INVESTOR CALL ON NUCLEAR AGREEMENT

29 June 2023

Investor call on nuclear agreement

Delphine Deshayes

Good morning, everyone. It's my pleasure to welcome you to ENGIE's conference call. Shortly, Catherine and Pierre-Francois will present the interim agreement on Belgium Nuclear, following which we will open the lines to Q&A. And with my polite request of limiting your questions to one or two only, please.

And with that, over to Catherine.

Catherine MacGregor

Good morning, everyone. I'm very happy to announce this morning that we have reached an interim agreement with the Belgian government for a 10-year extension of our two nuclear reactors and for a fixed amount which will cover all of our Belgian nuclear waste liabilities.

With this agreement, we accomplish two major objectives. For Belgium, it supports the security of supply over a crucial period of time. For the Group, it eliminates what has been a long-standing known unknown, removing uncertainty over the future direction of all of our nuclear waste liabilities. For both sides, it is also a new era of collaboration in the interest of Belgian citizens and ENGIE stakeholders.

Few words on the extension first. Doel 4 and Tihange 3 reactors, which have over 2 GW of combined capacity, and they are capable of meeting a significant share of Belgium's power demand, will be carved out into a separate joint venture that we will co-own with the Belgian State. As you will recall, these reactors were initially due to end production in 2025. Now, the aim is to have a restart of output as of November 2026, and it is also possible that an approach might be adopted that could allow a restart a year sooner in November 2025. Merchant exposure for the production will be minimized as output will be sold according to a CfD or Contract for Difference mechanism. And both partners, Belgium State and ENGIE will be equally exposed in the JV in a balanced way.

On the right of this slide, the nuclear waste liabilities transfer. We have agreed on a fixed amount of EUR15 billion for all of our waste liabilities, which is based on estimated volumes in a fixed scenario that has been designed by the Belgian National Agency for radioactive waste ONDRAF. It goes with a massive improvement beneficial to all parties of the definition of waste acceptance criteria that allow for an informed transfer which is fully accepted on both sides. Also, a timeline has been agreed for the transfer of these nuclear waste liabilities to the Belgium government.

We will have no nuclear waste liabilities on our balance sheet from the moment of resumption of output at Doel 4 and Tihange 3. This eliminates a major source of long-term uncertainty and significantly de-risks ENGIE.

The importance of this slide now is to show that in this new project the interest of ENGIE and the Belgium government are going to be fully aligned due to their identical respective 50% stakes. As co-owner, we expect to account the joint venture jointly controlled through the equity method.

We'll benefit from a balanced risk allocation, notably through a Contract for Difference mechanism. There will be limited exposure to risk related to merchant prices, plant unavailability, and cost overruns. And again, any such risk is equally shared between us and the Belgian government. We will be the industrial operator for the reactors, and as such, we will benefit from various bonus-malus schemes to boost performance on cost control and availability. The agreed model is a de-risked nuclear LTO model with a return slightly above WACC.

In summary, we will sharply cut the risk associated with nuclear output, certainly less contributing, but also much less volatile in terms of earnings. I am now going to turn to Pierre-Francois.

Pierre-François Riolacci
Thank you, Catherine, and good morning to all of you.

Let's move now on the agreements between us and the Belgian government, which cover all of our nuclear waste liabilities. And when I say all, I refer to the seven units and not only the two units which are extended.

So as Catherine said, ONDRAF has modelled a scenario in which it estimates future waste volumes to be treated and stored, including underground, of course, for the long-term. Based on this, we have agreed a fixed amount of liabilities of EUR15 billion, and this sum will be transferred to the Belgian State in two stages. In the first half of 2024, when we close the transaction, for highly radioactive category B and C waste. And then, after resumption of output at Doel 4 and Tihange 3, for less highly radioactive category A waste.

I stress that the EUR15 billion amount is fixed, so we say goodbye to the uncertainty related to the three yearly CPN reviews of future costs. And following the two-stage transfer, we would have, indeed, no nuclear waste liabilities left on our balance sheet. The only residual exposure would have to come in change in assumptions and volumes, which, as you can imagine, is largely under the control of the operator. Of course, shorter-term decommissioning provisions will remain.

What is the impact on our net economic debt for this year? It will rise by around EUR4.5 billion, and we will take a corresponding one-off charge at reported income level. There are basically two factors contributing to this amount of EUR4.5 billion. First, of course, the higher waste liabilities resulting from the agreement that I just described. But also, we had a marginal reclassification of the split of liabilities between decommissioning that we will retain on balance sheet and waste, which we will be transferring to the Belgian State. And also, based on our current discussion with CPN in the process related to provisions at the end of 2022, we anticipate a reduction of ENGIE liabilities. All of this end up to this EUR4.5 billion net impact.

This agreement sharply de-risks our exposure to nuclear. It's a fundamental step in our strategy of exiting nuclear over time. And as the residual risk for ENGIE is reduced, we will also lift some restrictions on the assets hold by Electrabel outside Europe.

So a summary of financial impact is pretty simple. It will cost between EUR1.6 billion and EUR2 billion to upgrade the reactors for the 10 years of additional output. And of course, we will assume a 50% share of these investments. You already know about the EUR4.5 billion impact on economic net debt and also reported pre-tax income for 2023, that will be non-recurring. And with that, you can infer that the economic net debt will still, of course, remain below our cap of 4x EBITDA over the long-term, which is a key commitment.

With that, I will hand over back to Catherine

Catherine MacGregor
And to conclude a summary of the timing of the main upcoming milestones that are based on this agreement, we expect to have a binding agreement by the end of next month, end of July, and the signing of the transaction in Q4. In 2024, the Belgian 2003 nuclear law should be changed, and this will allow the transaction to be closed and of course, the transfer of B and C waste liabilities to be effective.

In the third quarter of 2025, the legal lifetime of Doel 4 and Tihange 3 will come to an end and this will allow the project to kick-in for a restart in November 2026, or at the earliest in November 2025. And at the date of the restart, we will then transfer the category A waste liabilities. And then after 10 years of output, decommissioning of the two reactors will commence.

We are absolutely delighted to have reached this agreement with the Belgian government. It significantly improves the company's risk profile. It has no impact on ENGIE guidance for the medium-term as we presented it in February 2023, neither in terms of net recurring income nor in terms of credit, investment, dividend policy. And together with our 2,000 colleagues, we are fully committed on the execution and confident to deliver this industrial challenge. And by 2,000 colleagues, I mean our 2,000 nuclear colleagues.

Very happy now to take any questions you might have. Thank you very much.

Q&A

Operator
(Operator Instructions)

The first question is from Ajay Patel of Goldman Sachs.

Ajay Patel
Hi, good morning. Thank you very much for the presentation. So my question is, just trying to, I may be misunderstanding a little bit, so if you could help me give me a bit of clarity. If I think about, let's say 2025, and these assets have been transferred over, we used to then have the discount provisions for the dismantling and you still have the EBIT from the existing units that are open until they close. I'm just wondering, what gets transferred over to the JV and what doesn't, just make sure it's clear in terms of the P&L and the earnings?

Pierre-François Riolacci
Yes. 2025 will be a year of transition. As you have heard, we still are up in the air in the choice of the two extension scenarios, which is the LTO scenario and what is commonly called the Flex LTO, which is spread over the period. It is the preferred scenario, clearly, because it would allow for the two plants to run during winter '25, which is very important for Belgium. But that we will know in a few weeks what is finally the scenario that we can develop jointly.

So it means some things in terms of the '25 impact because, of course, it's not the same planning in '25, but for sure, the two plants will be transferred in the JV after the date of expiracy. So we have these plants up to their expected lifetime, so we will keep that. What will be running in '25 is still a discussion, depending also on the scenario, but the plants will stay with us in terms of P&L contribution up to their legal time, as it is today.

Ajay Patel
So then when we go into '26, the JV will have the two units. You will still have the discount provisions for the dismantling, but by this point, we will start to transfer over the waste provisions. And then the rest of the P&L would be the same as in the tax obviously would adjust, and that will work down to net income. Is that the right way to think about it?

Pierre-François Riolacci
I think that you're right. So what you should expect once we have restarted is that indeed we get the net contribution from the JV, so running into the new LTO provision that's for the two units. We will have the provisions on the ENGIE liabilities, which are more or less decommissioning provisions, so that would be there. And there would be indeed the discount effect that will pop in the P&L. And then, of course, we would have to get rid of the waste liabilities, and what would be left is, of course, the net financial debt, which is related to the transfer of these liabilities, and there will be a cost of this debt in the P&L.

Ajay Patel
Right. Okay. Thank you.

Operator
The next question is from Vincent Ayral of JPMorgan.

Vincent Ayral
Yes. Good morning, everyone. Thank you for taking the question. So apologies I don't know I couldn't see the slides. But I have one question regarding this bill. I understand, you did say that you had about EUR1.3 billion of potential cost of random waste management, and you take some potential legal route in order to recover some of these. Similarly, since I would call it, you may name it differently, but double taxation on the nuclear assets in 2022, which was in the few hundreds of million euros, the question I have in front of all this is, as you've been in this negotiation, have you been negotiating any receivables potentially from the state, where basically it says, yes, I'll use some money there? Is it something which has been discussed? Is it included in your receivable net number? Or is it something that could come at a later stage if the discussion is not totally final? So that would be the question on this topic, please. Thank you.

Catherine MacGregor
Yes. So I think, Vincent, we couldn't hear you very well, but I think you were talking about the tax dispute as well as the EUR1.3 billion extra costs that indeed we have claimed last year. And these two items are not included in the deal. So they are outside the deal, so we will pursue them in their own way. As for the increase of the provisions, I think Pierre-Francois already gave you some hints that the CPN provisions are going to be revised slightly down, and we will expect the final confirmation fairly shortly.

Vincent Ayral
Thank you very much.

Operator
The next question is from Michael Arvin of Société Générale.

Michael Arvin
Hi. Good morning, and thank you very much for the presentation and for taking my question. Will it be possible for you to walk us through the bridge between the gross amount, which is EUR15 billion minus EUR9.1 billion that you have provisioned and the EUR4.5 billion that we recognize as a non-recurring expense this year? In other words, is the EUR4.5 billion the final amount and there's nothing else to come? Or is there like a second trench coming in the future?

And if also you could say a few words on the CfD that you will be getting for the output and the bonus and malus analysis and the risks that you would be exposed to once the JV is up and running? Thank you very much.

Catherine MacGregor
Maybe just I'll start with a fairly high-level comment on this EUR15 billion. I think what is really important to understand here is that, obviously, the quantum is important, but the quality is equally, if not more, actually. Two key things. First of all, the EUR15 billion pretty much eradicates all future regulatory risk. And when you think about the decades to come, you can imagine that scenarios to handle these highly radioactive wastes are likely to evolve as the notion and apprehension around risk is changing in our society. So that regulatory risk is real, and this EUR15 billion protect the Group against this risk evolution in the future.

Second point is that there has been a massive amount of work done between our teams. And here, I would like to, by the way, recognize really the work done by the ENGIE team, but also our counterparty, namely ONDRAF teams, by giving us a clarity that we never thought we would have as early as this on the transfer criteria, which allows us to envisage this scenario with a great level of accuracy on how each of the categories will be handled. And to be honest, a few months ago, we had no visibility on those criteria, and there's been days and nights of work, weekends of work to get us to this level, which allows us today to have this EUR15 billion quantum, which is what it is, but with equality behind it, which makes us very pleased with the level of de-risking that we are bringing to the table with this deal today. So I think that's an important context.

And maybe Pierre-Francois, you want to take the second part of the question.

Pierre-François Riolacci
Yes. Thank you, Catherine, and it's indeed a good way to explain indeed the bridge, as you say, between the EUR15 billion and the provision at year end and the EUR4.5 billion. I think there are two major items. One is directly related to what Catherine said. We are much more intelligent about waste today than we were only six months or even more 12 months ago. So the risk allocation which has been done between the different items that we have as a provision and what is in the lump sum in the transfer is much more mature.

So this very clear allocation of risk has allowed actually to reallocate some of the amounts between the ENGIE, what we call now the ENGIE liability and what is in the lump sum. So you cannot compare with the waste provision that were on the balance sheet because there have been moves on some items, actually both ways, and I think that indeed is blurring a bit the picture. So that's one thing.

The second reason is that also based on the tons of information which has been made available out of this process, we are also in a position to revalue and reassess the amount of provisions in this process that we had with CPN on the side-track. So that's the two items that explain that indeed the total cost is EUR4.5 billion and not, as you made a rough calculation, EUR5 billion or EUR6 billion. So it really, it cannot be bridged because of these two items, revision of costs on one hand and reallocation of liabilities on the other hand.

And then on the CfD, it's a basic principle where we get a target internal rate of return on the amount which is invested and that has to be delivered, of course, de-risking the merchant exposure, de-risking the level of production, I mean the availability, and de-risking the actual level of cost. So it's really something that sounds a bit like a regulated return, but of course, we accepted some incentives, bonus-malus that we mentioned, which are mainly directed to the availability and of course, cost control, whether it is Capex, especially in the initial phase and Opex.

So we have some skin in the game, but to a limited extent, and that was, you remember, a key prerequisite for us because, of course, with the LTO, you have some industrial risk. And whether it is the level of capital expenditures or the final availability that we will deliver, and why we completely agree that we should be, of course, exposed to a certain level, it's very important that the risks are actually shared by the government. And I think that we have stricken the right balance.

Michael Arvin
Thank you for your answers. That was very helpful. Thank you.

Operator
The next question is from James Brand with Deutsche Bank. Please go ahead.

James Brand
Good morning. Well done on reaching an agreement. I've got three questions, unfortunately. Sorry to ask so many. The first is just a clarification on the French nuclear liability position. Obviously, that's not the subject of the announcement today, but given that we are talking about nuclear liabilities, maybe you could just remind us what the situation there is?

And then two questions on the kind of P&L impact of the change. Obviously, you've reiterated your guidance. But firstly, on the economics of the extension, you've been pretty clear that you're going to end slightly above your WACC on the investment. Could I just clarify, when we're talking about the investment, are we just talking about the 50% of the EUR1.6 billion to EUR2 billion? Or do you have some kind of residual value attached to the plant at kind of at the starting point or is that zero?

And then secondly, on the P&L impact, you had provided previously guidance for an interest charge of EUR2.2 billion to EUR2.6 billion over the guidance period through to 2025. I was just wondering, whether with the revisions to the provisions and crystallization of some of those into debt, whether that's still reasonable guidance on the interest charge? Thank you very much.

Pierre-Francois Riolacci
Yes. On the French nuclear, I have to say, I'm a bit short of the answer. What I can tell you is that there is no change as far as we know. So there is no significant change and that was, of course, not part of the discussion, and I'm not aware that we have a specific one those days.

On the remuneration that we get from the investment, no, I mean you can make the assumption that we'll get this IRR over 50% of our investment. So that's what you should take as a proxy of the kind of return. So if you take a WACC plus and apply to the 50% of the investment, that gives you a rough idea of the EBIT contribution that you would get in the JV. So I think that's fair. Now, there are, of course, it's a bit more complex than that because we are operating these facilities. We have, of course, a cover of our cost as an operator and with some reasonable margin according to CDA rules. So that would come slightly on top of it, but that's basically the rough numbers. And then on the face of that, there is, of course, the cost of financing these capital expenditures.

And then when you look at the interest charges for the guidance, I think that you should, you will get this return from the asset, but of course, you will get indeed an increase of financial charges, which is linked to the increase of liabilities, so the EUR4.5 billion, they are not today recognized in our balance sheet, and they will impact our financial charges going forward. We expect to book everything at the end of June. I mean, that's our target. Of course, we are missing a bit of information, but we will be a bit more intelligent in the coming weeks. So that is our target. So you will see these liabilities, and these liabilities will have an impact, first discounting, and then once they are paid, it will be in the cost of net debt. And that you can take as a proxy the cost of debt applicable to these extra liabilities. I think that would work.

James Brand
Great. Thank you very much.

Operator
The next question is from Peter Bisztyga with Bank of America.

Peter Bisztyga
Yes. Good morning. Thanks for taking my questions, two, if I may.

First one is, you mentioned that some restrictions are being removed on certain Electrabel assets. I was wondering, if you could just elaborate what the significance of that is, please? And then secondly, I think, Catherine, you sort of mentioned there'd still be some volume risk if nuclear waste volumes end up being bigger or smaller than anticipated. Is this something that could be significant? And could you give some indication as to what could lead volumes to being different from what's currently expected? Thank you.

Catherine MacGregor
Okay. So on the Electrabel assets, just to remind you that in the current scheme of things, we had a certain number of guarantees in place. And given the de-risking that this deal offers, we will be able to change the security package associated with our liabilities because as we said, a big chunk of these liabilities will be removed from our balance sheet, and that will indeed free some Electrabel assets, namely international ones in the fairly short-term. So this is obviously a very positive impact for the Group. And by freeing, we mean these assets will not be considered anymore as part of the security package. Of course, more details will be difficult to give at this stage, but that's really the spirit of that.

And in terms of the volume risk, so you're right to say that the 15 billion are based on a certain scenario, which has obviously quite a bit of a buffer in terms of contingencies and volume, etcetera, but indeed implies certain assumptions on volumes. And if the volumes that are being produced through the decommissioning of these plants end up a little bit higher, then the volume risk will be borne by ENGIE. Obviously, we don't expect this to be significant in the grand scheme of things and will then be handled as we produce these extra volumes, if extra volumes there will be. But nothing significant in the grand scheme of things and a risk that we are very pleased or very happy to keep with us.

Peter Bisztyga
Okay. Thank you. A bit of stage but I guess you can't clarify what the value of those international assets is at Electrabel?

Catherine MacGregor
Correct, Peter.

Peter Bisztyga
Okay. Thank you very much.

Operator
The next question is from Arthur Sitbon of Morgan Stanley.

Arthur Sitbon
Hello. Thank you for taking my question.

The first one is, I was wondering, if you could quantify the provisions, the urgent provisions that will be left on the balance sheet after the implementation of the agreement? The second question is, I was wondering, if you could quantify the impact on the recurring D&A, if any, and recurring financial results from the deal? And the last one, just to clarify, I think I understood that you said that the EUR4.5 billion is net of the situation on the provisions increased from December, so that this is put behind us as well, but I just wanted to double check that? Thank you very much.

Pierre-Francois Riolacci
Yes. On the provisions which are left, we still have some nitty-gritty to adjust, but I think that you have the big numbers. I mean, we had 18.5 of provisions at the end of 2022. We are mentioning that we expect an increase

of EUR4.5 billion that takes you around EUR23 billion. So EUR23 billion, we have EUR15 billion in the lump sum, so you would expect the residual provision to be around EUR8 billion plus. So that's the kind of number that we should target. And again, we need now to work on this accounting treatment, and rest assured it's pretty complex, so we are working on it, but that's the kind of number you should have.

I think on the recurring net income, I have given already some indication about what would be the contribution of the JV and what would be the incremental cost on the financial charges. You rightfully point to the depreciation profile, and indeed there is a residual dismantling asset that was recognized after the revision in 2022. On these two units, we are going to have to revisit a bit, maybe, indeed, the profile of this amortization, but don't get excited. I mean we are talking about tiny amounts, so I don't want you to rush into big numbers. It's small anyway, albeit slightly positive, but limited.

And then, of course, as I just alluded to with adding up the EUR4.5 billion to the EUR18.5 billion, it is all included, including, of course, the revision that occurred at the end of last year.

Arthur Sitbon
Thank you. If I may, just a quick follow-up question. On the CfD, the model around the CfD for the life extension, will that need to be approved by the European Commission? And is that conditional to a broader European power market reform?

Pierre-Francois Riolacci
It will have to be approved by the EU. I mean, clearly, there is a few conditions precedence to this transaction, and that's why we don't expect the closing to incur before early well, say, end of H1 '24. That's the kind of target we have. And on the critical path, we have, indeed, the EU clearing. I don't think you should liaise it to the market design. I think in existing provision, it would have to be cleared anyway.

Catherine MacGregor
I think the only thing is the market design, as you know, has the deployment of CfD as more of a standard tool. So if indeed it includes CfDs as a standard tool in a toolbox, the approval by the EC is likely to be eased. But we don't necessarily need that to be part of the market design to have the approval for the European Commission.

Arthur Sitbon
Thank you.

Operator
The next question is from Juan Rodriguez of Kepler.

Juan Rodriguez
Hi. Good morning. Thank you for taking our questions.

Two follow-ups, if I may. The first one is on the agreement of the transfer of category B and C. What is the estimated number that will be paid or transferred in 2024? And the second one is on the November '25 or November '26 restart. One needs to be cleared in terms of regulatory adjustments for this to happen. And the second is, this will imply that the assets will be closed on November '35, if there is an acceleration or the November '36 is a set date? Thank you.

Pierre-Francois Riolacci
So on the asset categories, I think that you can take the assumption that it's kind of 80% with highly radioactive waste, so B and C, and 20% for less radioactive waste, so category A. So that's the numbers that we are working on. Again, we have a bit of nitty-gritty in allocation, but that's where we are. So, and therefore, that will impact the funding scheme based on these numbers. Regulatory adjustments...

Catherine MacGregor
Maybe just to name a few, the Belgium law needs to be changed because right now, the Belgium law calls for 2025 exit of nuclear. We need obviously other countries' environmental assessments, so you need to make sure that the neighbouring countries are also approving the continuation of the operation. And then we just talked about the EU on the CfD. So these are the few regulatory adjustments or policy changes or advice that we need to have through this period.

Pierre-Francois Riolacci
I'm not sure I get the point about assets closing after '25-'26. Can you maybe?

Juan Rodriguez
What I meant is that if you are able to accelerate the restart of the assets in 2025, looking at the timeline, it says that the assets will be closing on November 2026. If you are able to accelerate on the restart of the assets, will the November 2036 stays or will the assets close one year earlier as well?

Catherine MacGregor
So typically, the LTO is a 10-year extension. So normally, the 10 years counts from the date of restart. So in the case where we would restart or continue to work throughout 2025, then it's expected to be 2035. But that level of details can still be also adjusted depending on the framework that the fund gives us for this flex LTO scenario, which is not completely ironed out yet. So it could be an additional year, but typically, it would be 10 years from the start of the restart.

Juan Rodriguez
Okay. Quite useful. Thank you very much.

Operator
The next question is from Piotr Dzięciołowski of Citi.

Piotr Dzięciołowski
Hi, good morning everyone. I have two questions, please. So the first one would be on your dismantling provisions of the ones that stay on your balance sheet. When the German companies had a similar deal, they communicated that they can outperform the amount and they basically wanted to keep it because they thought they could dismantle it at a lower cost. So how do you assess the possibility that this provision will not materialize in full? That's the first question.

And second, at the three annual revision in December, you mentioned that you strongly oppose a EUR3 billion provision increase. Does this deal mean that you kind of agree and that the opposition you had in December is more like we should forget about it? Thank you.

Catherine MacGregor
Just maybe on the first question, obviously, today, it is a base view that this provision represents the cost that we need to do this operation of dismantling. Now it's fair to say that this amount is indeed under our control. And so if optimization there can be, we will try, but right now, it is a good representation of what we think the cost will be. And I didn't get the second question.

Pierre-Francois Riolacci
Yes. You're right. We contested the increase of provision in December '22, and that was a discussion that we had on the side with CPN. And of course, having more information about the facilities and the waste has been of great help to also progress on this one.

And that's why we are optimistic indeed that we are going to decrease the amount of provision that will stay on the balance sheet on the dismantling side, so ENGIE liabilities. So I think that we are, it's a good outcome at the end of the day on that side.

Piotr Dzięciołowski
Thank you very much.

Operator
The next question is from Sam Arie of UBS.

Sam Arie
Hi. Good morning, everybody, and thank you for this call, and congratulations on a great outcome. Looks very positive to us for sure, and a very helpful explanation here on the call. I just have two questions. One is hopefully very simple and the other one is maybe a bit silly, but I'll try it anyway.

My simple question is, just thinking about the EUR4.5 billion charge that will go through the P&L, is it very simple? Can we assume that there is a sort of tax shield or cash tax saving that will arise as a consequence of that? And is that at a 25% rate or is at Belgian rate? I wondered, if you could just talk us through that, if there's any cash tax saving associated with that EUR4.5 billion? And then maybe I'll let you have a go at that and then come back to my less simple question.

Pierre-Francois Riolacci
Yes. I wish you were right, Sam, but you know our tax situation in Belgium that we have significant tax losses and limited tax capacity. The reason being that the nuclear tax is actually pumping out a significant part of our profit up front. So you should not expect significant tax relief out of this, even if, indeed, today, we are capped in our possibility to use our net operating losses from the past. So it would be depending on our tax capacity in Belgium. So I think that it's a safe assumption to take it for nil.

Sam Arie
It's a shame you can't get a tax credit and sell it to someone else, but okay.

Pierre-Francois Riolacci
No.

Sam Arie
Very clear. Let me try my second question, and you'll probably just bat this away. But you very clearly said that this deal does not impact your guidance. And my question is, is that the same as reiterating your guidance because at this point, right at the end of the quarter, I suppose some people might be hoping you're sitting on some good numbers for Q2 and you might be thinking about whether there's room to upgrade your guidance for the current year. I just want to clarify, saying that this doesn't affect your guidance, is that the same as reiterating your guidance or is guidance set up for grabs? Thank you.

Pierre-Francois Riolacci
This transaction has no impact on the guidance. This is a call dedicated to this transaction, and we are not going to comment on the current trading.

Sam Arie
Okay. Well, look forward to that discussion next time we hear from you, and congratulations again for today.

Operator
The last question is a follow-up from Peter Bisztyga of Bank of America.

Peter Bisztyga
Yes. Hi. Just one quick follow-up, please. Can I just clarify, is there a parliamentary vote required for the change in nuclear law? And is there any sort of risk from the election timetable to the timing of that parliamentary vote?

Catherine MacGregor
Yes, there will be a parliamentary vote, and the whole planning of the project implies that it should happen before the next Belgium elections.

Peter Bisztyga
Great. Thanks very much.

Catherine MacGregor
Okay

Operator
There are no questions registered at this time.

Delphine Deshayes
Okay. Thank you for attending this presentation. Do not hesitate to contact the IR team if you have any follow-up questions. Thank you. Have a good day.