news release

15 March 2019

Urenco Group – Full Year 2018 Audited Financial Results

Revenue broadly in line with prior year; slight fall in EBITDA and net income

London – 15 March 2019 – Urenco Group ("Urenco" or "the Group"), an international supplier of uranium enrichment services and nuclear fuel cycle products, today announces its results for the full year ended 31 December 2018.

Summary

- Robust financial and operational performance, improved safety and good progress on strategic implementation.
- Revenue broadly in line with 2017 (up 1.6% year-on-year) supported by established contract order book and increased SWU and uranium related sales.
- EBITDA reflects strong underlying business performance and cost discipline, down 3.9% year-on-year due to higher costs of nuclear provisions.
- Net income down 0.7% year-on-year, reflecting lower EBITDA; offset by slightly lower financing and taxation costs.
- Strong operating cash generation (up 6.6% year-on-year) and reduction in net debt (down 34.9% year-on-year).
- UK Tails Management Facility (TMF) operations planned to start in 2019.

Financial Highlights (€m)	**2018**	2017
Revenue	**1,957.7**	1,926.9
EBITDA[(i), (ii)]	**1,200.4**	1,249.5
EBITDA margin %	**61.3%**	64.8%
Income from operating activities	**826.5**	871.8
Net income	**511.3**	514.9
Earnings per share	**3.0**	3.1
Capital expenditure	**183.1**	299.5
Cash generated from operating activities	**1,401.0**	1,314.1

(i) EBITDA is earnings before exceptional items, interest (including other finance costs), taxation, depreciation and amortisation and joint venture results. Depreciation and amortisation are adjusted to remove elements of such charges included in changes to inventories and net costs of nuclear provisions. Further details on the calculation of EBITDA are set out in note 4 to the Group's Consolidated Financial Statements contained in the 2018 Annual Report and Accounts.

(ii) There were no exceptional items in 2018 or 2017.

Urenco Limited
Urenco Court, Sefton Park, Bells Hills, Stoke Poges, Buckinghamshire SL2 4JS, United Kingdom
T +44 (0)1753 660 660 **F** +44 (0)1753 660 774 **W** www.urenco.com

Thomas Haeberle, Chief Executive of Urenco Group, commenting on the full year results, said:

"During 2018 Urenco achieved robust financial and operational results, improved safety, and good progress in all areas of our strategy.

A strong order book and increased SWU and uranium related sales have supported a 1.6% increase in revenue. EBITDA and net income are slightly reduced (3.9% and 0.7% respectively) reflecting increased costs for nuclear provisions, partially offset by good cost discipline. We have continued to reduce debt; down by over 50% in three years.

We are in the third year of our strategy and remain on track to realise our target cost savings by the end of 2019. We are signing new customer contracts and are making good progress on several new business opportunities. In 2019 we also plan to see our new Tails Management Facility (TMF) commence operations.

The global enrichment market remains challenging and current price levels would not support reinvestment in our enrichment facilities.

We are proud of the key role we play in the nuclear fuel cycle and the sustainable benefits we deliver to a low carbon economy. Customers remain our priority, and once again we met every delivery thanks to the work of our committed and engaged employees.

At the end of March, I will step down as CEO and retire from Urenco. My successor, Boris Schucht, joins us from 50Hertz, the North-East German Transmission System Operator. I am confident that Urenco will continue to prosper under his leadership. Urenco is well positioned to meet the market and geopolitical challenges, innovate to explore opportunities for growth, and empower employees to use their expertise to drive efficiency and continued positive change across our business."

Financial Results

Revenue for the year ended 31 December 2018 was €1,957.7 million, an increase of 1.6% on the €1,926.9 million in 2017. SWU revenues were up by €17.8 million and uranium related sales were up by €62.3 million. For both SWU revenues and uranium related sales the favourable movements were primarily driven by higher volumes with average unit revenues broadly in line with 2017. Other net movements in revenue decreased by €49.3 million compared to 2017, primarily as a result of lower net fair value gains associated with uranium related commodity contracts and marginally lower sales at Urenco Nuclear Stewardship.

EBITDA for 2018 was €1,200.4 million, a decrease of €49.1 million (3.9%) from €1,249.5 million in 2017. This resulted principally from higher net costs of nuclear provisions (€53.6 million) together with higher reported other operating and administrative expenses (€26.3 million), which more than offset the margin impact from increased revenue.

The net costs of nuclear provisions were €174.1 million in 2018 compared to €120.5 million in 2017, an increase of €53.6 million as a result of an increase in the net costs for each of tails, decommissioning and other nuclear provisions.

The net costs for tails provisions in 2018 were €2.8 million higher than those for 2017. This increase was due to the lower costs of new tails provisions created (€54.5 million) being more than offset by lower releases from the tails provisions (€57.3 million). The costs of new tails provisions created in 2018 of €144.7 million were lower than the costs of €199.2 million in 2017, largely driven by the volume of new tails generated during the year and the 2017 uplift in deconversion cost estimates not being repeated in 2018. There was a €29.2 million release from the tails provision (2017: €86.5 million), as a result of optimisation of operations and the impact of the reduction in higher assay tails associated with enrichment services contracts.

The net costs for decommissioning provisions in 2018 increased by €42.3 million primarily due to a charge for additional provisions of €65.9 million (2017: €18.4 million) following the triennial review of nuclear liabilities undertaken in 2018, offset by releases of provisions in the year of €8.8 million (2017: €3.6 million) associated with cylinder inventories.

The net costs for other nuclear provisions in 2018 increased by €8.5 million as a result of optimisation of the operations and changes to the forecasts for future re-enrichment of low assay feed.

Other operating and administrative expenses were €583.2 million in 2018 compared to €556.9 million in 2017, an increase of €26.3 million. 2017 benefited from a one-time gain of €15.6 million associated with the closure of the UK defined benefit pension scheme to further accrual and in 2018 a provision for a potential bad debt associated with a specific customer has been made of €17.3 million (2017: nil). Adjusting for these two factors, our other operating and administrative expenses are broadly in line with our Strategy 2020 ambition and our cost discipline has continued to mitigate the impact of inflationary pressures as well as additional costs associated with the development of our business.

The EBITDA margin for 2018 was 61.3% compared to 64.8% in 2017. The EBITDA margin in 2018 was adversely impacted by the triennial review of nuclear liabilities referred to above.

Depreciation and amortisation for 2018 was €329.2 million, compared to €343.3 million for 2017.

In 2018 there were no exceptional items (2017: nil) and, therefore, there is no associated income tax impact for 2018 (2017: nil).

Income from operating activities for 2018 decreased by €45.3 million to €826.5 million compared to last year (2017: €871.8 million).

Net finance costs for 2018 were €106.0 million, compared to €140.1 million for 2017 with the reduction largely due to lower net cost on borrowings (€52.4 million) which were partially offset by higher losses due to foreign exchange movements (€19.8 million). The net finance costs on borrowings (including the impact of interest rate/cross currency interest rate swaps) were lower at €75.3 million (2017: €127.7 million) reflecting lower levels of net debt in 2018.

In 2018 the tax expense was €209.2 million (an effective tax rate (ETR) of 29.0%), a decrease of €7.6 million over the tax expense of €216.8 million for 2017 (ETR: 29.6%). The tax expense for 2017 included a credit of €74.0 million related to previously unrecognised US deferred tax assets resulting from the impact that the increased centrifuge and associated equipment lifetimes will have on future depreciation. There was also a deferred tax charge of €85.1 million from the write down of previously recognised US deferred tax assets which has been revalued to reflect a reduction in average US Federal and New Mexico state corporate tax rates from 38.84% to 25.66%, effective from 1 January 2018. Excluding the impact of these two deferred tax items the 2017 tax expense would have been €205.7 million (ETR: 28.1%) compared to the tax expense of €209.2 million for 2018 (ETR: 29.0%).

In 2018 net income was €511.3 million, a decrease of €3.6 million (0.7%) compared to the 2017 net income of €514.9 million. The net income margin for 2018 was 26.1% compared to 26.7% for 2017. The decrease in net income reflects the impact of lower EBITDA, offset by lower depreciation and net finance costs and a lower income tax expense.

Cash flow

Operating cash flow before movements in working capital was €1,293.8 million (2017: €1,188.3 million) and cash generated from operating activities was €1,401.0 million (2017: €1,314.1 million). Higher cash flows from operating activities result from higher revenues and lower spend on the storage and disposal of tails, partially offset by a less favourable movement in working capital compared to 2017.

Tax paid in the period was €119.3 million (2017: €122.9 million).

In 2018 the Group invested a total of €183.1 million (2017: €299.5 million), reflecting a lower level of expenditure on core enrichment assets in line with our strategy and the decline in the level of investment in TMF (2018: €76.0 million, 2017: €184.4 million). Construction of the TMF was completed in late 2018 and operations planned to commence in 2019. Capital expenditure is expected to fall further in future years following the completion of the TMF and lower levels of investment required in new enrichment capacity.

Capital structure and funding

Net debt decreased to €1,370.9 million (2017: €2,104.7 million). Net debt to total asset ratio remained strong at 20.8% (2017: 32.9%), well within the Group's target ratio of less than 60%.

Urenco repaid its remaining loan (€100.0 million) from the European Investment Bank (EIB) on maturity in March 2018, having prepaid other EIB loans (€319.6 million) in December 2017. During 2018, Urenco utilised its one year bilateral loans, each of €90 million, with four of Urenco's relationship banks. These loans were fully repaid and the facilities expired by the year end. In January 2019 the Group also completed the repurchase and cancellation of €215.6 million of its 2021 Eurobonds.

The Group targets an FFO/TAD ratio that results in a strong investment grade credit rating. The FFO/TAD ratio was 34.3% (2017: 30.5%) as EBITDA, the main component of FFO, has decreased by €49.1 million while net debt has decreased by €733.8 million. The Group's debt is rated by Moody's (Baa1/Stable) and Standard & Poor's (BBB+/Stable); these external ratings were unchanged during 2018.

In 2018, €300.0 million in dividends for the year ended 31 December 2017 were paid to shareholders (2017: €300.0 million). The Board has approved that dividends of €300.0 million be paid on 20 March 2019.

Order Book

Our order book contains orders extending into the 2030s with an approximate value at 31 December 2018 of €11.9 billion based on €/$ of 1 : 1.15 (2017: approximately €12.7 billion based on €/$ of 1 : 1.20).

Outlook

Urenco's strategy ensures our organisation has a broad and sustainable offering for the nuclear industry. Enrichment remains our core activity and we continue to explore new markets. The expansion of our Stable Isotopes capacity will enable us to serve a growing global market and provide a solid return on our investment. Our expertise in nuclear stewardship will broaden the services we offer to the nuclear industry.

Our contract order book remains strong, with further business secured during 2018. Excess inventories of enriched uranium, which have been contributing to pricing pressures, are decreasing. Market conditions remain challenging and current price levels would not support reinvestment in our enrichment facilities. There is an increasing global demand for sustainable, low carbon energy. As a leader in the nuclear industry, we are well positioned to meet this need.

The principal risks and uncertainties to which Urenco is exposed remain broadly in line with those disclosed in 2017.

We have made robust preparations for the various geopolitical challenges facing Urenco. The actions we have taken in relation to the UK's withdrawal from the European Union and Euratom mean we will meet our customer commitments. We acknowledge the ongoing political debate in Germany about nuclear energy and are confident that we can continue to demonstrate that we are a long term, sustainable operator in the country and are an integral part of Germany's highly impressive technological capabilities. We are actively tracking developments in US trade policy and will continue to provide a secure supply to the country's utilities from our facility in New Mexico.

Board

Thomas Haeberle, Chief Executive of Urenco, will step down and retire from his post in March 2019. He will be succeeded by Boris Schucht. Mr Schucht joins Urenco from 50Hertz, the North-East German Transmission System Operator, where he has held the position of Chief Executive Officer since 2010. Mr Schucht previously held a number of senior executive positions within the energy sector across Europe, including WEMAG AG and the Vattenfall Group.

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Contact

Jayne Hallett
Director of Corporate Communications
+44 1753 660 660

Michael Zdanowski
Madano +44 20 7593 4000
michael.zdanowski@madano.com

About Urenco Group

Urenco is an international supplier of enrichment services and fuel cycle products with its head office based close to London, UK. With plants in Germany, the Netherlands, the UK and the USA, it operates in a pivotal area of the nuclear fuel supply chain which enables the sustainable generation of electricity for consumers around the world.

Using centrifuge technology designed and developed by Urenco, the Urenco Group provides safe, cost effective and reliable uranium enrichment services for power generation within a framework of high environmental, social and corporate responsibility standards.

For more information, please visit www.urenco.com

Definitions

Capital Expenditure – Reflects investment in property, plant and equipment plus the prepayments in respect of fixed asset and intangible asset purchases for the period.

EBITDA – Earnings before exceptional items, interest (including other finance costs), taxation, depreciation and amortisation and joint venture results (or income from operating activities plus depreciation and amortisation, plus joint venture results). Depreciation and amortisation are adjusted to remove elements of such charges already included in changes to inventories and net costs of nuclear provisions.

Net costs of nuclear provisions – The net costs charged to the income statement associated with the creation and release of provisions for tails, decommissioning and re-enrichment of low assay feed.

Net Debt – Loans and borrowings (current and non-current) plus obligations under finance leases less cash and cash equivalents and short term deposits.

Net Finance Costs – Finance costs less finance income net of capitalised borrowing costs and including costs/income of non-designated hedges.

Net Income – Income for the year attributable to equity holders of the parent.

Order book – Contracted and agreed business estimated on the basis of "requirements" and "fixed commitment" contracts.

Other operating and administrative expenses – Expenses comprising Changes to inventories, Raw materials and consumables, Employee costs, Restructuring charges, and Other expenses, but excluding the Net costs of nuclear provisions and any associated elements of depreciation.

Revenue – Revenue from sale of goods and services and net fair value gains/losses on commodity contracts.

Separative Work Unit (SWU) – The standard measure of the effort required to increase the concentration of the fissionable U_{235} isotope.

Tails (Depleted UF_6) – Uranium hexafluoride that contains a lower concentration than the natural concentration (0.711%) of U_{235} isotope.

Uranium related sales – Sales of uranium in the form of UF_6, U_3O_8 or the UF_6 component of EUP.

Urenco Nuclear Stewardship Limited – Previously named Capenhurst Nuclear Services Limited.

Disclaimer

This press release is not intended to be read as the Group's statutory accounts as defined in section 435 of the Companies Act 2006. Information contained in this release is based on the 2018 Consolidated Financial Statements of the Urenco Group, which were authorised for the issue by the Board of Directors on 14 March 2019. The auditor's report on the 2018 Consolidated Financial Statements of the Group was unqualified and did not contain a statement under section 498 of the Companies Act 2006. The Group's 2017 statutory accounts have been delivered to the registrar of companies.

This release and the information contained within it does not constitute an offering of securities or otherwise constitute an invitation or inducement to underwrite, subscribe for or otherwise acquire securities in any company within the Urenco Group.

Any forward-looking statements contained within this release are inherently subject to risks and uncertainties. Actual results may differ materially from those expressed or implied by such forward-looking statements and, accordingly, any person reviewing this release should not rely on such forward-looking statements.

CONSOLIDATED INCOME STATEMENT

	2018	2017
	Result for the year	Result for the year re-presented (i)
	€m	€m
Revenue	**1,957.7**	1,926.9
Changes to inventories of work in progress and finished goods	**(146.5)**	(124.6)
Raw costs of materials and consumables used	**(14.5)**	(12.0)
Net costs of nuclear provisions(i)	**(174.1)**	(120.5)
Employee costs	**(160.3)**	(149.7)
Depreciation and amortisation	**(329.2)**	(343.3)
Restructuring charges	**2.3**	4.7
Other expenses(i)	**(311.7)**	(317.3)
Share of results of joint venture	**2.8**	7.6
Income from operating activities	**826.5**	871.8
Finance income	**68.7**	107.8
Finance costs	**(174.7)**	(247.9)
Income before tax	**720.5**	731.7
Income tax expense	**(209.2)**	(216.8)
Net income for the year attributable to the owners of the Company	**511.3**	514.9
Earnings per share	**€**	€
Basic earnings per share	**3.0**	3.1

(i) To increase the clarity of the income statement the Group has combined into a new line item titled "Net costs of nuclear provisions" six different line items that were previously presented separately or within "Other expenses". These were Tails provisions created of €144.7 million in 2018 (2017: €199.2 million) and release of tails provisions, creating and release of decommissioning provisions and creating and release of provisions for re-enrichment of low assay feed for a total net cost of €29.4 million in 2018 (2017: net credit €78.7 million).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2018 €m	2017 €m
Net income for the year attributable to the owners of the Company	**511.3**	514.9
Other comprehensive income/(loss):		
Items that have been or may be reclassified subsequently to the income statement		
Cash flow hedges – transfers to revenue	**44.9**	82.1
Cash flow hedges – mark to market (losses)/gains	**(98.1)**	152.1
Net investment hedge – mark to market (losses)/gains	**(75.7)**	146.2
Deferred tax income/(expense) on financial instruments	**16.0**	(42.5)
Current tax income/(expense) on financial instruments	**26.6**	(11.7)
Exchange differences on hedge reserve	**3.7**	12.8
Total movements to hedging reserve	**(82.6)**	339.0
Movements in cost of hedging reserve	**(14.0)**	-
Deferred tax income on cost of hedging reserve	**2.7**	-
Exchange difference on cost of hedging reserve	**(0.1)**	-
Total movements on cost of hedging reserve (i)	**(11.4)**	-
Exchange differences on foreign currency translation of foreign operations	**126.7**	(291.6)
Share of joint venture exchange differences on foreign currency translation of foreign operations	**(0.4)**	(0.1)
Total movements to foreign currency translation reserve	**126.3**	(291.7)
Items that will not be reclassified subsequently to the income statement		
Actuarial gains on defined benefit pension schemes	**51.1**	26.0
Deferred tax expense on actuarial gains	**(8.9)**	(5.1)
Share of joint venture actuarial gains/(losses) on defined benefit pension schemes	**8.2**	(2.1)
Exchange differences	**0.9**	-
Utility partner payments	**-**	(0.1)
Total movements to retained earnings	**51.3**	18.7
Other comprehensive income	**83.6**	66.0
Total comprehensive income for the year attributable to the owners of the Company	**594.9**	580.9

(i) The cost of hedging reserve is a new separate component of equity set up following the adoption of IFRS 9 from 1 January 2018.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2018 €m	2017 (re-presented[(i)]) €m
Assets		
Non-current assets		
Property, plant and equipment	**4,961.9**	4,900.5
Investment property	**6.1**	6.8
Intangible assets	**34.6**	44.4
Investments including joint venture	**18.9**	7.5
Financial assets	**4.3**	7.6
Derivative financial instruments	**197.9**	284.7
Deferred tax assets	**166.1**	207.2
	5,389.8	5,458.7
Current assets		
Inventories	**135.0**	213.5
SWU assets	**241.9**	332.4
Trade and other receivables	**218.8**	234.3
Derivative financial instruments	**14.3**	22.0
Income tax recoverable	**44.6**	77.8
Cash and cash equivalents	**531.2**	59.1
	1,185.8	939.1
Total assets	**6,575.6**	6,397.8
Equity and liabilities		
Equity attributable to the owners of the Company		
Share capital	**237.3**	237.3
Additional paid in capital	**16.3**	16.3
Retained earnings	**1,620.0**	1,356.8
Hedging reserve	**(419.7)**	(322.5)
Cost of hedging reserve	**3.2**	-
Foreign currency translation reserve	**662.7**	536.4
Total equity	**2,119.8**	1,824.3
Non-current liabilities		
Trade and other payables	**41.4**	-
Interest bearing loans and borrowings	**1,902.1**	1,888.8
Provisions	**1,769.0**	1,499.3
Retirement benefit obligations	**46.0**	97.3
Contract liabilities	**50.1**	28.2
Derivative financial instruments	**158.1**	120.1
Deferred tax liabilities	**97.7**	94.7
	4,064.4	3,728.4
Current liabilities		
Trade and other payables	**255.4**	436.6
Interest bearing loans and borrowings	**-**	275.0
Provisions	**7.5**	15.3
Derivative financial instruments	**33.8**	52.6
Income tax payable	**32.6**	64.0
Contract liabilities	**62.1**	1.6
	391.4	845.1
Total liabilities	**4,455.8**	4,573.5
Total equity and liabilities	**6,575.6**	6,397.8

(i) From 1 January 2018 SWU inventories are classified under a separate line of SWU assets following the adoption of IFRS 15. Previously these were included under Inventories. In addition, deferred income has been renamed as contract liabilities. The presentation of the comparative financial information for the year ended 31 December 2017 has been restated to be on a consistent basis.

Registered Number 01022786

The financial statements were approved by the Board of Directors and authorised for issue on 14 March 2019.

They were signed on its behalf by:

Dr Thomas Haeberle
Chief Executive Officer

Ralf ter Haar
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital €m	Additional paid in capital €m	Retained earnings €m	Hedging reserves €m	Cost of hedging reserve €m	Foreign currency translation reserve €m	Attributable to the owners of the Company €m
As at 31 December 2017	**237.3**	**16.3**	**1,356.8**	**(322.5)**	**-**	**536.4**	**1,824.3**
Adjustment for IFRS 9 transition	**-**	**-**	**0.6**	**(14.6)**	**14.6**	**-**	**0.6**
Revised as at 1 January 2018	**237.3**	**16.3**	**1,357.4**	**(337.1)**	**14.6**	**536.4**	**1,824.9**
Income for the year	**-**	**-**	**511.3**	**-**	**-**	**-**	**511.3**
Other comprehensive income/ (loss)	**-**	**-**	**51.3**	**(82.6)**	**(11.4)**	**126.3**	**83.6**
Total comprehensive income/(loss)	**-**	**-**	**562.6**	**(82.6)**	**(11.4)**	**126.3**	**594.9**
Equity dividends paid	**-**	**-**	**(300.0)**	**-**	**-**	**-**	**(300.0)**
As at 31 December 2018	**237.3**	**16.3**	**1,620.0**	**(419.7)**	**3.2**	**662.7**	**2,119.8**

	Share capital €m	Additional paid in capital €m	Retained earnings €m	Hedging reserves €m	Cost of hedging reserve €m	Foreign currency translation reserve €m	Attributable to the owners of the Company €m
As at 1 January 2017	237.3	16.3	1,123.2	(661.5)	-	828.1	1,543.4
Income for the year	-	-	514.9	-	-	-	514.9
Other comprehensive income/ (loss)	-	-	18.7	339.0	-	(291.7)	66.0
Total comprehensive income/(loss)	-	-	533.6	339.0	-	(291.7)	580.9
Equity dividends paid	-	-	(300.0)	-	-	-	(300.0)
As at 31 December 2017	237.3	16.3	1,356.8	(322.5)	-	536.4	1,824.3

CONSOLIDATED CASH FLOW STATEMENT

	2018 €m	2017 (re-presented(i)) €m
Income before tax	**720.5**	731.7
Adjustments to reconcile Group income before tax to net cash inflows from operating activities:		
Share of joint venture results	**(2.8)**	(7.6)
Depreciation and amortisation	**329.2**	343.3
Finance income	**(68.7)**	(107.8)
Finance costs	**174.7**	247.9
Loss on disposal/write offs of property, plant and equipment	**0.4**	12.0
Increase/(decrease) in provisions	**140.5**	(31.2)
Operating cash flows before movements in working capital	**1,293.8**	1,188.3
Decrease/(increase) in inventories	**64.0**	(59.2)
Decrease in SWU assets	**93.4**	17.7
Decrease in receivables and other debtors	**11.7**	159.0
(Decrease)/increase in payables and other creditors	**(61.9)**	8.3
Cash generated from operating activities	**1,401.0**	1,314.1
Income taxes paid	**(119.3)**	(122.9)
Net cash flow from operating activities	**1,281.7**	1,191.2
Investing activities		
Interest received	**59.8**	81.6
Proceeds from sale of property, plant and equipment	**-**	0.1
Purchases of property, plant and equipment	**(183.0)**	(299.3)
Purchase of intangible assets	**-**	-
Increase in investment	**(0.1)**	(0.2)
Net cash flow from investing activities	**(123.3)**	(217.8)
Financing activities		
Interest paid	**(130.3)**	(209.9)
Proceeds/(payments) in respect of settlement of debt hedges	**26.1**	(6.8)
Dividends paid to equity holders	**(300.0)**	(300.0)
Proceeds from new borrowings	**455.2**	378.8
Maturity of short-term deposits	**-**	1.6
Repayment of borrowings	**(732.8)**	(1,027.7)
Net cash flow from financing activities	**(681.8)**	(1,164.0)
Net increase/(decrease) in cash and cash equivalents	**476.6**	(190.6)
Cash and cash equivalents at 1 January	**59.1**	251.7
Effect of foreign exchange rate changes	**(4.5)**	(2.0)
Cash and cash equivalents at 31 December	**531.2**	59.1

(i) During 2018 the movements in Inventories of €64.0 million (2017: €(59.2) million) and in SWU assets of €93.4 million (2017: €17.7 million) are presented on two line items within Cash generated from operating activities. In 2017 this was presented under Increase in inventories for a total amount of €(41.5) million. The presentation of the comparative financial information for the year ended 31 December 2017 has been re-presented to be on a consistent basis.