2017

(\*) Figures restated under IFRS 15

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

# End-of-lifecycle commitments

In millions of euros

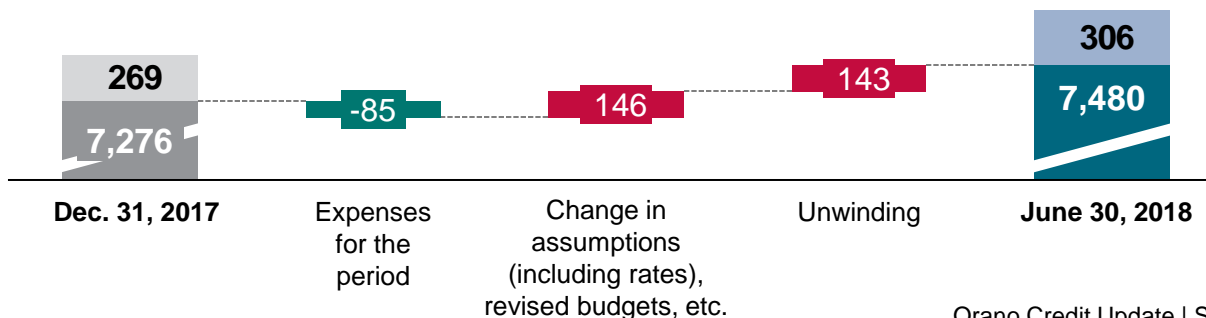


**Coverage ratio within scope of law:**



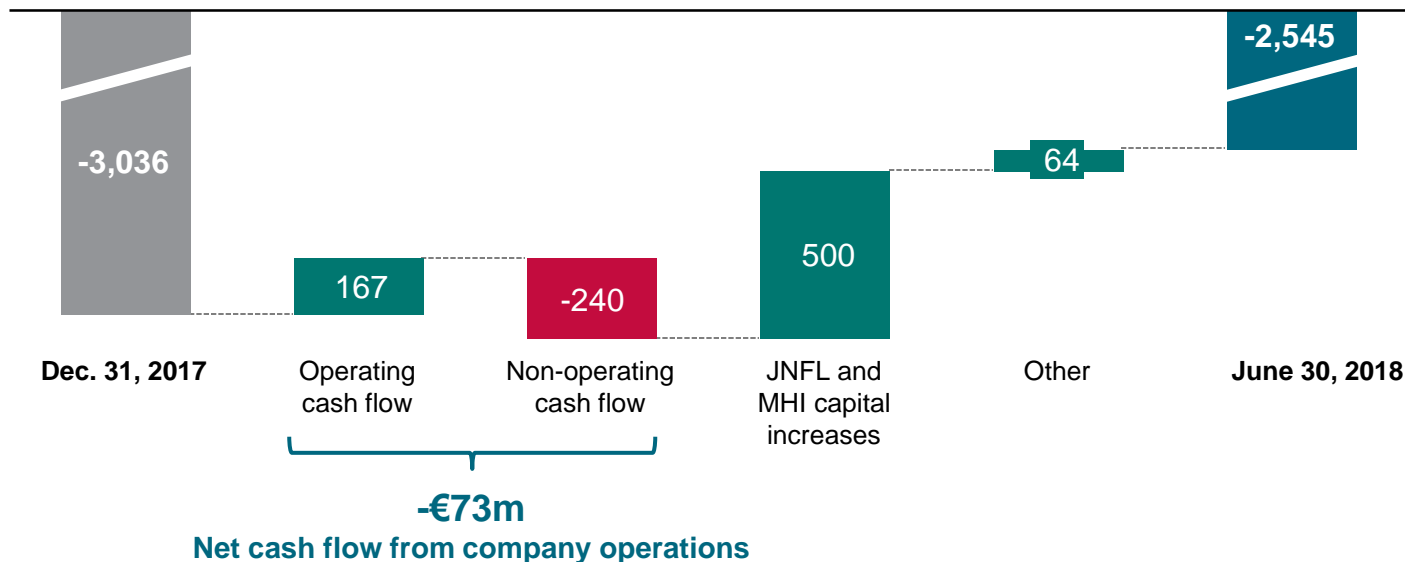
- Non-law part
- Delta market value/ carrying amount
- Law part

**LIABILITIES**



# Change in net debt (\*)

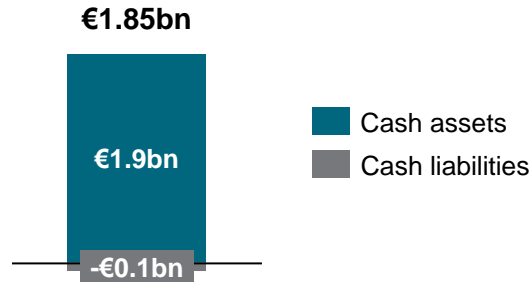
In millions of euros



(\*) Net debt is defined as the sum of all short and long-term borrowings, less cash and cash equivalents, financial instruments recorded on the assets side of the balance sheet including borrowings, bank deposits held for margin calls on derivative instruments or collateral backed by structured financing and cash management financial assets.

# Liquidity and debt structure at June 30, 2018

## Net cash

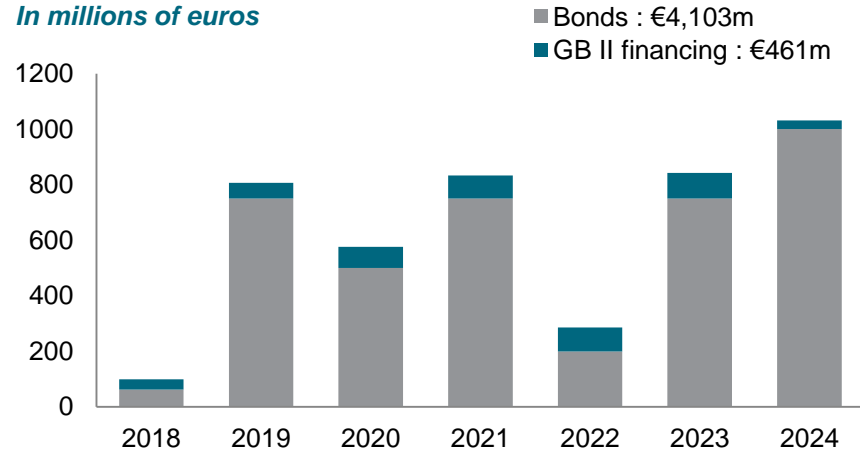


## Cash management financial assets (\*)

- €349m

## Financial obligations

*In millions of euros*



- BB+ rating (stable outlook) assigned by S&P on April 5, 2018

## Syndicated line of credit

- Amount of €780m
- Signed on July 11 with nine banks
- Confirmed and undrawn
- Strengthening of the Group's financial structure

# Application of IFRS 15 and IFRS 9 at January 1, 2018

## IFRS 15: full retrospective application

- Limited impact except for the backlog

2017 impact (12 months)

Main adjustments

Revenue - €61m (\*)  
EBITDA - €37m (\*)

Deferral of revenue and EBITDA in respect of customer-financed investments with effect from their commissioning

Backlog +€2.8bn

Mainly due to the deferral of revenue (see above) and revaluation taking into account the indexation provided for in contracts

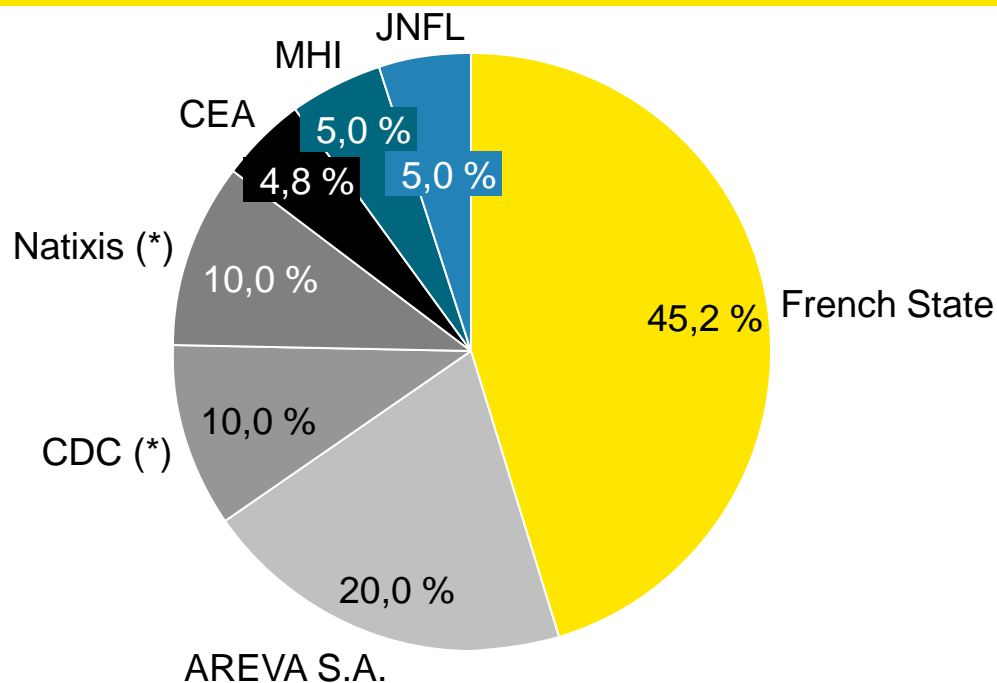
## IFRS 9: simple retrospective application

- Impacts on net financial income linked to the portfolio of earmarked assets

Increase in  
volatility of net  
financial income

Recognition of the change in fair value of the majority of the portfolio of earmarked assets in the income statement through net financial income

# Orano's shareholding structure



(\*) Each of CDC and Natixis is acting as fiduciary agent (fiduciaire) under a security and management trust agreement (contrat de fiducie à titre de sûreté et de gestion) to the benefit of certain lenders of AREVA SA.

# Orano's Board of Directors

● **Philippe VARIN**  
Chairman of the Board of Directors

● **Philippe KNOCHE**  
Chief Executive Officer

● **French State**  
represented by **Bruno VINCENT**

● **Maurice GOURDAULT-MONTAGNE**  
Director appointed by French State

● **François JACQ**  
Director appointed by French State

● **Reynold PREVOST de La BOUTETIERE**  
Director appointed by French State

● **Marie-Astrid RAVON-BERENGUER**  
Director appointed by French State

● **Marie-Solange TISSIER**  
Director appointed by French State

● **Claude IMAUVEN**  
Independent Director

● **Patrick PELATA**  
Independent Director

● **Marie-Hélène SARTORIUS**  
Independent Director

● **Catherine DEIANA**  
Director representing employees

● **Alexia DRAVET**  
Director representing employees

# Orano Management team

## Executive Committee

● **Philippe KNOCHE**  
Chief Executive Officer

● **Pascal AUBRET**  
Recycling BU

● **Guillaume DUREAU**  
Customers, Strategy,  
Innovation and R&D

**Dominique GUILLOTEAU**  
Safety & Health, Security and  
Environment

● **Jacques PEYTHIEU**  
Mining BU

● **Alain VANDERCROYSEN**  
Dismantling and Services BU

● **Stéphane LHOPITEAU**  
Finance and Legal

**Jean-Michel ROMARY**  
Dismantling and Waste  
Contracting Department

● **Antoine TROESCH**  
Chemistry-Enrichment BU

● **Frédéric DE AGOSTINI**  
Logistics BU

● **François NOGUÉ**  
Human Resources,  
Communications, Property  
and Work Environment

**Olivier THOUMYRE**  
Internal Audit

● **Patrick JACQ**  
Projects BU

● **Patrick  
CHAMPALAUNE**  
Performance and Supply  
Chain

**Florence ASCHER**  
Compliance

**Jean-Michel CHEREAU**  
Protection

● Permanent members



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Giving nuclear energy its full value