Press Release

Solid half-year margins

Improved 2019 outlook

Paris, July 31, 2019

Robust operating performance

- Revenue slightly down at €1,654 million (-4.4% compared with the first half of 2018 on a like-for-like basis) following an unfavorable annual sequencing of Mining deliveries in the first half and punctual 2018 effects in Back End
- Solid operating performance with an EBITDA margin of 24.4% boosted by the momentum of the cost reduction plan

Net income attributable to owners of the parent benefitting from return on earmarked assets

- Net income attributable to owners of the parent of +€259 million, translating the operating performance and the return on assets earmarked for end-of-lifecycle commitments in the first half of 2019
- Adjusted net income[1] attributable to owners of the parent of -€111 million, excluding earmarked assets
- These results are impacted by the cost of buying out partial bond issuance and by the share cost of foreign exchange hedging

Stable net cash flow and reinforced liquidity

- Net cash flow[2] of -€59 million, in line with the first half of 2018
- First Orano bond issuance in the amount of €750 million combined with a partial buyback of existing debt, enabling to improve debt profile

Improved financial outlook[3]

- 2019 revenue will stabilize or grow slightly (versus stable)
- Expected 2019 EBITDA margin between 21% and 24% (versus 20% to 23%)
- 2020 objectives confirmed

The Orano Board of Directors met yesterday and approved the financial statements closed on June 30, 2019. When asked about the results, Philippe Knoche, Chief Executive Officer, stated:

"Orano posted robust results for the first half of 2019 driven by the firm monitoring of our risks, in challenging markets, and, by the continued implementation of our performance plan. The favorable financial market conditions enabled the good valuation of our assets earmarked for end-of-lifecycle commitments and significantly contributed to the positive net income. The group demonstrated its ability to return to solid growth. To sustain this dynamic, it was able to obtain new financing in the markets. Thanks to the commitment of our teams and our customers' support, Orano is on a positive trend and has improved its outlook for the year."

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[1] See appendix 2
[2] Net cash flow from company operations. Definition in Appendix 2.
[3] Compared to the outlook released March 1, 2019

I. Analysis of Group key financial data

Note that the activity level of the different sectors and their contribution to the group's results can vary significantly from one half to the next given the variations in the backlog scheduling over the year.

Table of key financial data (*)

In millions of euros	H1 2019	H1 2018	*Change*
Revenue	1,654	1,713	*-€59m*
Operating income	179	163	*+€16m*
EBITDA (**)	404	429	*-€25m*
Adjusted net income attributable to owners of the parent	(111)	(17)	*-€93m*
Net income attributable to owners of the parent	259	(205)	*+€464m*
Operating cash flow	81	167	*-€86m*
Net cash flow from company operations	(59)	(73)	*+€13m*

In millions of euros	June 30, 2019	December 31, 2018	*Change*
Backlog	31,016	31,789	*-€773m*
(Net debt) / Net cash	(2,463)	(2,306)	*-€158m*

(*) Impact of IFRS 16 and change in the presentation of end-of-lifecycle operations in Appendix 3
(**) Impact of IFRS 16 in 2019: +€8 million in EBITDA, i.e. +0.5 EBITDA margin points

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

Backlog

Orano backlog reaches €31.0 billion as of June 30, 2019, slightly down compared with December 31, 2018 (€31.8 billion). The backlog represents close to nine years of revenue.

The order intake for the first half of 2019 was of €876 million, mainly from export contracts signed with Asian and American customers.

Revenue

Orano revenue landed at €1,654 million as of June 30, 2019 compared with €1,713 million at June 30, 2018 (-3.5%; -4.4% on a like-for-like basis), in line with the group's forecast in terms backlog scheduling with, notably, growth in Front End activity neutralized by unfavorable seasonality in the Mining business and punctual effects in the Back End.

The revenue share from international customers was of 41.4% over the first six months of 2019.

- **Mining** revenue totaled €492 million, down by -11.3% compared with June 30, 2018 (-12.3% like-for-like). This trend was due to a decline in volumes sold during the period, which had been expected given the backlog scheduling.

- **Front End** revenue totaled €369 million, an increase of +28.1% compared with the first half of 2018 (+27.4%, like-for-like). This growth was to a large extent due to the increase in SWU (enrichment) and conversion (chemicals) sold during the first half of 2019.

- **Back End** revenue, which includes Recycling, Logistics, Dismantling & Services and Projects totaled €783 million, down -9.2% compared with June 30, 2018 (-10.0% on a like-for-like basis). This decline is due to strong Recycling export activity in the first half of 2018 and, to a lesser extent, to a decrease in Logistics activity in the United States.

- **"Corporate and other operations"** revenue, consisting primarily of Orano Med, was €10 million compared with €8 million at June 30, 2018.

Operating income

Orano operating income was of €179 million, an increase by €16 million compared with June 30, 2018. This increase breaks down by business line as follows:

- A decrease of -€47 million in operating income from **Mining** operations, which totaled €179 million, compared with €226 million at June 30, 2018. The decline in operating income is linked to the decrease in business volume in the first half of 2019.

- An increase of €102 million in **Front End** operating income, which was of €44 million compared with -€58 million in the first half of 2018. On the one hand, operating income at June 30, 2019 benefited from an increase in SWU (enrichment) sales volumes and, on the other, from changes in provisions on contracts related to better prices and a more positive market outlook.

- A -€67 million decrease in the **Back End**, which recorded operating income of -€25 million, compared with €41 million on June 30, 2018. This change was due to strong Recycling export activity over the first half of 2018 and Logistics operating difficulties in the United States, partially offset by an increase in Recycling processing volumes and the stabilizing of production at the Melox plant over the first half of 2019.

- An increase of €28 million in the operating income of "**Corporate and other operations**". It was -€18 million at the end of June 2019 compared to -€46 million for the same period the previous year. This change reflects the change to the allocation model for services provided by corporate implemented at the end of 2018.

Adjusted net income attributable to owners of the parent

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

Adjusted net income attributable to owners of the parent was of -€111 million as of June 30, 2019, compared with -€17 million euros on June 30, 2018.

Starting with the above-mentioned operating income, adjusted net income attributable to owners of the parent is obtained by adding the following main components:

- **Adjusted net financial income**, which reached -€274 million on June 30, 2019, compared with -€155 million on June 30, 2018. This change is due to (i) the increase in the cost of debt related to the debt management transaction carried out in April 2019, and (ii) by the volatility of financial hedging instruments which was the result of an unfavorable interest rate differential EUR vs. USD over the two periods (premiums/discounts);

- The adjusted net tax expense is of -€5 million, compared with -€27 million in the first half of 2018.

Net income attributable to owners of the parent

Net income attributable to owners of the parent was €259 million as of June 30, 2019 compared with -€205 million for the same period in 2018. This change was primarily due to the return on assets earmarked for end-of-lifecycle commitments reflecting the performance of the financial markets in the first half of 2019.

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

In millions of euros	**June 30, 2019**	**June 30, 2018**	***Change***
Adjusted net income attributable to owners of the parent	**(111)**	**(17)**	***-€94m***
Unwinding expenses on end-of-lifecycle liabilities	150	143	*-€7m*
Impact of changes in end-of-lifecycle operation discount rates	(9)	(67)	*+€58m*
Return on earmarked assets	548	23	*+€525m*
Tax impact of adjustments	(19)	0	*-€19m*
Reported net income attributable to owners of the parent	**259**	**(205)**	***+€464m***

Operating cash flow

As of June 30**,** 2019, Orano's **EBITDA** was of €404 million, down -€25 million, compared with June 30, 2018 when it was of €429 million. This decline was primarily the result of (i) the decrease in Back End export business and the unfavorable delivery schedule, and (ii) the impact of the reduction in volumes sold due to backlog scheduling in Mining. These elements were partially offset by an increase in Front End SWU and conversion volumes. The commentary by activity is presented in Appendix 1.

The change in **the operating working capital** requirement was unfavorable (-€96 million over the first half of 2019 compared with -€54 million in 2018) given the (i) negative impact of the non-renewal of a significant prepayment received on a Back End export contract in the first half of 2018 partially offset by, (ii) a decrease in Front End inventories resulting from the accelerated transfer of the SWU and conversion backlog over the period, and (iii) a slowdown in the Mining activity storage policy.

Net investment was up slightly by €18 million to reach €223 million June 30, 2019 compared with €205 million June 30, 2018, due notably to the renovation of the La Hague plant.

Orano's **operating capital** reached €81 million in the first half of 2019, down -€86 million compared with 2018 on the same date, due to a slight decline in EBITDA and a more unfavorable change in WCR.

Net cash flow from company operations

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

- The cash cost of debt, at -€113 million, down slightly compared with the end of June 2018 (-148 million), related to the interest payment for an advance on a contract which was paid back in anticipation in the first half of 2018;
- The non-payment of dividends to the minority shareholders of the group in the first half of 2019 (compared to -€61 million at June 30, 2018);
- Cash consumption linked to end-of-lifecycle operations of -€1 million (compared with -€8 million at June 30, 2018);
- Tax disbursements of -€21 million compared to -€11 million in the first half of 2018;
- Other items, totaling -€6 million, mainly related to the impact of IFRS 16, versus -€11 million.

Net cash flow from company operations was of -€59 million in the first half of 2019, in line with the Group's forecasts, compared with -€73 million in the first half of the previous year.

Net financial debt and cash

In the first half of 2019, Orano issued bonds in the amount of €750 million over seven years with a 3.375% coupon (3.5% yield on issue) and partially redeemed the 2024 bond in the amount €250 million. The transactions strengthened the group's liquidity position, renewed its long-term financing and optimized its debt profile.

As of June 30, 2019, Orano had €2.4 billion, consisting of €1.6 billion in cash and cash equivalents, plus €0.8 billion in cash management financial assets. This cash position was strengthened by a confirmed and undrawn syndicated credit facility of €940 million, signed with 11 banking partners on March 11, 2019. The maturity of this facility was extended to July 2022 with the unanimous approval of the lenders.

In addition, as of June 30, 2019, Orano's short-term borrowings amounted to €943 million. It included, the repayment of a bond maturing in November 2019 in the total amount of €750 million, accrued interests not yet due for € 74 million and bank overdrafts and creditor current accounts for €63 million.

The group had total net borrowings of €2.5 billion at June 30, 2019, compared with €2.3 billion at December 31, 2018. This slight increase in net debt of €0.2 billion corresponds to the net cash flow from company activities for the period of -€59 million, including (i) cost of the partial buyback of existing 2024 bond as part of the refinancing operation for - €32 million, (ii) change in accrued interests not yet due for the total bond debt for -€19 million, and (iii) various changes in valuation or translation differences on debt instruments for -€45 million.

II. Events since the last publication

- The group won several contracts in the first half of 2019, notably in the following areas:
  - the supply of uranium concentrates for Asian customers;
  - transport services for rare earths;
  - services to nuclear sites in operation or being dismantled (EDF, CEA);
  - the dismantling of plants for an American electrical company (via the ADP joint venture 25% held by the group) subject to regulatory conditions precedent.

- On April 4, Orano Med announced €15 million in investment in France and the United States to accelerate the development of medical solutions using the radioactive properties of lead-212 (^{212} Pb) to fight cancer. These investments will increase the technical and production capacities of Orano Med's two main plants to meet preclinical and clinical development needs.

- The operating tests for the new Philippe Coste conversion plant were still in progress at the end of the reporting period, together with the first production runs. The plant is being started up gradually with the goal of reaching monthly production at the end of the year in line with the current installed capacity of 7,500 tons/year. The latter will be increased to 15,000 tons/year during 2020, with the goal of reaching monthly production in line with the new installed capacity in the first half of 2021.

- On October 10, 2018, MOX Services, 30% owned by Orano, was notified by the National Nuclear Security Administration (NNSA) of a request for termination for convenience of the contract for the construction of the Savannah River recycling plant (South Carolina). Mediation to resolve the dispute between MOX Services and the NNSA (National Nuclear Security Authority) and to review the terms of termination of the contract has been requested by the U.S. Department of Justice (DOJ). An agreement determining the amount of the payment that NNSA will make to MOX Services to settle the disputes and terminate the contract is being negotiated. The final closing agreement and the associated settlement are expected before the end of 2019. The group does not expect this agreement to have a negative impact.

III. Improved 2019 financial outlook

Revenue for the first half of 2019 was down compared with 2018, but in line with the backlog scheduling. During the second half of 2019, the delivery schedule of the Mining and Front End activities should enable the Group to stabilize its annual revenue, and potentially, trigger slight growth to reach its 2020 EBITDA margin objectives in 2019, while achieving a positive net cash flow from company operations by the end of the year.

Note that the outlook presented below does not include the proposed used fuel treatment and recycling plant in China which is currently under negotiation.

2019 outlook

The Group intends to achieve the following by 2019:

- Stable revenue or slight growth;
- EBITDA margin between 21% and 24%.

2020 outlook

The group confirmed its financial targets for 2020:

- Revenue growth trend;
- Consolidation of EBITDA margin between 21% and 24%.

In line with these 2019 and 2020 outlooks, Orano confirms its objective of generating sustainably positive net cash flow from company's operations.

Upcoming events

July 31, 2019 – 09:00 CEST Webcast and telephone conference

2019 Half-year results

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

French version:http://webcast.orano.group/20190731/resultats_semestriels_2019/startup.php

English version:http://webcast.orano.group/20190731/2019_first_half_results/startup.php

Note

Status of the 2019 half-year financial statements with regard to the audit:

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

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Appendix 1 – EBITDA by business segment

As of June 30, 2019**,** Orano's **EBITDA** was of €404 million, down -€25 million compared with June 30, 2018 when it was €429 million. This change breaks down as follows:

- A decrease of -€51 million in revenue from **Mining** operations (€271 million compared with €323 million on June 30, 2018) related to the decrease of volumes sold.
- An increase of €67 million in the **Front End** (€101 million compared with €33 million on June 30, 2018) due to a rise in the volume of SWU sales and a favorable contribution from cost reductions resulting from the implementation of the performance plan (Value 2020).
- A decrease of -€91 million in the **Back End** (€60 million compared with €151 million as of June 30, 2018) due to a decrease in export activity compared with the first half of 2018 and an increase in costs related to the rise in energy prices, offset by an increase in the volume of Recycling treatment sales.
- An increase of €50 million in "**Corporate and other operations**" (-€27 million compared with -€77 million on June 30, 2018) due to the change in the allocation model for services provided by Corporate and a drop in workforce restructuring expenses.

Appendix 2 – Definitions

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

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

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

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

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

- **Backlog:**

The backlog is determined on the basis of firm orders, excluding unconfirmed options, using the contractually set prices for the fixed component of the backlog and, for the variable component, the market prices based on the forecast price curve prepared and updated by Orano. Orders in hedged foreign currencies are valued at the rate hedged. Non-hedged orders are valued at the rate in effect on the last day of the period. With respect to contracts for which revenue is recognized in advance, the amount included in the backlog corresponds to the difference between the revenue of the contract at completion and the revenue already recognized for the contract, it therefore includes financial components, indexation hypothesis and contract price revision assumptions taken into account by the group to value the revenue at completion.

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

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

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

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

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

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

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

- **Net debt:**

Net debt is defined as the sum of all 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 constituted for margin calls on derivative instruments and collateral backed by structured financing and cash management financial assets.

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

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

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

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

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

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

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

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

Appendix 3 - Impact of IFRS 16 and change in the presentation of end-of-lifecycle operations

The impact on the Group of IFRS 16 “Lease contracts”, whose application is compulsory as of January 1, 2019, is not significant. Orano decided to use the modified retrospective transition method. As a result, the 2018 comparative data has not been restated for IFRS 16 effects.

Note that lease liabilities are not included in Orano’s definition of net debt.

In addition, comparative data as of June 30, 2018 was restated to take into account the change in the presentation of end-of-lifecycle operations in order to reflect the performance of plant dismantling activities separately from commercial activities.

Appendix 4 – Statement of income

In millions of euros	06/30/2019 (*)	06/30/2018 (**)	Chg H1 2019 / H1 2018
Revenue	**1,654**	**1,713**	***-€59m***
Cost of sales	(1,335)	(1,420)	*+€85m*
Gross margin	**318**	**293**	***+€25m***
Research and development expenses	(47)	(44)	*-€3m*
Marketing and sales expenses	(18)	(16)	*-€2m*
General and administrative expenses	(52)	(35)	*-€17m*
Other operating income and expenses	(22)	(34)	*+€12m*
Operating income	**179**	**163**	***+€16m***
Share in net income of joint ventures and associates	7	(4)	*+€11m*
Operating income after share in net income of joint ventures and associates	**186**	**159**	***+€27m***
Income from cash and cash equivalents	11	13	*-€2m*
Gross borrowing costs	(128)	(78)	*-€50m*
Net borrowing costs	**(117)**	**(65)**	***-€52m***
Other financial income and expenses	232	(277)	*+€509m*
Net financial income	**115**	**(342)**	***+€457m***
Income tax	(24)	(27)	*+€3m*
Net income from continuing operations	**277**	**(210)**	***+€487m***
Net income after tax from operations sold, discontinued or held for sale	0	0	*+€0m*
Net income for the period	**277**	**(210)**	***+€487m***
Including net income attributable to minority interests	18	(5)	*+€23m*
Net income attributable to owners of the parent	**259**	**(205)**	***+€464m***

(*) In application of IFRS 16 on January 1, 2019.

(**) The comparative figures as of June 30, 2018 have been restated to take into account the change in the presentation of end-of-lifecycle operations

Appendix 5 - Statement of consolidated cash flows

In millions of euros	06/30/2019(*)	06/30/2018	Chg H1 2019 / H1 2018
Cash flow from operations before interest and taxes	**414**	**366**	***+€48m***
Net interest and taxes paid	(82)	108	*+€26m*
Cash flow from operations after interest and tax	**332**	**259**	***+€73m***
Change in working capital requirement	(95)	(43)	*-€52m*
Net cash flow from operating activities	**237**	**215**	***+€22m***
Net cash flow from investing activities	**(589)**	**(591)**	***+€2m***
Net cash flow from financing activities	**420**	**351**	***+€69m***
Impact of change in classification of non-monetary funds	(460)	0	*-€460m*
Impact of foreign exchange movements	2	(2)	*+€4m*
Increase (decrease) in net cash	**(390)**	**(26)**	***-€364m***
Net cash at the beginning of the period	1,953	1,877	*+€76m*
Net cash at the end of the period	**1,563**	**1,850**	***-€287m***
Short-term bank facilities and current accounts in credit	63	72	*-€9m*
Cash and cash equivalents	**1,626**	**1,922**	***-€296m***
Short-term borrowings	943	300	*+€643m*
Available net cash	**683**	**1,622**	***-€939m***

(*) In application of IFRS 16 on January 1, 2019.

Appendix 6 – Condensed balance sheet

In millions of euros	**June 30, 2019 (*)**	**December 31, 2018**
Net goodwill	1,235	1,229
Property, plant and equipment (PP&E) and intangible assets	9,507	9,398
Operating working capital requirement – assets	2,934	2,680
Net cash	1,626	2,027
Deferred tax assets	117	104
End-of-lifecycle assets	7,271	6,832
Other assets	1 056	270
Total assets	**23,747**	**22,540**
Equity and minority interests	986	723
Employee benefits	1,131	1,088
Provisions for end-of-lifecycle operations	7,975	7,881
Other provisions	2,287	2,212
Operating working capital requirement – liabilities	4,828	4,640
Borrowings	4,906	4,416
Other liabilities	1,633	1,582
Total liabilities	**23,747**	**22,540**

(*) In application of IFRS 16 on January 1, 2019.

Appendix 7 – Orano key figures

In millions of euros	06/30/2019 (*)	06/30/2018	*Chg H1 2019 / H1 2018*
Revenue	**1,654**	**1,713**	***-€59m***
of which:			
Mining	492	555	*-€63m*
Front End	369	288	*+€81m*
Back End	783	862	*-€79m*
Corporate and other operations(**)	10	8	*+€2m*
EBITDA	**404**	**429**	***-€25m***
of which:			
Mining	271	323	*-€51m*
Front End	101	33	*+€67m*
Back End	60	151	*-€91m*
Corporate and other operations(**)	(27)	(77)	*+€50m*
Operating income	**179**	**163**	***+€16m***
of which:			
Mining	179	226	*-€47m*
Front End	44	(58)	*+€102m*
Back End	(25)	41	*-€67m*
Corporate and other operations(**)	(18)	(46)	*+€28m*
Operating cash flow	**81**	**167**	***-€86m***
of which:			
Mining	173	184	*-€11m*
Front End	119	5	*+€114m*
Back End	(156)	126	*-€282m*
Corporate and other operations(**)	54	(148)	*+€93m*

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

In millions of euros	06/30/2019(*)	06/30/2018	*Chg H1 2019 / H1 2018 %*	*Chg H1 2019 / H1 2018 % LFL*
Revenue	**1,654**	**1,713**	***-3.5%***	***-4.4%***
of which:				
Mining	492	555	*-11.3%*	*-12.3%*
Front End	369	288	*+28.0%*	*-27.4%*
Back End	783	862	*-9.2%*	*-10.0%*
Corporate and other operations(**)	10	8	*+26.2%*	*-21.2%*

(*) In application of IFRS 16 on January 1, 2019.

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

Appendix 8 – Sensitivity

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

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

In millions of euros over the periods in question	**Period 2020 - 2022**	**Period 2023 - 2028**	
Change in US dollar/euro parity: +/- 10 cents	**+39 -65**	**+220 -212**	Sensitivity cushioned by exchange rate hedging in place
Changes in the price of one pound of uranium: +/- 5 USD / lb	**+112 -101**	**+469 -470**	Sensitivity cushioned by the backlog
Change in the price of one unit of enrichment service: +/- 5 USD/SWU	**+/-7**	**+/-42**	Sensitivity cushioned by the backlog

These sensitivities were assessed independently from one another.

Appendix 9 – Effects of adjustments on adjusted net income components

In millions of euros	**06/30/2019**	**06/30/2018**	**Change**
Operating Income	179	163	*+€16m*
Share in net income of joint ventures and associates	7	(4)	*+ €11m*
Adjusted net financial income	(274)	(155)	*+€120m*
Adjusted taxes	(5)	(27)	*+€22m*
Net income attributable to non-controlling interests	18	(5)	*+ €23m*
Adjusted net income attributable to owners of the parent	**(111)**	**(17)**	***-€94m***

pre-tax adjusted net income detail			
Financial Income	**115**	**(342)**	***+€457m***
Change in fair value through profit or loss of earmarked assets	377	(82)	*+€459m*
Income from receivables and accretion gains on hedging assets	166	92	*+€74m*
Impact of changes in discount rates and inflation rates	5	12	*-€7m*
Impact of revisions of payment schedules	(9)	(67)	*+€58m*
Unwinding expenses on end-of-lifecycle operations	(150)	(143)	*-€7m*
Effect of Financial Income	***389***	***(187)***	***+€576m***
Adjusted net financial income	**(274)**	**(155)**	***-€120m***

Taxes	(24)	(27)	*+€3m*
Effect of tax adjustments	*(19)*	*0*	*-€19m*
Adjusted taxes	**(5)**	**(27)**	***+€22m***