



# ENIM

## 2017 ANNUAL RESULTS

MARCH 22, 2018



ENIM

# AGENDA

## INTRODUCTION

Nicolas Dmitrieff – Chairman

## 2017 FINANCIAL HIGHLIGHTS

Christophe Favrelle, Chief Financial Officer, Member of the Management Board

## REVIEW OF 2017 BUSINESS AND STRATEGY

### ▲ Innovation & Systems

Philippe Demigné, Innovation & Systems Operating Segment CEO, Member of the Management Board

### ▲ Environment & Energy

Stanislas Ancel, Environment & Energy Operating Segment CEO, Member of the Management Board

## CONCLUSION

Nicolas Dmitrieff – Chairman

**INTRODUCTION**  
NICOLAS DMITRIEFF  
CHAIRMAN, MANAGEMENT  
BOARD

# INTRODUCTION



Leader in the Group's core business for **sovereignty issues**



Renowned for **cutting edge expertise** and **proprietary technology**



A **diversified portfolio** to balance business cycle peaks and troughs



Increasingly **international**



A Group **talent development program**

# 2017 FINANCIAL HIGHLIGHTS

CHRISTOPHE FAVRELLE

CHIEF FINANCIAL OFFICER

# KEY FIGURES

	2016	2017
<b>Order intake</b>	839.7	543.4
<b>Revenues</b>	539.9	634.9
<b>Recurring operating income</b>	22.2	19.7
<i>Other non-recurring income (expense)</i>	(3.1)	2.4
<b>Operating income</b>	19.1	22.1
<i>Net income from discontinued operations</i>	34.1	-
<i>Net income from continuing operations</i>	14.0	19.7
<b>Net income</b> (attributable to owners of the parent)	49.7	22.0
<b>Cash, net of debt</b>	157.7	92.1

# CHANGE IN SCOPE

## Acquisition of the following companies in the Innovation & Systems operating segment:

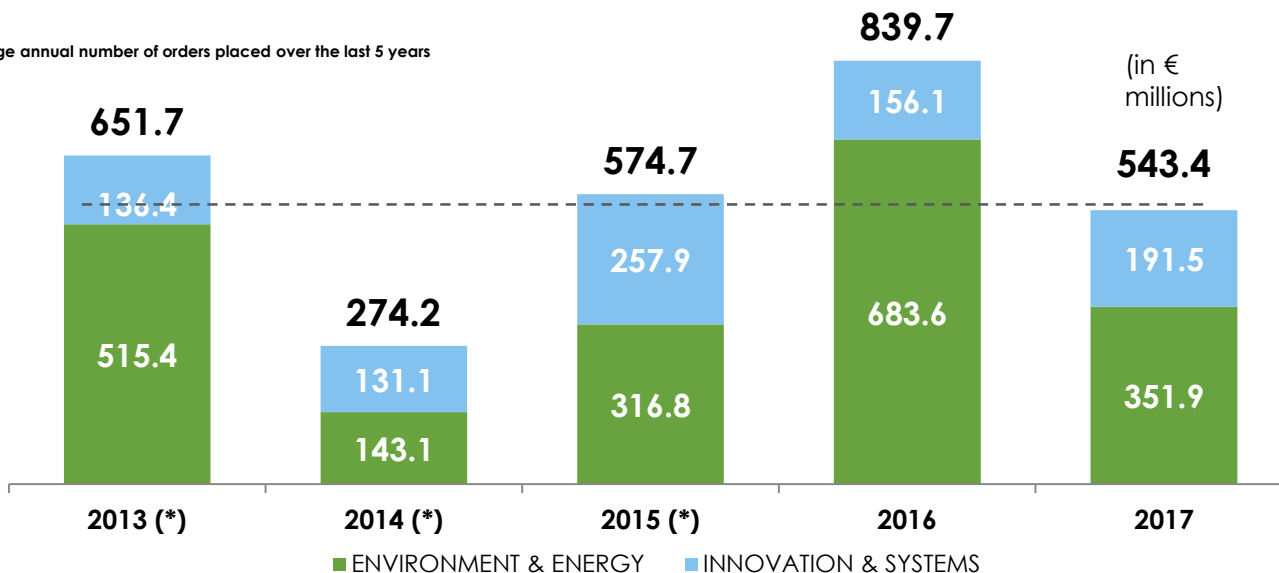
- ▲ **Exensor (July 31, 2017):** world leader in the provision of sensors and security networks for vulnerable infrastructure and regions
- ▲ **Winlight (December 29, 2017):** French company specialized in the design and manufacturing of high-performance optical components

## Divestiture of service business by Bertin Pharma:

- ▲ pharmaceutical development (sites at Artigues-près-Bordeaux and Martillac) to Amatisgroup
- ▲ pre-clinical and clinical trials and research to Oncodesign

# GROUP ORDER INTAKE

--- Average annual number of orders placed over the last 5 years



**Order intake in 2017:  
Equivalent to average over the last five years**

(\*)restated to reflect the disposal of Babcock Wanson subsidiaries in 2016.



# ORDER INTAKE ENVIRONMENT

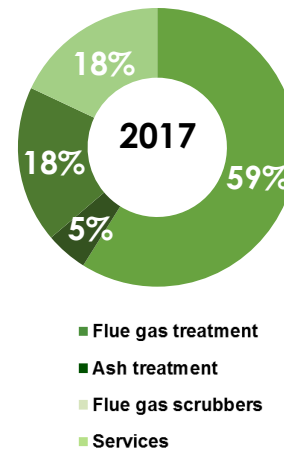
(in € millions)	2016	2017	Average over the last 5 years
Turnkey plants (EPC)	411.5	145.5	222.0
Technologies and systems (WETS)	88.9	41.2	47.0
Operations (WEMS)	79.0	136.5	87.6
- operations	64.5	68.5	
- services/repairs	14.5	68.0	
Solar	57.5	0.0	11.5
CNIM Babcock Services (CBS)	46.7	28.7	34.1
<b>TOTAL</b>	<b>683.6</b>	<b>351.9</b>	<b>402.2</b>

## ▲ Turnkey plants for energy recovery from household waste or biomass

Avonmouth, Belgrade (Early Design Works Phase), Troyes (Early Design Works Phase), various contracts amendments

At December 31, 2017, CNIM was the "Preferred Bidder" for the following projects, which were not recorded as order intake for the financial year as a significant volume of business is expected as of 2019: Kuwait, Sharjah, Earls Gate (UK), Belgrade (Works Phase) and Troyes

## ▲ WETS



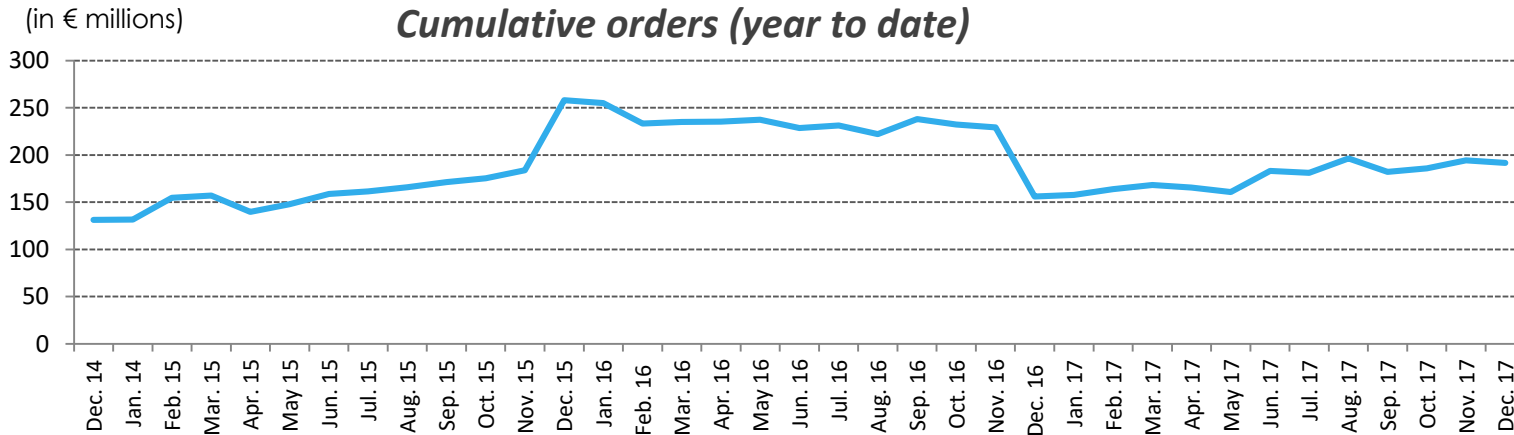
## ▲ WEMS

Thiverval (renovation and optimization of the waste-to-energy production plant)

# ORDER INTAKE INNOVATION & SYSTEMS

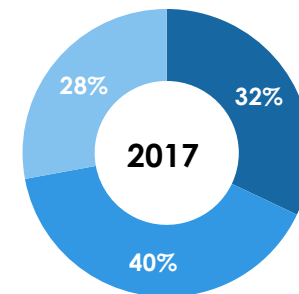
(in € millions)	2016	2017
Industrial Systems Division	67.8	96.9
Bertin	88.3	94.6
<b>TOTAL</b>	<b>156.1</b>	<b>191.5</b>

**22.7% increase in order intake for 2017**  
*Cumulative orders (year to date)*



# ORDER INTAKE INDUSTRIAL SYSTEMS DIVISION

(in € millions)	2016	2017	Change (2017/2016)
Defense & Maritime	18.8	31.1	65.6%
Nuclear power, state-of-the-art scientific instruments, thermal engineering	32.1	28.8	20.8%
Other industries	16.9	27.0	59.6%
	<b>67.8</b>	<b>96.9</b>	<b>42.9%</b>



■ Defense & maritime

■ Nuclear power, state-of-the-art scientific instruments, thermal engineering

■ Other industries

**42.9% increase in order intake**

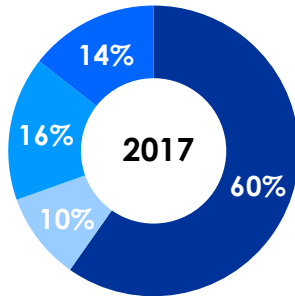
**75% of order intake:**

**2014: 4 contracts**

**2017: 14 contracts**

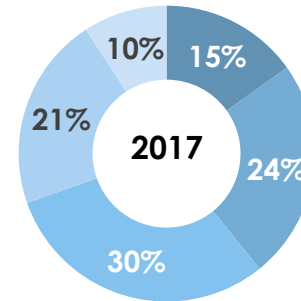
# ORDER INTAKE BERTIN

(in € millions)	2016	2017
Systems & Instrumentation	53.2	56.5
Information Technology	6.0	9.3
Consulting & Engineering	15.2	15.2
Pharma & Biotech	14.0	13.6
<b>TOTAL</b>	<b>88.3</b>	<b>94.6</b>



- Systems & Instrumentation
- Information Technology
- Consulting & Engineering
- Pharma & Biotech

## ▲ Systems and Instrumentation by business activity



- Life Sciences
- Defense & Security
- Nuclear/Radiation Protection
- Space & Big Sciences
- Medical Waste

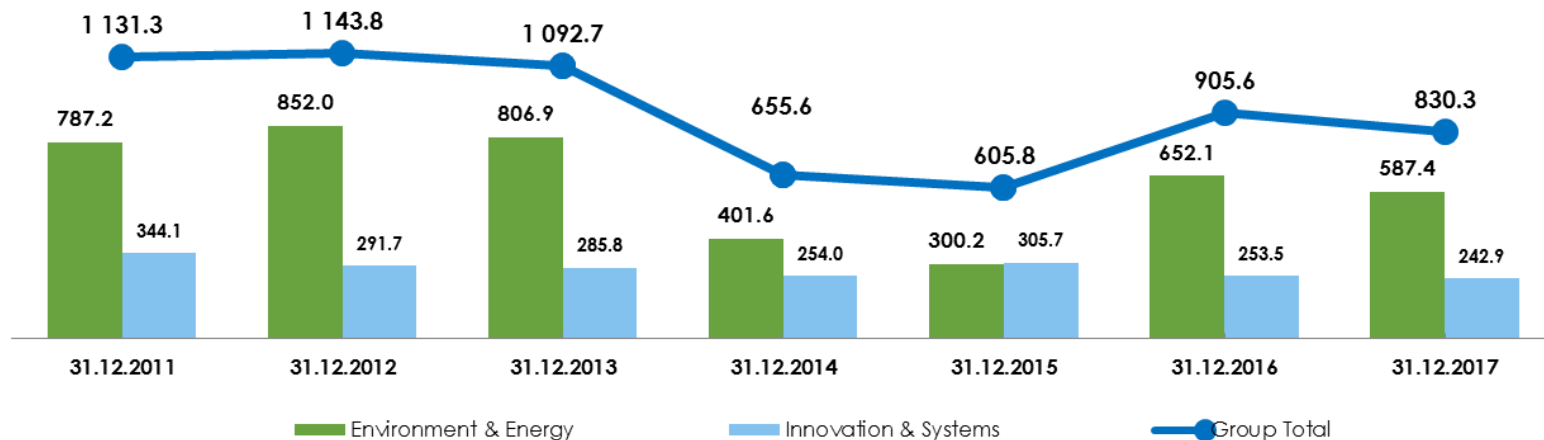
**Increase in order intake on a like-for-like basis: +7.8%**

# GROUP BACKLOG

	Backlog at Jan. 1, 2016 (adjusted)	Backlog at Jan. 1, 2017	Actuals Financial Year 2017			Backlog at Dec. 31, 2017	No. of months' revenues	Ratio
			Effect of change in consolidation scope (*)	Order intake	Revenues			Order intake/months' revenues
<b>ENVIRONMENT &amp; ENERGY</b>	<b>300.2</b>	<b>652.2</b>		<b>351.9</b>	<b>416.7</b>	<b>587.4</b>	<b>16.9</b>	<b>0.84</b>
<b>INNOVATION &amp; SYSTEMS</b>	<b>305.6</b>	<b>253.4</b>	<b>16.3</b>	<b>191.5</b>	<b>218.3</b>	<b>242.9</b>	<b>13.4</b>	<b>0.88</b>
<b>CNIM Group</b>	<b>605.8</b>	<b>905.6</b>	<b>16.3</b>	<b>543.4</b>	<b>634.9</b>	<b>830.3</b>	<b>15.7</b>	<b>0.86</b>

(\*)Sale of BT Pharma's business (-€4.9 million), acquisition of Exensor Group (+€12 million) and Winlight Group (+€9.2 million).

## Changes in backlog



# IFRS 15

## IMPACT OF THE FIRST-TIME ADOPTION OF IFRS 15 ON REVENUE RECOGNITION

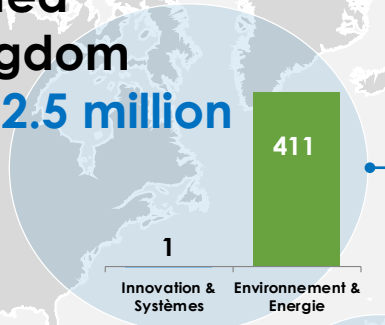
- **Equity at December 31, 2016:** approximately +€1 million, net of deferred tax, for a total €179 million
- **Backlog at December 31, 2017:** €108.2 million revenue generated by waste-to-energy production plants
- **Order intake 2017:** €22 million deducted from €559.8 million

**Revenue generated by waste treatment plants  
at December 31, 2017: €108.2 million**

# BACKLOG OF €830.3 MILLION AT DECEMBER 31, 2017

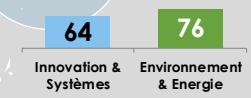
**United Kingdom**

**€412.5 million**



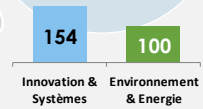
**Other countries in the EEC**

**€139.5 million**



**France**

**€254 million**



**Rest of the World**

**€24.3 million**

# REVENUE BY GEOGRAPHICAL AREA

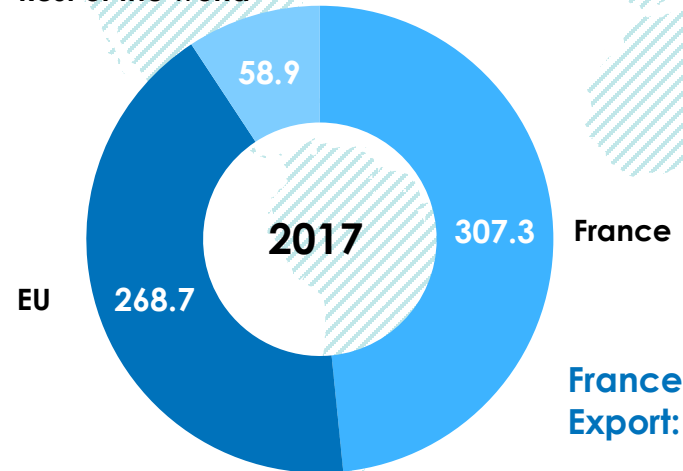
	2016	2017
<b>CNIM Group</b>	<b>539.9</b>	<b>634.9</b>

+17.6%

## Breakdown of revenues by geographical area(\*)

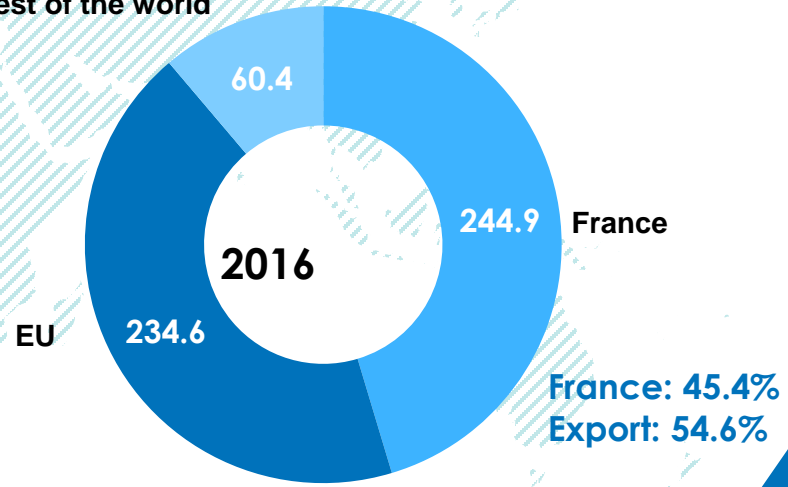
(in € millions)

Rest of the world



France: 48.4%  
Export: 51.6%

Rest of the world



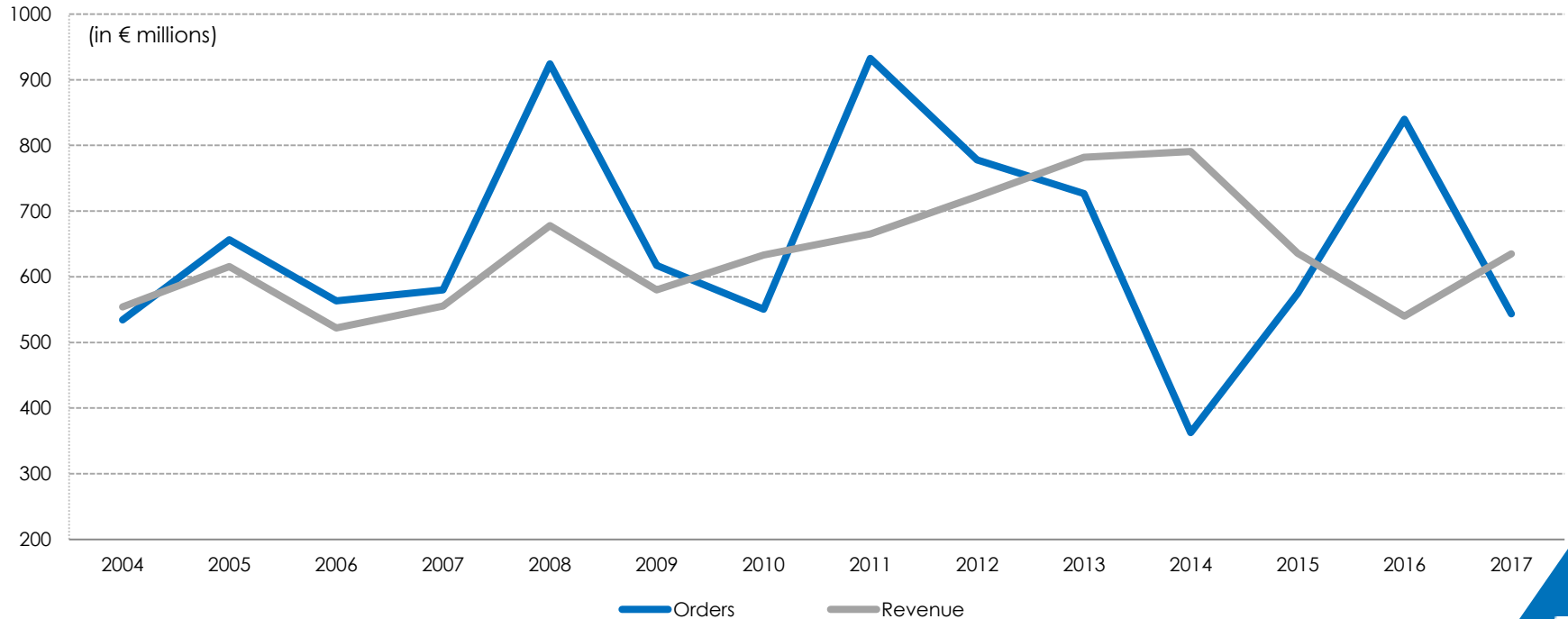
France: 45.4%  
Export: 54.6%

(\*) by destination



# REVENUES

**17.6% increase in revenues from 2016 and 46.1% increase in order intake between 2015 and 2016**



# REVENUES - OPERATING INCOME - EBITDA CNIM GROUP

	2016	2017
(in € millions)		
<b>Revenues</b>	<b>539.9</b>	<b>634.9</b>
<b>Recurring operating income</b>	<b>22.2</b>	<b>19.7</b>
<i>Recurring operating income margin</i>	<i>4.1%</i>	<i>3.1%</i>
Non-recurring income (expense)	(3.1)	2.4
<b>Operating income</b>	<b>19.1</b>	<b>22.1</b>
<i>Recurring operating income margin</i>	<i>3.5%</i>	<i>3.5%</i>
- amortization, depreciation, other items	16.4	16.7
- impairment of Information Technology CGU	3.0	
- sale of Bertin Pharma business services		(2.9)
- Exensor related amortization (*)		2.4
<b>EBITDA</b>	<b>38.5</b>	<b>38.4</b>
<i>EBITDA margin</i>	<i>7.1%</i>	<i>6.0%</i>

(\*) Amortization based on amount capitalized at acquisition date under purchase price accounting

**15.7% increase in  
operating income,  
including non-recurring  
items**

**EBITDA stable**

# REVENUES - OPERATING INCOME - EBITDA ENVIRONMENT

	2016	2017
<b>Revenues</b>	<b>331.6</b>	<b>416.7</b>
<b>Recurring operating income</b>	<b>12.9</b>	<b>9.3</b>
<i>Recurring operating income margin</i>	<i>3.9%</i>	<i>2.2%</i>
Non-recurring income (expense)	(0.1)	(0.0)
<b>Operating income</b>	<b>12.8</b>	<b>9.3</b>
<i>Operating income margin</i>	<i>3.9%</i>	<i>2.2%</i>
- amortization & depreciation, other items	4.0	5.0
<b>EBITDA</b>	<b>16.8</b>	<b>14.2</b>
<i>EBITDA margin</i>	<i>5.1%</i>	<i>3.4%</i>

+25.7%

**EBITDA margin lower on contracts in progress**

## Continued growth

- ▲ in new geographical areas: Middle East, Asia, USA
- ▲ in new business activities: extraction of metals from Incinerator Bottom Ash, Marine Scrubbers for ship engines

# REVENUES - OPERATING INCOME - EBITDA INNOVATION & SYSTEMS

	2016	2017
<b>Revenues</b>	<b>208.3</b>	<b>218.3</b>
<b>Recurring operating income</b>	<b>9.3</b>	<b>10.5</b>
<i>Recurring operating income margin</i>	4.5%	4.8%
Non-recurring income (expense)	(3.0)	2.4
<b>Operating income</b>	<b>6.3</b>	<b>12.9</b>
<i>Operating income margin</i>	3.0%	5.9%
- amortization & depreciation, other items	12.4	11.8
- impairment of Information Technology CGU	3.0	
- sale of Bertin Pharma		(2.9)
- Exensor related amortization (*)		2.4
<b>EBITDA</b>	<b>21.7</b>	<b>24.2</b>
<i>EBITDA margin</i>	10.4%	11.1%

+4.8%

**Increase in operating margin:**

## Industrial Systems Division

- ▲ 7% increase in revenues
- ▲ Positive financial results from entities outside of France (China, Singapore)

## Bertin

- ▲ Growth in the 'Consulting' and 'Information Technology' business

## Non-recurring income and expense:

- ▲ 2016: Bertin IT goodwill impairment
- ▲ 2017: capital gain related to the disposal of Bertin Pharma business goodwill

(\*) Amortization at the acquisition date under purchase price accounting

# INNOVATION & SYSTEMS: IMPACT OF SALES AND ACQUISITIONS

## Acquisition of Exensor (July 31, 2017) and Winlight (December 29, 2017)

Impact on :	Operations			Income		Cash and cash equivalents	
	Backlog at Jan. 1 (*)	Order intake (**)	Revenues (**)	Operating revenue	Ebitda	Acquisition cost	Cash and cash equivalents, net of debt at Jan. 1
(in € millions)							
Exensor	12.0	1.3	9.0	(0.6)	2.3	(28.8)	1.3
Winlight	9.2	-	-			(12.6)	4.4
<b>Sub-total</b>	<b>21.2</b>	<b>1.3</b>	<b>9.0</b>	<b>(0.6)</b>	<b>2.3</b>	<b>(41.4)</b>	<b>5.7</b>

(\*) at first consolidation date

(\*\*) since first consolidation date

### Disposal of BT Pharma business goodwill

- Capital gain: +€2.9 million
- impact on cash in 2017: +€7.6 million
- impact on cash in 2018: +€1.5 million

# NET INCOME

(in € millions)	2015 (adjusted)	2016	2017
<b>Revenues</b>	<b>635.9</b>	<b>539.9</b>	<b>634.9</b>
<b>Recurring operating income</b>	<b>42.1-6.6%</b>	<b>22.2-4.1%</b>	<b>19.7-3.1%</b>
Goodwill impairment (*)		(3.0)	
Non-recurring income (expense)	(0.6)	(0.1)	2.4
<b>Operating income</b>		<b>19.1-3.5%</b>	<b>22.1-3.5%</b>
<b>Ebitda</b>	<b>57.2-9.0%</b>	<b>38.5-7.1%</b>	<b>38.4-6.0%</b>
Share of net income from equity-accounted associates	3.3	2.6	<b>3.6</b>
<b>Operating income after share of net income from equity-accounted associates</b>	<b>3.3</b>	<b>21.7</b>	
Net financial income (expense)	2.7	(0.6)	<b>(1.5)</b>
Income tax	(16.1)	(7.1)	<b>(4.5)</b>
Net income from discontinued operations		34.1	
<b>Net income</b>			
<b>Net income from continuing operations</b>	<b>31.3-4.9%</b>	<b>14.0-2.6%</b>	<b>19.7-3.1%</b>
Net income from discontinued operations	<b>3.7</b>	<b>34.1</b>	
<b>NET INCOME</b>	<b>35.0-5.5%</b>	<b>48.1-8.9%</b>	<b>19.7-3.1%</b>
Non-controlling interests	(0.8)	(1.6)	(2.3)
<b>NET INCOME attributable to owners of the parent</b>	<b>35.8-5.6%</b>	<b>49.7-9.2%</b>	<b>22.0-3.5%</b>

(\*) Berlin (Information Technology CGU)

# TAX

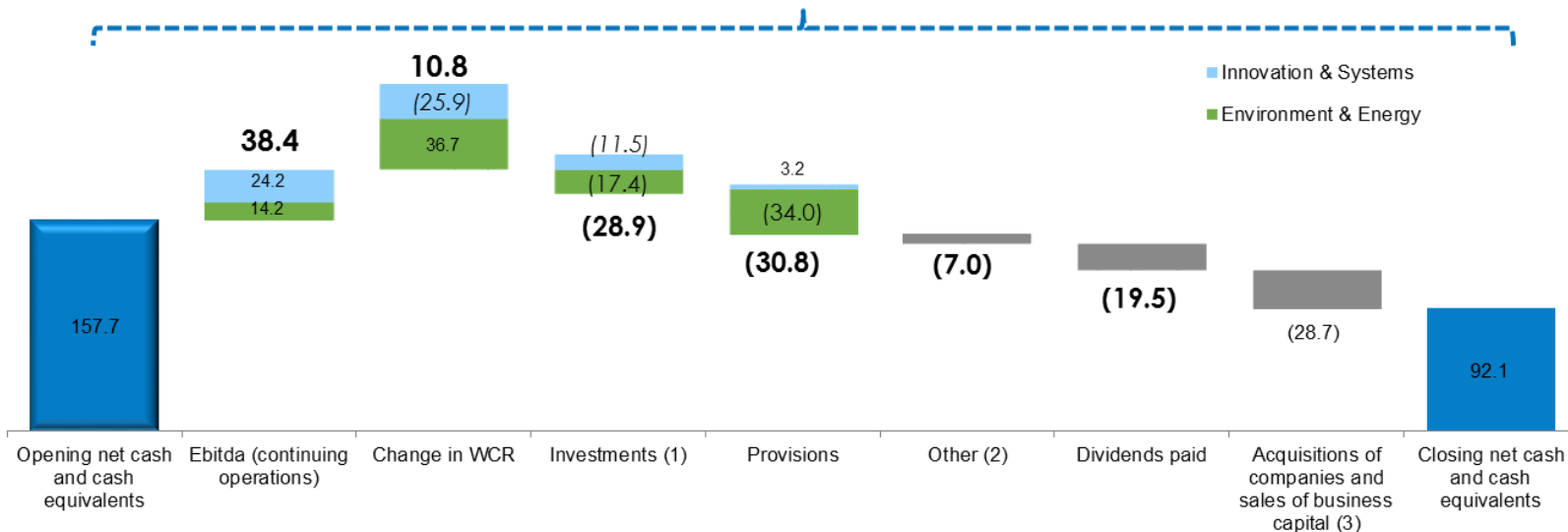
	2016	2017
Pretax income	21.0	24.2
Net income from equity-accounted associates	2.6	3.6
<b>Pretax income and share of net income from equity-accounted associates</b>	<b>18.5</b>	<b>20.6</b>
<b>Income tax expense</b>	<b>(7.1)</b>	<b>(4.5)</b>
<b>Effective income tax rate (excluding share of net income from equity-accounted associates)</b>	<b>38.3%</b>	<b>21.9%</b>
- O/w French value-added business tax (CVAE)	(2.5)	(2.2)
- O/w impact of 3% tax on dividends paid	(0.5)	4.9

- ▲ Invalidation of the 3% tax on dividends (for 2013–2017) by the Constitutional Council. A claim had been made for the reimbursement of €4.9 million.

# CASH AND CASH EQUIVALENTS

Net increase in cash and cash equivalents = -€65.6 million

(in € millions)



Dec. 31,  
2016

Cash flow net of debt at December 31, 2017: +€92.1 million

Dec. 31,  
2017

- (1) Including change in agreed loans and advances
- (2) Foreign currency translation adjustments / Purchase of treasury shares / Taxes paid / Dividends received
- (3) O/w:

**Acquisitions:**

- -€27.5 million for Exensor, o/w €1.2 million in cash flows acquired
- -€8.2 million for Winlight, o/w €4.4 million in cash flows acquired

**Sale of business:**

- BT Pharma service activities for +€7.6 million



# CAPITAL EXPENDITURE

	2016	2017	Environment & Energy	Innovation & Systems
(in € millions)				
<b>Intangible assets</b>	6.8	6.9	1.7	5.2
			0.6	4.1
			1.1	1.1
<b>Property, Plant and Equipment</b>	14.3	17.2	12.0	5.2
			6.6	1.2
			4.4	2.9
			1.0	1.1
<b>CNIM GROUP TOTAL</b>	21.1	24.1	13.7	10.4

## 2017: Industrial investments and metal extraction facilities (Environment & Energy)

# CASH FLOW AND DEBT AT DECEMBER 31, 2017

	Dec. 31, 2016	Dec. 31, 2017
Cash equivalents	20.7	39.8
Cash	163.0	106.8
<b>Total cash and cash equivalents</b>	<b>183.7</b>	<b>146.6</b>
Non-current financial liabilities	(15.9)	(42.6)
Current financial liabilities	(10.1)	(11.9)
<b>Cash and cash equivalents, net of debt</b>	<b>157.7</b>	<b>92.1</b>

**Exensor Acquisition related financing: €30 million**

**Theoretical liquid assets (\*)**  
**December 31, 2016: €303.7 million**  
**December 31, 2017: €266.6 million**

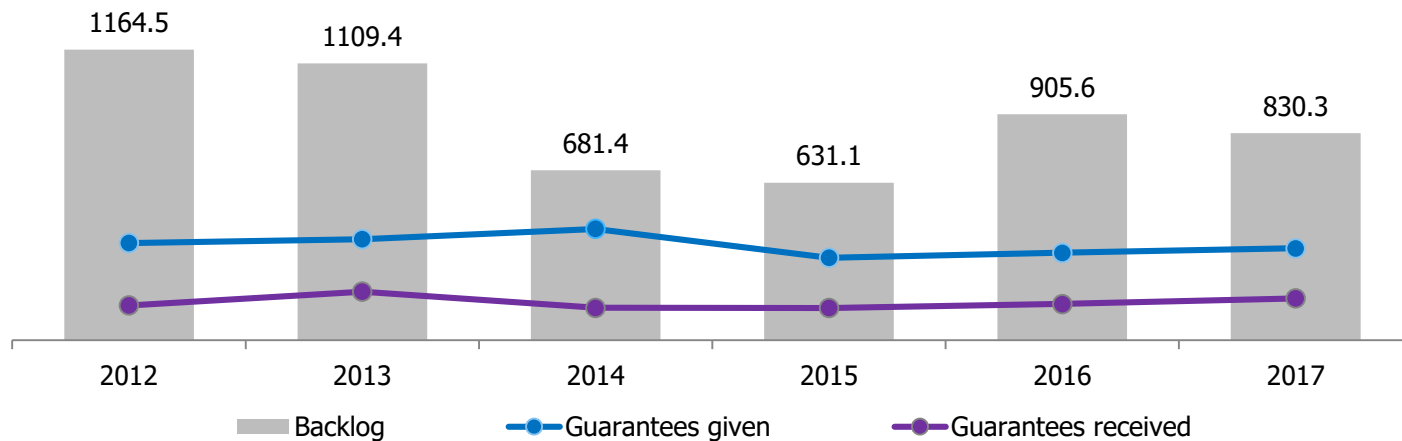
	Dec. 31, 2016	Dec. 31, 2017		
		Total	Non-current financial liabilities	Current financial liabilities
Medium-term credit	8.3	34.9	2.4	37.3
Refundable advances	5.8	5.0	0.9	5.9
Sales of receivables	8.7	1.9	6.7	8.6
Adjustments to finance leases, other	0.8	0.8	0.1	0.9
<b>Sub-total</b>	<b>23.6</b>	<b>42.6</b>	<b>10.1</b>	<b>52.7</b>
Bank overdrafts and short-term bank loans	2.4		1.9	1.9
<b>TOTAL</b>	<b>26.0</b>	<b>42.6</b>	<b>11.9</b>	<b>54.5</b>

(\*) Gross cash plus undrawn portion of €120 million medium-term credit facility

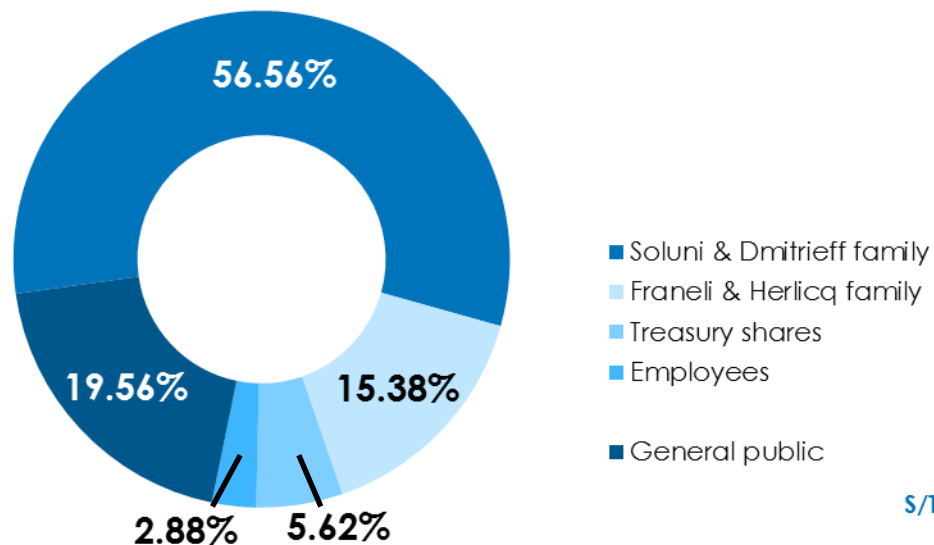
# GUARANTEES

(in € millions)

	2012	2013	2014	2015	2016	2017
<b>Backlog</b>	<b>1164.5</b>	<b>1109.4</b>	<b>681.4</b>	<b>631.1</b>	<b>905.6</b>	<b>830.3</b>
<b>Guarantees received</b>	<b>139.3</b>	<b>194.7</b>	<b>129.4</b>	<b>129.2</b>	<b>145.4</b>	<b>167.5</b>
<b>Guarantees given</b>	<b>389.7</b>	<b>404.9</b>	<b>445.3</b>	<b>330.4</b>	<b>350.1</b>	<b>368.1</b>



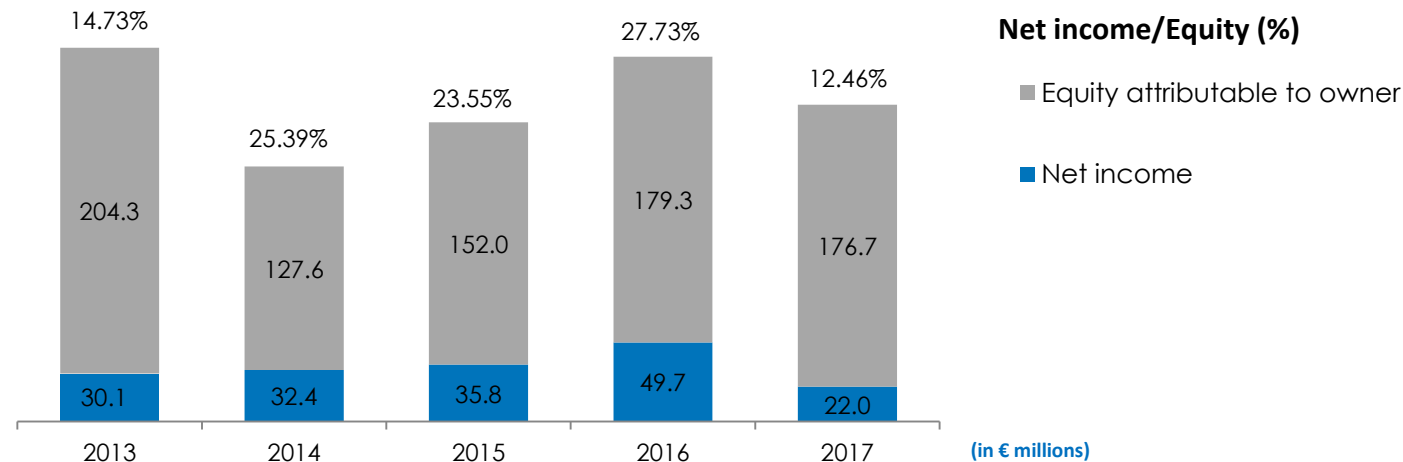
# SHAREHOLDING STRUCTURE AT DECEMBER 31, 2017



	% Shares		% Exercisable voting rights	
	Dec. 31, 2016	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2017
	56.56%	56.56%	64.61%	64.98%
	15.38%	15.38%	17.57%	17.67%
	5.02%	5.62%	-	-
	3.02%	2.88%	3.43%	3.28%
S/T	79.98%	80.44%	85.61%	85.94%
	20.02%	19.56%	14.39%	14.06%

In 2017, CNIM purchased 15,000 shares, increasing the number of treasury shares.

# NET INCOME / EQUITY

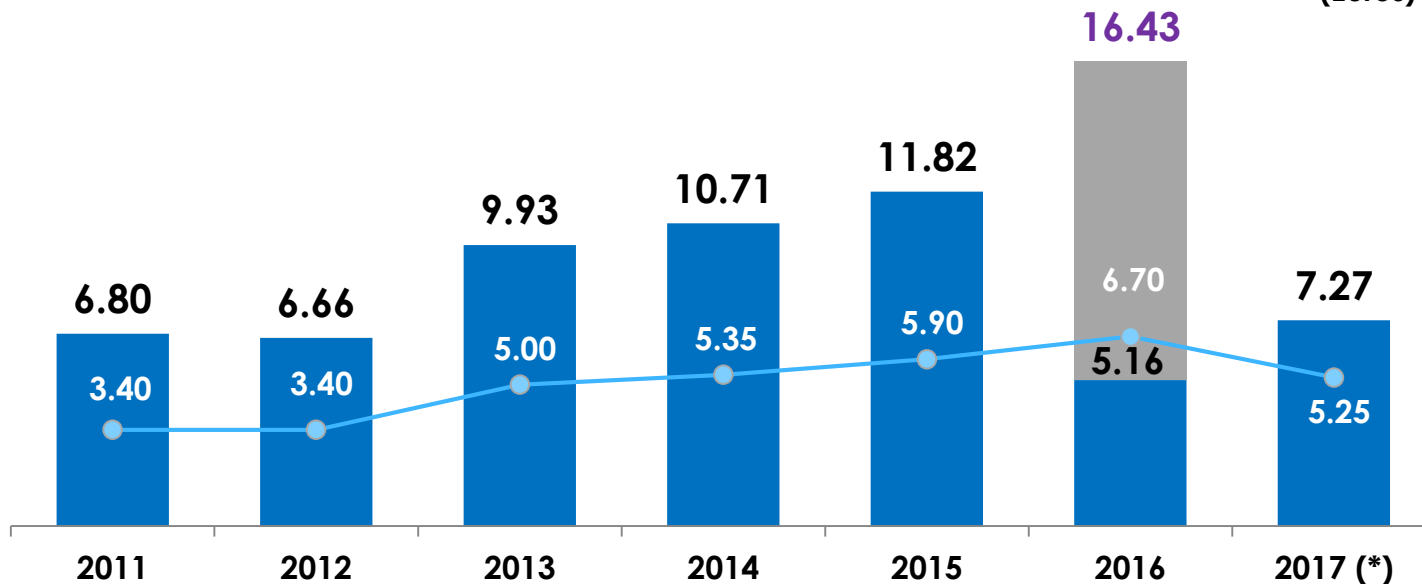


Note: a special dividend (€88.4 million - excluding treasury shares) was paid in 2014

<b>At Dec. 31, 2016</b>	<b>179.3</b>
Net income for the year	22.0
Dividend payment	(19.3)
Other: foreign currency translation adjustments, change in consolidation scope	(5.3)
<b>At Dec. 31, 2017</b>	<b>176.7</b>

# DIVIDENDS / EARNINGS PER SHARE

(Euros)



■ Net income per share (continuing operations)
 —●— Dividends per share
 ■ Net earnings per share (Group total)

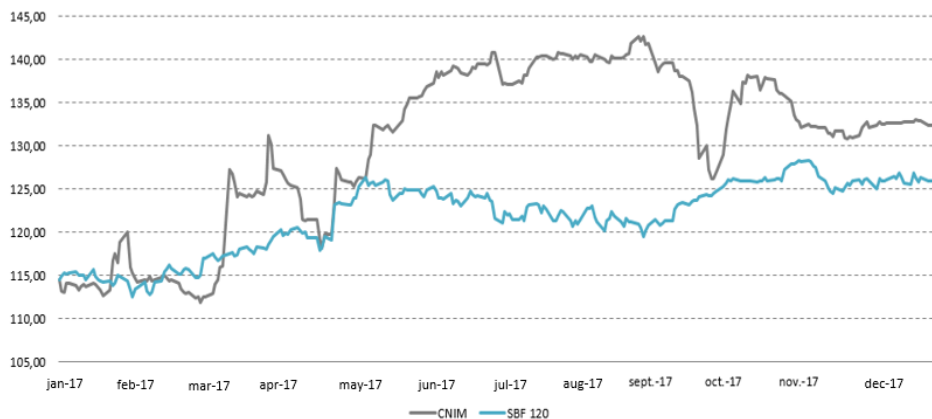
Earnings per share attributable to owners of the parent (including treasury shares):

6.90      6.84      10.20      11.10      12.20      17.30      7.70

(\*) Divided proposed at the Shareholders' Meeting of May 24, 2018

# SHARE PRICE

Change in CNIM Share Price and SBF 120 Index



## Share price:

At Dec. 31, 2016	€114.42
At Dec. 29, 2017	€134.52

## High and low in 2017:

High: Aug. 28, 2017	€150.05
Low: Feb. 28, 2017	€111.26

## Year-on-year change (CNIM share price compared with major indices)

CNIM	+15.87%
SBF 120	+9.44%
CAC 40	+9.26%

# AGENDA

**FY 2017 Press Release on Annual Results**

**March 8, 2018**

**FY 2017 Presentation of Annual Results**

**March 22, 2018**

**Press Release on First Quarter Financial Information**

**May 14, 2018**

**Annual General Meeting**

**May 24, 2018**

**Dividend Payment**

**July 4, 2018**

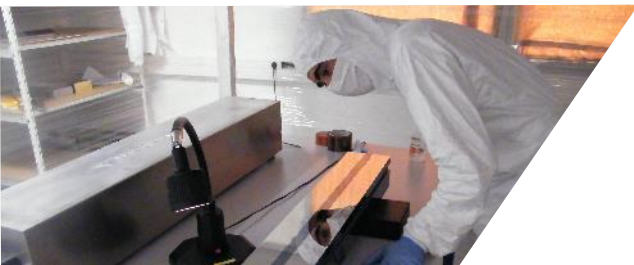
**Press Release on First Half Financial Information**

**August 30, 2018**

**Press Release on Third Quarter Financial Information**

**November 14, 2018**





# INNOVATION & SYSTEMS

## OPERATING SEGMENT

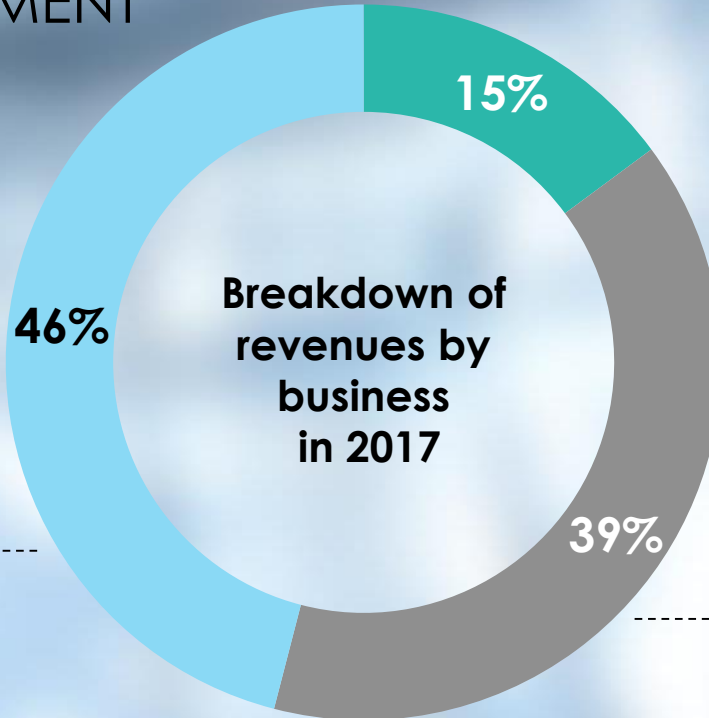
### PHILIPPE DEMIGNÉ

# PRESENTATION OF THE INNOVATION & SYSTEMS OPERATING SEGMENT

Software &  
Innovative Engineering



Equipment &  
Instrumentation Systems



Major Systems &  
Manufacturing

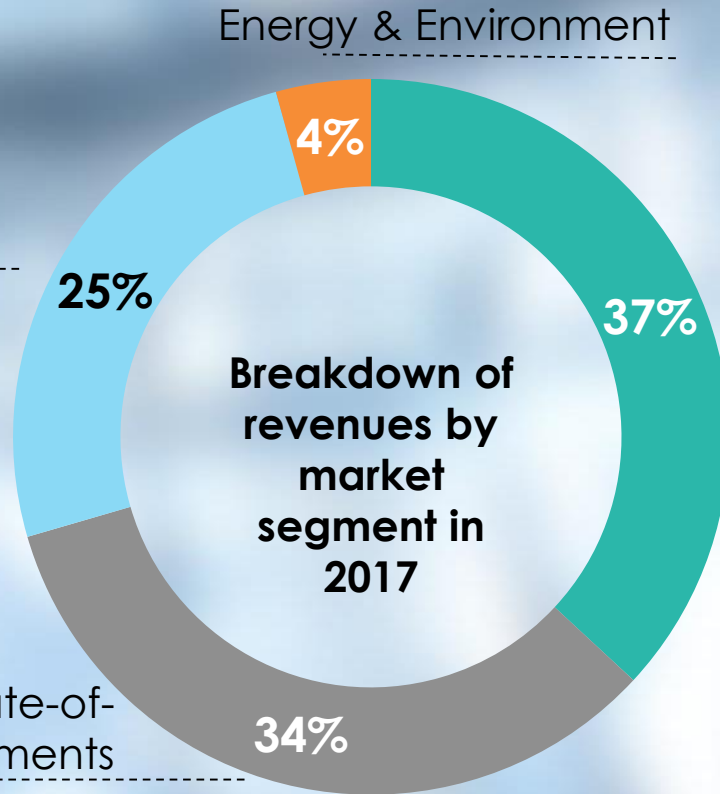
# PRESENTATION OF THE INNOVATION & SYSTEMS OPERATING SEGMENT



Defense & Security



Nuclear Power & State-of-the-Art Scientific Instruments



Other industries

# NUCLEAR POWER



© Posiva Oy - Hannu Vallas

CLIENT: **POSIVA OY**, A JOINT VENTURE BETWEEN THE FINNISH COMPANIES TVO AND FORTUM

- ▲ Engineering of **fuel handling** and **transfer** machinery
- ▲ Purpose: **Encapsulation Unit** currently being built on the Onkalo **deep geological repository site**



# ADVANCED MANUFACTURING



© ASML

ASML IS THE **WORLD LEADER** IN  
MANUFACTURING PHOTOLITHOGRAPHY  
ETCHING MACHINES WITH INTEGRATED  
CIRCUITS

▲60% market share

**ASML** CHOSE CNIM AMONG 9  
INTERNATIONAL COMPETITORS

▲ **ITER** reference

▲ Expertise in **engineering**, **industrialized welding** of electron beams, high-precision **machining** and 3D **inspection**

PROVIDING ALUMINIUM **STRUCTURAL FRAMES** FOR LITHOGRAPHY MACHINES

# BRIDGING SYSTEMS FOR LAND FORCES



## MODERNIZATION OF THE FRENCH ARMY'S MOTORIZED FLOATING BRIDGES (PFM)

- ▲ Development and manufacturing contract

## OBJECTIVES: EXTEND PFM LIFE BY **20 YEARS**

- ▲ **Increase** operating performance
- ▲ **Ensure** operational responsiveness in France and in terms of OPEX

# DETERRENCE



Artist's impression of the Barracuda © Marine Nationale

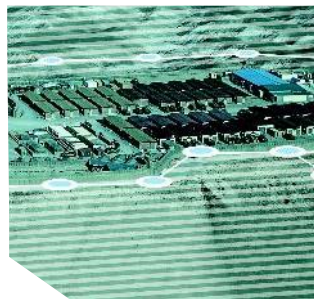
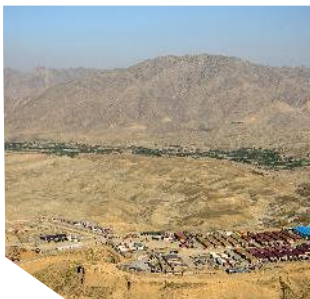
CNIM HAS SERVED THE FRENCH STRATEGIC OCEANIC FORCE (FOST) SINCE 1961.

## SERVICES WITH **HIGH ADDED VALUE** FOR ONGOING AND FUTURE BMS(\*) PROJECTS

- ▲ **Le Terrible** ballistic missile submarine: preparation for next maintenance
- ▲ **Le Téméraire**: integration of missile launch systems on-board
- ▲ Replacement of the second door to the **dry dock** at the **Île Longue** submarine base
- ▲ Preliminary design of a **new submarine** for nuclear deterrence

(\*): Ballistic Missile Submarine

# WITH EXENSOR, BERTIN IS THE EUROPEAN LEADER IN UNATTENDED GROUND SENSOR NETWORKS



**STRENGTHENING** BERTIN'S POSITION IN THE PROVISION OF **MONITORING SYSTEMS FOR DEFENSE AND SECURITY**

**MONITORING AND PROTECTING PEOPLE AND INFRASTRUCTURE**

**FLEXNET**  
INTEGRATED SYSTEM OF MINIATURIZED, UNATTENDED GROUND SENSORS

**DETECTION, CATEGORIZATION AND IDENTIFICATION OF THREATS**



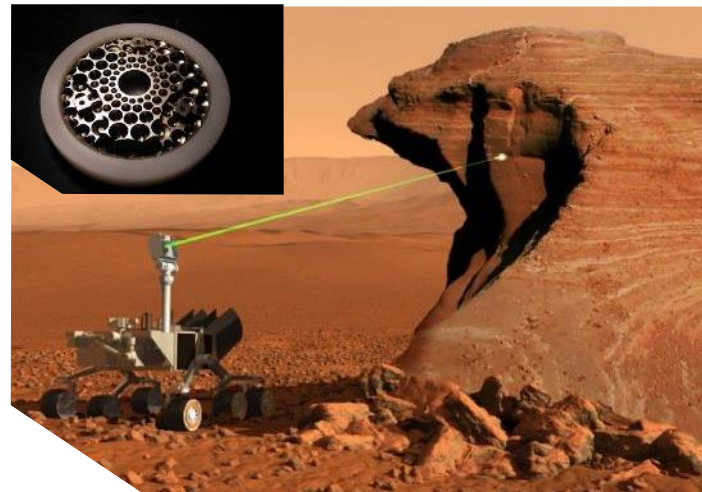
MILITARY USE



CIVILIAN USE



# THROUGH WINLIGHT, BERTIN IS THE MARKET LEADER IN HIGH-PERFORMANCE OPTICS



Mars-Rover-Laser (c) NASA\_JPL-Caltech\_LANL\_J.-L. Lacour\_CEA



# CYBER THREAT INTELLIGENCE



FOR PUBLIC INSTITUTIONS AND COMPANIES: **CYBER RISK** ASSESSMENT AND ACTION PLANS

- ▲ Measure of the organization's global **digital footprint** for security and reputational purposes
- ▲ **Detection and analysis of data** available on the web which could be used for malicious purposes
- ▲ Recommendations for **data governance** and digital "health"

# ENGINEERING AND MANAGEMENT SOFTWARE FOR DECENTRALIZED ENERGY GENERATION



© Albioma

## PROVISION OF AN EMS (ENERGY MANAGEMENT SYSTEM)



- ▲ **Tried and tested** solution: tender offers in unconnected areas
- ▲ **Performance** guarantees
- ▲ Market differentiation through the integration of **weather forecasts**
- ▲ Energy clients





# ENVIRONMENT & ENERGY OPERATING SEGMENT STANISLAS ANCEL

# PRESENTATION OF THE ENVIRONMENT & ENERGY OPERATING SEGMENT



Services



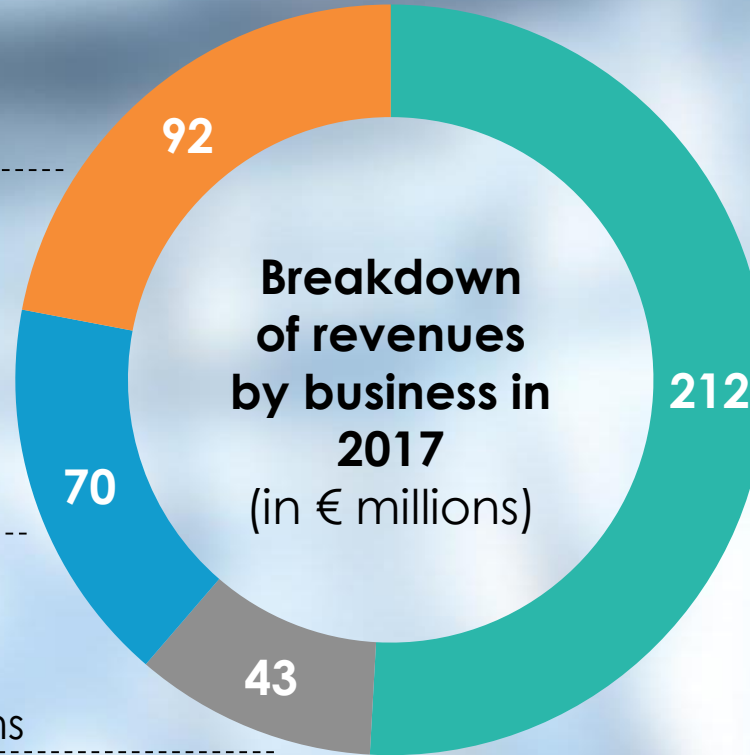
Operation &  
Maintenance



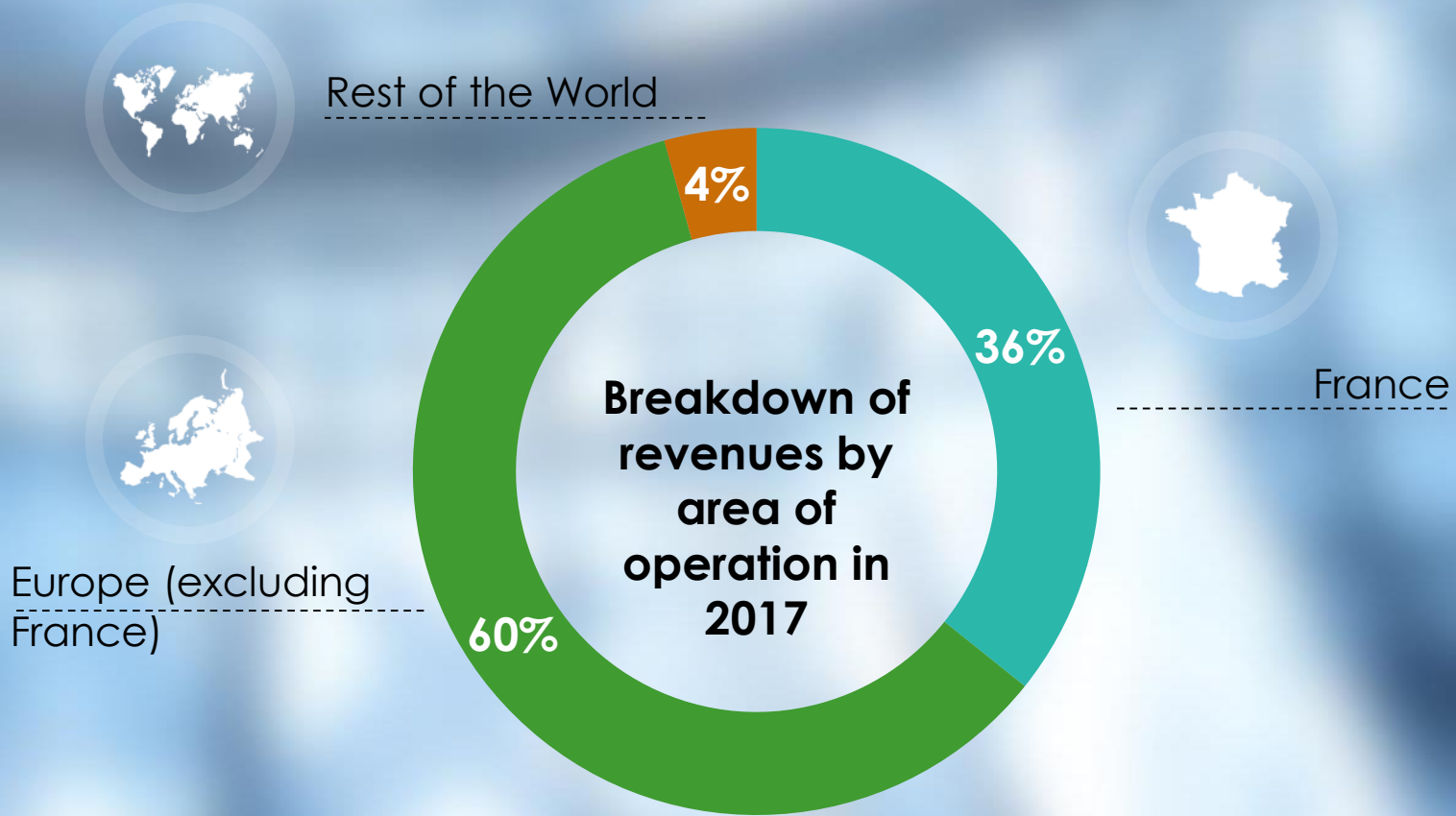
Systems



Turnkey plants



# PRESENTATION OF THE ENVIRONMENT & ENERGY OPERATING SEGMENT



## UK – WASTE-TO-ENERGY PRODUCTION



Ardley EfW plant, Oxfordshire, UK © Julien Goldstein

**THE UK REPRESENTS 42% OF THE EUROPEAN MARKET FOR WASTE-TO-ENERGY GENERATION**

▲ 2008–2016

### A HIGHLY SIGNIFICANT MARKET IN RECENT YEARS

- ▲ **N° 1** in the UK, with 40% of factories built representing around 1/3 of capacity
- ▲ **N° 1** for contracts concluded between 2008–2016
- ▲ **21 plants** for waste-to-energy plants built by CNIM in the British Isles

### A REINVIGORATED MARKET

- ▲ More than **20** projects
- ▲ For CNIM, new **opportunities** for EPC and Operation & Maintenance Projects

# WASTE-TO-ENERGY IN THE UK

- Refuse derived fuel export
- Other treatment (waste biomass conversion, MBT, MT, cement etc)
- 2017 existing operational capacity
- In build capacity delivered after 2017
- New build capacity started after 2017 and completed by end 2022
- New build capacity started after 2022 and completed by end 2030
- Capacity gap
- Residual waste total

Source  **SUEZ**

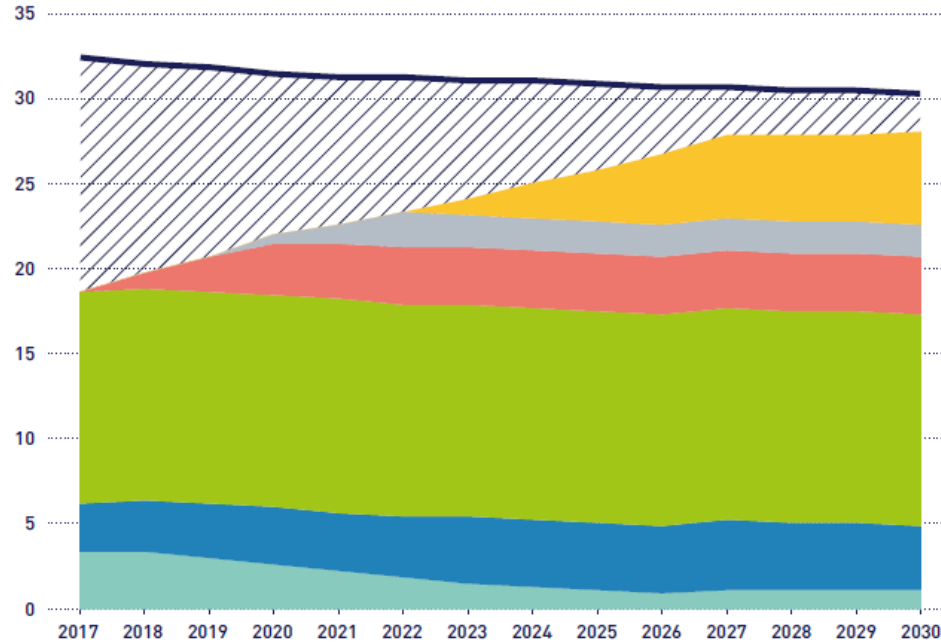


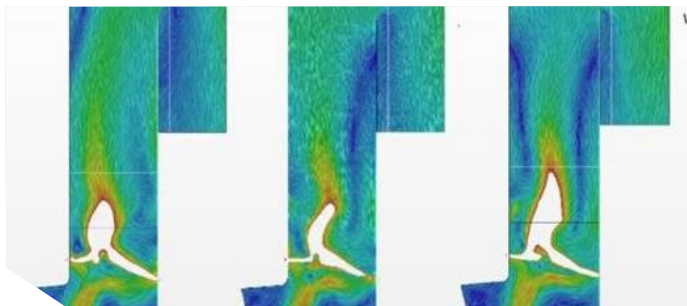
Figure 12 - The UK residual waste treatment capacity gap 2017-2030



## BUSINESS SERVICES

# BECOME A KEY PROVIDER OF **ENERGY TRANSITION** AND **EFFICIENCY** SOLUTIONS FOR **THERMAL POWER**

- ▲ By **combining expertise in services** for boilers, gas treatment, waste-to-energy, biomass and industrial engineering



### SERVICES

- ▲ Local presence for products and services
- ▲ Expert services
- ▲ Retrofit installations

### TARGET MARKETS: EUROPE, AFRICA, MIDDLE EAST

- ▲ Europe
  - Service** market over €1.5 billion
  - Retrofit** market of €1.2 billion
  - / CNIM Estimate
- ▲ France
  - 80% of revenues
  - All our **innovations** are tested here.



3D view of the future waste-to-energy plant in Kuwait

## KABD MUNICIPAL SOLID WASTE, KUWEIT

- ▲ The CNIM / Gulf Investment Corporation (GIC) / Al Mulla Group Holding Co. (AMG) Consortium was chosen as the **Preferred Investor** for the greenfield waste-to-energy plant project

## SHARJAH, UNITED ARAB EMIRATES

- ▲ The Bee'ah / Masdar Joint Venture has chosen CNIM for the **Design, Build and Operation** of the **first** waste-to-energy plant in the UAE.



# ASIA



**ENIM MARTIN**  
PRIVATE LIMITED

## CREATION OF CNIM **MARTIN PVT. LTD.** CHENNAI, INDIA

- ▲ A company dedicated to processing and recovering energy from **waste** and **biomass**
- ▲ Martin has been a technology **partner** of CNIM for more than **50** years

## THE WASTE TREATMENT MARKET IN ASIA

- ▲ Indonesia, Philippines, India, Singapore, Macau, Thailand
- ▲ Solid Pipeline of projects

## THE BIOMASS MARKET IN ASIA

- ▲ Indonesia, Philippines, Vietnam

# DIVERSIFICATION



BIOMASS IN  
EUROPE



TREATMENT OF  
INCINERATION  
BOTTOM ASH



MARINE  
SCRUBBERS



SOLAR

**CONCLUSION**  
NICOLAS DMITRIEFF  
CHAIRMAN

# APPENDICES

# RECONCILIATION OF FREE CASH FLOW WITH THE CASH FLOW STATEMENT

(in € millions)	Dec. 31, 2017	<u>Reconciliation with FCF</u>		
		FCF	Excl. FCF	Total
Self-financing capacity	5.1			
Income tax paid	(6.0)			
Change in WCR	10.8			
<b>Cash generated by operating activities</b>	<b>10.0</b>	<b>(A)</b>		
Investments	(25.1)			
Sales of assets	8.0			
Impact of change in consolidation scope	(36.7)			
Downpayments and loans	(3.7)			
Dividends received	2.2			
<b>Cash from investing activities</b>	<b>(55.4)</b>	<b>(B)</b>		
Issue/repayment of borrowings/other financing transactions/interest paid	29.7			
Purchase of treasury shares	(2.7)			
Impact of foreign currency translation	1.3			
Dividends paid	(19.5)			
<b>Cash used in financing activities</b>	<b>8.8</b>			
<b>Change in cash and cash equivalents</b>	<b>(36.6)</b>			
<b>Cash and cash equivalents - end of period</b>	<b>144.7</b>			
Debts/drawdowns on MT credit facility	(52.6)			
<b>Cash and cash equivalents, net of debt</b>	<b>92.1</b>			
		<b>EBITDA</b>		<b>38.4</b>
		Provisions	(30.8)	<b>(30.8)</b>
		Net financial income (expense)	(2.5)	(2.5)
		<b>Total</b>	<b>(33.3)</b>	<b>5.1</b>
		Income tax paid	(6.0)	(6.0)
		Change in WCR	10.8	10.8
		Investments + change in consolidation scope	(20.9)	(36.7)
		Dividends received	2.2	2.2
		<b>(A) + (B) = Free Cash Flow</b>	<b>24.6</b>	<b>(45.4)</b>

# WORKING CAPITAL REQUIREMENT

	Dec. 31, 2016	Dec. 31, 2017	Change	Foreign currency translation adjustments, changes in consolidation scope, other	Change in WCR (CFS) (continuing operations)
(in € thousands)					
<b>Assets</b>					
Inventories and work in progress	24,476	28,917	4,441	(3,270)	1,171
Advances and down payments made on orders	6,154	8,273	2,119	(11)	2,108
Trade and other receivables	174,273	156,633	(17,641)	(276)	(17,917)
Accrued income from contracts in progress	46,905	45,076	(1,829)	518	(1,311)
Prepaid expenses	5,198	6,028	830	(1,344)	(514)
Other receivables (social security, taxes, etc.)	59,192	74,179	14,987	846	15,833
<b>Total assets</b>	<b>316,198</b>	<b>319,105</b>	<b>2,907</b>	<b>(3,537)</b>	<b>(629)</b>
<b>Liabilities</b>					
Advances and down payments received	(20,725)	(11,585)	9,140	1,197	10,337
Trade payables	(116,066)	(137,268)	(21,202)	2,673	(18,528)
Deferred income	(157,888)	(160,600)	(2,712)	556	(2,156)
Social security and tax payables	(64,284)	(67,306)	(3,022)	4,778	1,755
Other liabilities	(4,108)	(4,906)	(798)	(813)	(1,611)
<b>Total liabilities</b>	<b>(363,071)</b>	<b>(381,666)</b>	<b>(18,594)</b>	<b>8,391</b>	<b>(10,203)</b>
<b>Working Capital Requirement</b>	<b>(46,874)</b>	<b>(62,560)</b>	<b>(15,687)</b>	<b>4,854</b>	<b>(10,833)</b>