

Investor Relations

Sopra Steria: 2019 Half-Year Results Presentation

26 JULY 2019

AGENDA

| | |
|---|-----------|
| I. Opening remarks | 2 |
| Vincent Paris | 2 |
| Chief Executive Officer | 2 |
| II. Highlights of the half-year period | 3 |
| Vincent Paris | 3 |
| Chief Executive Officer | 3 |
| III. Operating position at 30 June 2019..... | 6 |
| Vincent Paris | 6 |
| Chief Executive Officer | 6 |
| IV. Financial results for the first half of 2019 | 8 |
| Étienne du Vignaux | 8 |
| CFO | 8 |
| V. Priorities and targets..... | 10 |
| Vincent Paris | 10 |
| Chief Executive Officer | 10 |
| VI. Q&A..... | 11 |

I. OPENING REMARKS

Vincent Paris
Chief Executive Officer

Hello everyone.

Welcome to this presentation of Sopra Steria's results for the first half of 2019. I would also like to welcome all those who are viewing this presentation remotely via our live webcast (including its translation into English), which allows everyone not only to view the presentation, but also to ask questions, which we will answer at the end of the presentation.

This presentation is being delivered in the presence of Sopra Steria's Chairman, Pierre Pasquier, along with several members of the Board of Directors and the Executive Committee. I will be accompanied in this presentation by Étienne du Vignaux, our Chief Financial Officer.

(Slide 3) This presentation is divided into four sections:

- Highlights of the half-year period
- Operating position at 30 June 2019
- Financial results for the first half of 2019 (presented by Étienne du Vignaux)
- Priorities and targets

It will be followed by a question and answer session.

II. HIGHLIGHTS OF THE HALF-YEAR PERIOD

Vincent Paris Chief Executive Officer

(Slide 5) There were four main highlights of the first half:

- Robust growth in business activity
- Operating performance in line with full-year targets
- Continued implementation of our value-enhancement strategy
- Confirmation of the Sopra Banking Software project

(Slide 6) We delivered robust performance, with organic revenue growth of 7.4%, reflected in a slightly better result for the second quarter (7.5%) than for the first quarter (7.3%). This growth confirms that our market remains buoyant, driven by the digital transformation projects of all our major clients. It also shows that Sopra Steria's solutions and teams meet their expectations. Due to these good results, we have slightly raised our full-year growth targets.

(Slide 7) Performance for the first half of the year was in line with full-year targets. In terms of profitability, we have targeted an improvement in 2019 relative to 2018. Our first-half 2019 performance puts us on track to reach this goal because it was better than that of the same period in 2018: the operating margin on business activity rose from 6.6% to 6.8%. This represents a stronger improvement than the one anticipated at the start of the year. There are three reasons behind this success: growth beating our expectations, a certain number of licence sales recorded in the first half (earlier than anticipated), and a higher level of investments in the second half of 2019 than in the first. Sopra Steria is in line with its profitability improvement target for 2019 as a whole. We can also point out the improvement in free cash flow: at constant structure, it was negative at €21.8 million in the first half of 2019, whereas it was negative at €77.3 million in the same period in 2018. This total improvement of €55 million included €20 million from early cash receipts, but the remainder nevertheless represents an improvement of €35 million relative to the first half of 2018.

(Slide 8) Our value-enhancement strategy was launched several years ago and continues to show results period after period. We are working on all related issues, at all levels of the Group and in every entity. Our investments have been focused mainly in three areas:

- Consulting: We aim to build a strong Consulting brand within the Group, with more added value, higher volumes and expanded teams. We will be working on all aspects simultaneously to improve our image and our market recognition. We also need to enhance the value of our expertise and solutions over time. In the first half, we worked on methods, our tagline and shared tools, and we are on the right path.
- Close relationships with clients: We need to better meet, or exceed, the expectations of our clients and verticalise our business more, especially in France. At the start of the year, we decided to adopt a vertical approach across the whole of France. This verticalisation has been applied above all in Paris, with the aim of being closer to business-specific needs and to leverage expertise over time on the national level. This is one of the reasons behind our growth.
- Tools: Every Group employee will gradually gain access to digital tools to boost productivity and enable the reuse of components. This approach has already been launched and will be intensified in upcoming periods.

These investments will allow the Group to pursue its value-enhancement strategy. This strategy is essential, on the one hand, for Sopra Steria's current and future market positions and, on the other hand, to achieve the performance improvements we have targeted.

(Slide 9) The fourth area is the confirmation of the Sopra Banking Software project. This project is key, because our aim is to use it to build a very strong differentiator. It involves the Group's leading vertical market – financial services – where we can take a truly international approach. More than for the others, this vertical is characterised by the need to lower costs for clients, shorten time to market and maintain a product focus. It is also necessary to combine our delivery capabilities for these assets and these products with consulting, integration and infrastructure, so as to propose an end-to-end solution.

That's what we want to build for core banking, Sopra Banking Software's main area of expertise. Our market covers all EMEA-based retail banks regardless of size (T1 to T4). For these clients, we propose a digital solution (DxP) shared by all of our core banking offerings: our Banking Platform, SAB and Amplitude products. DxP will see further developments over time in order to open these core banking systems to the digital world. We are also increasingly developing a platform approach, which appeals to a growing number of banks as a means to meet their challenges.

(Slide 10) Our progress in the core banking market during the first half of 2019 was marked by two key accomplishments:

- The acquisition of SAB, which strengthens our market-leading position in France and allows us to realise considerable synergies through the installed base with digital solutions (DxP). It also ensures that Sopra Steria can take an aggressive position in relation to its offerings and its geographies;
- The partnership with seven banks in the Sparda banking group in Germany, involving the construction of a digital platform. This partnership confirms the strategy pursued by the Group and provides an opening to the wider German market. The aim is to take charge of operations for this core banking system and transform it by installing the Sopra Banking Platform product, eventually raising interest among other German banks.

(Slide 11) In addition, one of Sopra Banking Software's businesses is devoted to specialised lending (leasing). Our clients are mainly bank subsidiaries, but also subsidiaries of parts suppliers, particularly in the automotive sector. The market is global and growing. Overall, our offering is appealing because it is unique, but today it faces a fragmented market. Sopra Steria is the leader in terms of market presence, with great development potential, given the acquisitions of Cassiopae and Apak, rounding out our offerings for all systems.

(Slide 12) The industrialisation issues experienced by Sopra Steria in 2018 are in the process of being resolved. The main financial statement impacts result from two action plans:

- The need to build a state-of-the-art, fully tested master version of our software (4.7), including a configurator so that it can be rolled out easily; this is proceeding according to plan.
- Retaining the clients we acquired one or two years ago, by way of a client communication and support plan pursued at the same time; this is proceeding according to plan. The product as rolled out is highly appreciated by clients, which means that they will be willing to wait for the new version, even if the situation is sometimes difficult.

Apak is moving forward according to its road map. The synergies have been postponed, pending the completion of the action plan to stabilise Cassiopae. As I've said, Apak is adhering to the road map we have set for it.

(Slide 13) The action plan to industrialise the production of the major version for Cassiopae is running its course. The aim is to complete its development and internal testing for a release at the end of 2019. Then we will move on to pilot tests with several clients. Sales are due to restart in 2020. The issue is to make sure that clients and prospects interested in this new version don't lose patience. As mentioned earlier, the product is also highly appreciated. The approach is as we described it at the start of the year.

So this is what we can say about the four main highlights of this first half of 2019. At this point, I would like to turn to an overview of the Group's performance and that of its reporting units.

III. OPERATING POSITION AT 30 JUNE 2019

Vincent Paris Chief Executive Officer

(Slide 15) Revenue of €2,207.1 million equated to organic growth of 7.4%. Operating profit on business activity was €151 million (6.8% of revenue) and net profit attributable to the Group came to €60.9 million (up nearly 60% from the first half of 2018). Free cash flow was negative at €21.8 million and net financial debt was €624.3 million (1.6x EBITDA). Lastly, the UK pension fund deficit net of tax came to €149 million at the end of the half-year period.

(Slide 16) This table shows the performance of each of our main reporting units and, on the last line, that of the Group as a whole, with organic revenue growth of 7.4% and an operating margin on business activity of 6.8% (as against 6.6% in the first half of 2018).

(Slide 17) France maintained a solid operating margin and delivered strong performance in the first half of 2019. Its organic revenue growth was notable at 7.7%, driven by Consulting (double-digit growth) and IT infrastructure transformation projects (cloud migration is central to our approach). We are well on track with our value-enhancement strategy. The operating margin on business activity has improved to 9.3% and we should be able to do even better: we confirm our target of adding at least one percentage point to this margin in the coming years.

(Slide 18) The United Kingdom was affected by two key aspects. Our two joint ventures with the UK government have now reached normative situation. This had been the case for the NHS for some time, but only more recently for SSCL. Sopra Steria has returned to growth in this country and has established recurring profitability. In addition, the Group has sold its recruitment business, which offered only very low margins and did not generate high added value. These two aspects allowed management to focus on the Group's significant transformation in the United Kingdom, which has been in the works for several periods. There are major issues among public sector clients and we need to build our business in the private sector. We launched consulting operations in this country more than a year ago. Although progress has been made, there is still more ground to cover.

The United Kingdom posted strong growth (organic revenue growth of 11.4%), fuelled in large part by the two joint ventures (18% organic growth), reflecting in particular the low comparison base in 2018. The two joint ventures had posted negative growth of 12% in the first half of 2018, followed by stable results in the second half. Margins have improved, with the operating margin on business activity rising from 4.5% to 6.1% between the first half of 2018 and the first half of 2019. Here again, these results were strongly driven by the joint ventures. Other business activities in the country are seeing continued progress period after period.

(Slide 19) The "Other Europe" reporting unit was affected by the sharp downturn in the German market, particularly in the banking sector. The Group weathered the impact of lower subcontracting volumes by its major banking clients. Germany's performance in the first half of 2019 saw contrasting trends, with negative growth in the banking sector and strong growth across the other verticals. Germany posted very slight organic revenue growth of 0.7%, with the result for the entire "Other Europe" reporting unit coming in at 7.3%. Countries other than Germany thus made the strongest contribution to growth, as was the case in preceding periods.

Margins are slightly lower than those of the first half of 2018, due to Germany's mixed performance. All of the other countries are improving their positions and their profitability.

(Slide 20) With respect to Sopra Banking Software, the challenge in 2019 is not to improve performance, but to remain on track, to complete all of the action plans and achieve all of the previously mentioned targets. Work on improving profitability will begin in 2020.

(Slide 21) Other Solutions turned in an entirely satisfactory performance, with organic revenue growth of 3.7%, along with a slightly lower operating margin on business activity, although still strong at 11.7%. In 2018, results were buoyed by the implementation of income tax withholding in France, which benefited Sopra HR Software. The situation remains favourable, with a profitability level in line with the Group's expectations at the start of 2019. We continue to refresh our offerings to make them more digital.

We have thus reached the end of our overview of operations in this first half of 2019. I would now like to invite Étienne du Vignaux to comment on our financial results.

IV. FINANCIAL RESULTS FOR THE FIRST HALF OF 2019

Étienne du Vignaux
CFO

(Slide 23) Consolidated income statement (Group)

The Group posted revenue of €2.2 billion in the first half of 2019, corresponding to organic growth of 7.4%, and an operating profit on business activity of €151 million, thus a margin of 6.8% and 20 basis points better than in the first half of 2018.

Share-based payments decreased, as announced at the start of the year, amounting to €4.3 million. As you know, we implemented an employee share ownership plan for the third consecutive year in 2018, which was not renewed in the first half of 2019. On a full-year basis, we anticipate €9 million in expenses for this item. Amortisations of allocated intangible assets increased slightly by €2 million compared with the first half of 2018, as a result of the acquisitions completed in 2018, in particular it-economics in Germany, as well as the UK-based Sword Apak at the end of 2018.

Profit from recurring operations came to €133.1 million, equating to 6% of revenue, an increase of 110 basis points compared to the first half of 2018. Other operating income and expenses was slightly lower than in the first half of 2018.

Operating profit thus came to €115.3 million, or 5.2% of revenue. The cost of net financial debt was relatively stable at €4.4 million. The cost of gross debt remained stable and the Group continued to benefit from favourable financing conditions in the first half. In contrast, income from cash and cash equivalents declined slightly, due to the decision taken two years ago to repatriate earnings long held in India in the form of cash and cash equivalents with a view to protecting the Group's balance sheet.

Other financial income and expenses amounted to €7.7 million in the first half of 2019. This line includes a certain number of non-cash components, such as fair value adjustments for some items and the discounting of interest expenses relating to provisions for retirement benefit obligations. New this year, this line includes the interest expense on lease liabilities, in application of IFRS 16. At €34.4 million, the tax expense is nearly equivalent to that for the first half of 2018. The share of net profit from equity-accounted companies reflected a third of the net profit of Axway, which released its financial statements the day before yesterday. Net profit attributable to the Group (after deducting minority interests) was €60.9 million, or 2.8% of revenue, up more than 58% from the first half of 2018.

(Slide 24) With respect to other operating income and expenses, I would like to call your attention to the costs related to business combinations, which correspond to M&A transactions, some of which were concluded at the start of the second half of 2019. These expenses mainly consisted of restructuring and reorganisation costs, which were around 20% lower than in the first half of 2018. A significant expense had been recognised for the United Kingdom in the first half of 2018. For the year as a whole, a charge of €30 million is expected for this item.

(Slide 25) The effective tax rate for the first half of 2019 came to 33.4%. On a full-year basis, it is expected to reach 35%. In this respect, we note the negative impact of the new treatment for the CICE (French tax credit for competitiveness and employment) as an expense reduction, which lowers the tax expense by €8 million on a full-year basis and by €4 million for the first half.

(Slide 26) Debt came to €620.9 million at the end of 2018 and €624.3 million at 30 June 2019, with the usual seasonal effect generating negative cash flow for the first half, although this improved in 2019, resulting in net outflows of €21.8 million. The other operating items offset each other. The initial application of IFRS 16 had an impact of about €17 million on net debt. We now recognise leases separately from net financial debt, specifically under “Lease liabilities”.

(Slide 27) We note a clear improvement in free cash flow, adjusted to reflect the sale of trade receivables carried out in 2017. It was thus negative at €77.3 million in the first half of 2018 and improved in particular due to the positive €20 million change in WCR consumption (from early cash receipts in the United Kingdom), which still represents a good performance in a growth context. EBITDA also saw clear improvement, coming in at around €30 million. There were several disbursements relating to CAPEX and reorganisation. All of these items taken together result in a negative free cash flow of €21.8 million. This represents the best performance achieved in the last four years for this indicator.

(Slide 28) The Group continues to make use of diversified funding sources and still enjoys comfortable liquidity. The ratio of net debt to equity was lower than 50% at 30 June 2019. The available undrawn amount was in excess of €1 billion at this date. The debt structure is diversified, with a bond repaid in mid-July, syndicated loan facilities, bank loans, and both short- and medium-term commercial paper programmes taking advantage of highly favourable interest rates. We refinanced a portion of our debt on 25 June and we issued two new bonds on 5 July, for a total of €250 million, with maturities of 7 and 8 years, at interest rates of less than 1.75% for the first tranche and 2% for the second tranche. These features are to be compared with those for the bond shown in the table, which was repaid on 12 July (6-year maturity and an interest rate of 4.25%). We managed to halve the cost of this debt by extending its maturity, which is very satisfactory.

(Slide 29) The banking covenants were comfortably met at 1.6x EBITDA at 30 June 2019, marking an improvement as compared with the first six months of the previous four years.

(Slide 30) This slide indicates the dates for initial consolidations and divestments. The recruitment business in the United Kingdom was divested at 28 June 2019 and will not appear in the financial statements for the second half of 2019. SAB will be fully consolidated within Sopra Banking Software from 1 July 2019. The captive joint venture with Sparda Banken is expected to be fully consolidated for the first time within Other Europe in the third quarter of 2019.

I will now hand back over to Vincent Paris.

V. PRIORITIES AND TARGETS

Vincent Paris
Chief Executive Officer

(Slide 32) The priorities are the same as those in 2018:

- Sopra Banking Software continues to focus on delivery and aims to improve the coexistence of all business lines working in a single vertical. Our objective is to reinforce and develop this positioning period after period.
- Value enhancement is key for all entities and is achieved by each of them in its own way.
- The Group's approach to structuring will take a more aggressive stance over the next year or two and we are working to make it more robust, with stronger head office involvement.
- In terms of corporate responsibility, human resource management is critical in our businesses and Sopra Steria must make every effort to be a benchmark employer. Many initiatives have been launched across the Group, notably including the "Great Place to Work" survey. This study will be updated each year: its goal is to ensure that the Group improves its day-to-day management year after year. Gender balance is another focus, with the launch of many concrete action plans during the year.

(Slide 33) Our growth target was revised upward. The full-year target for organic revenue growth was between 4% and 6%, and we are now targeting full-year organic revenue growth of at least 6%. There was also a slight improvement in the target for operating margin on business activity. Lastly, we are targeting free cash flow in excess of €150 million.

(Slide 34) Our medium-term targets are the same as those we set in early 2019:

- Organic growth of between 4% and 6% per year, with a targeted acquisition strategy that should become more aggressive in the future
- Operating profit on business activity of around 10%
- Free cash flow of between 5% and 7% of revenue

Let's move on to your questions.

VI. Q&A

Gregory Ramirez – Bryan, Garnier & Co

Good morning, I'd like to go back to the SAB acquisition. In 2018, SAB's profitability wasn't very impressive and if I'm not mistaken it didn't meet its full-year targets. Did management make improvements just before its acquisition by Sopra Steria? How does the Group plan to improve its profitability? Could we have some information on the level of profitability expected in 2019 and potentially 2020 for SAB?

Vincent Paris

It's still much too early to provide that level of detail. We're following the road map we drew up and we haven't had any unpleasant surprises with respect to what we saw before the acquisition. The full-year figures are in line with expectations and with the Group's targets.

Nicolas David – Oddo BHF

What were the pleasant surprises compared with the Group's guidance for its operating profit in the first half of 2019? Did anything unexpected happen? What are the chances of beating expectations in the full-year results?

Vincent Paris

What we saw was a combination of small variations, not any major divergences. Growth improved our operating profit, but we mostly expected good news, such as a higher number of licence sales in the first half of the year, initially expected in the second half, so it doesn't change anything for the full year. Another example is investment in our value-enhancement strategy, which will be higher in the second half of the year than in the first half of 2019 compared with forecasts at the beginning of the year. Not much has changed with regard to our outlook in early 2019.

Nicolas David – Oddo BHF

Weren't you pleasantly surprised by Sopra Banking Software's non-licence-related costs and execution in the first half of 2019?

Vincent Paris

No. We achieved exactly what we expected to achieve. We've been proceeding exactly as planned, without any pleasant or unpleasant surprises, other than finalising the Sparda partnership in the first half of the year.

Nicolas David – Oddo BHF

In the banking sector, could you comment on demand trends at the European level, since your competitors have a different view of the situation? Some of them are talking about a slowdown, particularly in consulting... Could you also focus on Germany and your timing strategy to "exit from the top" of this trend?

Vincent Paris

The German market is quite unique. It was the most buoyant market and also the hardest hit, seeing very sharp declines. This was more strongly felt in the financial sector. Certain banks probably aren't as strong in this market as some of their competitors elsewhere in Europe. They probably took more of a hit than other countries and other rival banks. The market was promising and has become more differentiated, with more pressure on commodities and a drop in subcontracting. Transformation is vital and all banks are continuing to work toward that goal. We're in a transition phase, and probably

more cautious than before. We haven't felt any clear rupture: the business is less buoyant than before, but nevertheless remains buoyant. The Group-level "financial sector" vertical is still growing.

Emmanuel Parot – Gilbert Dupont

Could you tell us how much revenue the captive entity is expecting to see in connection with the ramp-up in business at Sparda and its growth, with the implementation of Sopra Banking products in two or three years?

Vincent Paris

The annexes provide more detailed presentations. It comes to around a hundred million euros in annual revenue for the captive and more than €1.1 billion over 13 years. We've taken a 51% stake in this captive and we're continuing to operate the existing core banking system for the seven banks as it stands today. The transformation process will take place gradually at two levels: we'll integrate Sopra Banking Platform into the information system, and we'll transform the joint venture previously dedicated to this bank into an aggressive platform that allows new banks to be integrated into this platform model. The small and medium-sized banking market in Germany is particularly strong. The transformation period should last three or four years and should enable change, in cooperation with these seven banks. The goal is to attract new banks at the end of this transformation period.

Emmanuel Parot – Gilbert Dupont

The Group achieved a better margin than expected and business activity that may be stronger than forecast for the full year, but hasn't updated its guidance on the margin. Are you more confident today than you were some time ago regarding this potential?

Vincent Paris

We're keeping the same full-year target. I prefer to present half-year indicators that are a bit higher than what we had forecast, even though that may be in line with what we anticipated. It's still too early to say more.

Laurent Daure – Kepler Cheuvreux

Could we have more details on cost trends for Sopra Banking Software? Provisions were made in 2018 and I think the development of the new version incurred additional costs. How will the Group bring costs down between 2019 and 2020 for this business? Based on that, we'll make our own revenue projections. Also, the beginning of the year was better than expected in the United Kingdom: could we have more details on trends in the private sector, on any signs pointing to a slowdown in the second half of the year, and on the potential margin for this region over the next two years?

Vincent Paris

It's still too early to provide clear targets for specialised lending in 2020. Building the major version requires the most resources now, and we will continue to work on it in the future, but at a lower investment level. Our main priority is focusing on all our ongoing projects and our loyal customers: that will all get better over time. The R&D outlay will be lower and project profitability will gradually improve. Lastly, we'll resume our sales activity. It's still too early to provide a specific timeline for improvements quarter by quarter.

In the United Kingdom, the private sector has been improving steadily quarter after quarter, but the Group is still a relatively small operator in this market. The consulting business, which started from scratch two years ago, today has more than 200 consultants in the UK market and should reach 250 to 300 consultants by the end of the year. Diversification is a long, slow process: the Group has new staff and is maintaining an aggressive approach in this area.

Joint ventures have been set up in the public sector and it is very hard to tell what kind of an impact Brexit will have. Everyone is taking a wait-and-see approach, and we do not have much new business. We don't expect any major disruption in the event of a hard Brexit. However, everything connected to the public sector will enter a quieter phase, before taking off again in connection with the change in regulations. We make our forecasts in all humility, knowing that many things may happen in this context.

Derric Marcon – Société Générale (question submitted online)

Could you estimate the value of Sopra Banking Software licence agreements that were signed in the first half of the year, ahead of expectations? How do you expect licence sales to break down between H1 and H2 this year?

Vincent Paris

We forecast around €5 million in billed revenue. For the breakdown in licence sales over the year, we reckon more than 40% in the first half of the year. In 2018, the breakdown ended up being similar (20/80 according to initial forecasts).

Derric Marcon – Société Générale (question submitted online)

For SSCL, do you think the growth expected this year will continue in 2020? Could a "hard Brexit" scenario jeopardise this entity's growth prospects?

Vincent Paris

Brexit or no Brexit, the service needs to be delivered, since it's part of a general public service concession. The risk is more about political change in the United Kingdom. The government could decide to bring back in-house everything that had previously been outsourced. This risk would take much longer to affect our financial statements. I doubt that Brexit, as we see it today, would have any impact on that.

Derric Marcon – Société Générale (question submitted online)

Do you think you'll be able to maintain your level of EBIT margin in France given the investments you'd like to make this year? Should we expect to see these investments weighing on the EBIT margin in 2020, or should we expect to already see a payback on the investments made in 2019?

Vincent Paris

It's still too early to answer that question. We'll see a two-fold effect in 2020, as is already the case in 2019. Investments won't slow down, but the more we build our consulting brand, along with higher added value and higher prices, the more we should see the benefits period after period. The goal is to change our positioning and profitability structure within the next two or three years. If we're lucky, this may take less time than expected.

Frédéric Genevriér – Independent analyst (question submitted online)

Could you give us some examples of production tools that will help you meet your target of an operating margin above 10% in France? Could you tell us what resources are being used to shift toward higher-value offerings, and in particular what this goal changes in terms of the Group's operations?

Vincent Paris

The concept of a toolkit is simple. We want all of the Group's projects to have access to a basic set of tools that lets us produce solutions the same way in each project, leveraging all the progress made throughout the Group. These shared resources will get better and better over time. We've reached a point where more and more of our work is going to involve reusing things we've already

built. The goal is to connect all of our projects to this toolset so that they can leverage our full range of expertise, which will help us speed up installation of platforms and the development environment, ensure consistency and use the most state-of-the-art production techniques. We also want to reuse what's produced elsewhere in the Group. I'm convinced that the platform model and the tools we're developing will help us improve that. This isn't yet reflected in our results. It's a long-term process of improving our productivity and professional service.

As to the second question, the first step is gaining a better understanding of our clients' needs and being more proactive. The notion of positioning encourages us to reconsider our sales techniques, our production methods and how we operate on a daily basis. It's about being more proactive, with an excellent, state-of-the-art delivery. We have to focus our sales proposition more on what adds value for our clients – what's most important to them – and increase our prices. We need to work on all these aspects together, while of course gradually increasing our margins.

Thank you for listening. I wish you all a pleasant summer.