

# **Moncler S.p.A.**

**"Q1 2019 Interim Management Statement Conference Call"**

**Thursday, 9 May 2019, 18:30 CET**

**MODERATORS:**    LUCIANO SANTEL, CHIEF CORPORATE AND SUPPLY OFFICER  
                         PAOLA DURANTE, INVESTOR RELATIONS AND STRATEGIC  
                         PLANNING DIRECTOR

OPERATOR: Good afternoon. This is the Chorus Call conference operator. Welcome and thank you for joining the Moncler, Q1 2019 Interim Management Statement Conference Call. After the presentation, there will be an opportunity to ask questions.

At this time, I would like to turn the conference over to Ms. Paola Durante, Investor Relations and Strategic Planning Director of Moncler. Please go ahead, madam.

PAOLA DURANTE: Hi, thank you and good afternoon everybody. Thank you for joining our call on Q1 2019 interim management statement. As usual, for Q1 and 9M, the call is hosted by myself and by our Chief Corporate and Supply Officer, Luciano Santel.

Before commenting on our revenues results, I need to remind you that this presentation may contain certain statements that are neither reported financial results nor other historical information. Any forward-looking statements are based on Moncler's current expectations and projections about future events and are subject to risks and uncertainties that could cause results to differ even materially from those expressed in or implied by these statements. In addition, let me also remind you that we have invited members of the media to participate in this call in a listen-only mode.

Let's move now to Page 3 of the presentation. I will just make a couple of quick comments. In the first three months of the year, Moncler posted a very solid set of results reaching its 21<sup>st</sup> consecutive quarter of double-digit growth, since the IPO. Consolidated revenues were up 11% constant currencies notwithstanding the highly demanding basis of comparison, the mild winter, the earlier date of the Chinese New Year and also Easter

being, this year, in Q2 instead of Q1 as last year. Before going into the details of our revenue results, let me also remind you that I will comment only constant currencies performances.

Let's move to Page 4. Revenues breakdown by distribution channel. Both channels showed solid performances in the first three months. In particular retail revenues rose by a good 10% following by the exceptional 35% in Q1 last year, driven by positive organic growth and by new space contribution. All regions and all main retail metrics contributed to this growth. China's Mainland and Korea have been the best performers market.

Wholesale also did well, driven by the enlargement of the shop-in-shops network, the good result of the Spring/Summer '19 collections and the contribution of Moncler Genius. Wholesale results has been strong in Europe, in particular in Germany and the UK, and also in APAC. Let me also underline that our e-commerce posted a strong double-digit growth in both channels largely outperforming the rest of the business.

Let's move to Page 5 of the presentation. Revenue breakdown by region. In Q1 global expansion continued with international markets accounting for 88% of total revenues. In the quarter also our domestic market reported a solid 6% growth. I will now provide you a more detailed analysis by region.

On Page 6 we start with a focus on EMEA including Italy. Europe and Italy combined reported a 10% growth with a double-digit performance in both channels. In EMEA, we continue to see excellent results in the Middle East, in Germany and also in the UK, all growing sound double-

digit. Italian revenues achieved good results driven by the retail channel, while in the wholesale we continue to select our distribution.

Let's move to Page 7 talking about Asia which includes APAC, Japan and Korea. Asia recorded another double-digit results growing by 12% notwithstanding the challenging basis of comparison. As you may remember, in the first three months of last year, the Asian regions rose by 39% with APAC and Hong Kong in particular leading the growth.

In the first three months of this year, China's Mainland along with Korea significantly outperformed the rest of the region. In the first quarter of 2019, the Chinese cluster grew double-digit driven by a stronger local demand. Starting from March we have seen an acceleration in the cluster also among Chinese travelers.

Americas. Move now to Page 8 of the presentation. Revenues in the Americas increased 9% with both distribution channels posting good growth. Retail business has been driven by sound local demand and has benefited also of some important openings like the New York Soho flagship store. Wholesale business remained solid and has been supported by good sell through for both Fall/Winter and Spring/Summer collections.

Finally on page 9 of the presentation, we briefly comment on our store network. As already explained during the last conference call, starting from full year 2018, we decided to align our stores' counting to the management of the business. As a result of this decision, multiple stores located at the same address, thus on different floors locations (normally divided by men, women and enfant) are no longer counted separately, given that they are managed as a single entity by Moncler.

At the end of March, our retail stores reached 197 units, in the quarter we opened 4 locations including the flagship in Singapore. We confirm that we have at least further 11 locations secured for 2019. Therefore, total new openings should be around 15-18 DOS with similar number of relocations. To be mentioned that in Q1 we have relocated our stores in Copenhagen. In addition, in the quarter we also opened 6 wholesale mono-brand stores including 4 airport locations, and we confirm we should open 15 shop-in-shops in total in 2019.

I finish my brief presentation, I will then leave the floor to your questions, Luciano and myself will answer. Operator, can you please open the Q&A session? Thank you.

## Q&A

OPERATOR: Thank you, madam. Excuse me; this is the Chorus Call conference operator. We will now begin the question and answer session. The first question comes from Elena Mariani of Morgan Stanley. Please go ahead madam.

ELENA MARIANI: Good evening Paola and Luciano. I have got 3 questions for you. The first one is on your retail performance. I know, you don't disclose like-for-like by quarter, but you also know that you are always going to get this question. I just wanted to understand whether it is correct to assume that within this 10% constant currency growth that you have provided, there was a broadly balanced split between like-for-like and what we call space contribution. And that it was pretty much in line with your expectations I guess. Second question is on wholesale. I was positively surprised by the 13% constant currency growth that you have reported. Could you help me understand what was the contribution from new physical shop-in-shops,

from new online partnerships and the underlying growth that you have been seeing with existing customers? It would be very helpful. And also how to think about the rest of the year? Should we expect the low double-digit growth also for the coming quarters?

And my final question is on your margins. You've always been quite cautious on your margin progression, but historically, you've always managed to either keep them flat or improve them. What should we expect for the first half of this year? I think consensus is expecting margins to remain broadly flat year-on-year. Is this something you are comfortable with? Thank you very much.

LUCIANO SANTEL: Okay. Hi, Elena. This is Luciano Santel. Your assumption in the first question is correct. Of course, we don't report comp, but I can tell you that our comp was in the region of the mid single-digit. So I think that your guess is good and precise.

About the wholesale: 13% was a very good result. In the wholesale business, we did very well because overall it is very strong and healthy. We keep growing in all the sub channels that you mentioned. Talking about the shop-in-shops: we opened 6 shop-in-shops in the first quarter of this year. The online business, the wholesale business with e-tailers is also doing very well. I have also to tell you that in this 13%, there is a timing effect because the weather during our winter season – including January, February and March – was not particularly favorable for our business because winter was pretty mild and warm. However, the good news was that because spring started earlier, so our wholesale customers requested to receive the product earlier. Therefore we shipped out to our wholesale customers most of the spring season products. This was good for them even more and for our sell-in.

About H1 margins: in the first half of last year, they were very strong and even the margins of the year before were strong but not as much as last year when our retail business growth rate was particularly high. I cannot predict margins for the first half of the year, but honestly, we are confident about the margins even if, of course, we do not expect and we cannot expect such growth rate we reported last year, but with the way we run our business, we expect to still report very solid operating margins in H1 2019.

ELENA MARIANI: Great. Just a couple of follow-ups. So on wholesale, what you've just said, does that imply that we are going to see a bit of a slowdown in the second quarter because of this anticipation of shipments? So would that may be high single-digit differ on estimates. I am just trying to quantify this impact.

LUCIANO SANTEL: The wholesale business in the second quarter is driven by deliveries. In the second quarter, we will not deliver a lot of spring season because most of it was already delivered in Q1, but we are starting very soon to deliver the Fall/Winter season. The very first delivery of the Fall/Winter is expected to be delivered in May, more importantly, in June. So this will impact our wholesale business in the second quarter. Overall, looking at the 12 months period, looking at the fiscal year 2019, we still confirm our overall guidance of 8%, more or less growth rate, for the wholesale business.

ELENA MARIANI: Great. And one very small final point. Did I understand correctly, you said in your remarks that the Chinese cluster grew double-digit in the quarter, and you have seen further acceleration from March, is that right? Did I understand correctly?

LUCIANO SANTEL: Yes, yes.

ELENA MARIANI: Okay. Thank you.

LUCIANO SANTEL: You're welcome.

OPERATOR: The next question is from Anne-Laure Bismuth of HSBC. Please go ahead.

ANNE-LAURE BISMUTH: Hi, Anne Bismuth from HSBC. So I have three questions, please. I just wanted to know some indication about the April, May performance versus Q1. My second question is about the contribution from new space: what should we expect for the full year? If I remember correctly, you mentioned previously that it should be around high single-digit. And my last question is about the performance in the America: I know that you faced challenging business comparison, but actually it went down to 9%. So organic growth in Q1, so is it possible to have more details about this performance? Thank you very much.

LUCIANO SANTEL: Hi, Laure. About your first question, the business in April and the very first days of May is doing very well. I'm not talking only about the individual results, but all the regions are doing well, which is very encouraging because we look very closely at the performances of our collections, of the Spring/Summer products. Now we are fully in the middle of spring season and the results are very encouraging also helped by some timing impact that impacted negatively in the first quarter. For example, Easter was in second quarter this year while last year it was in the first quarter. So on one hand, the first quarter was slightly negatively impacted by the fact that Easter was in the second quarter. But on the

other hand, the very positive impact of Easter being in the second quarter, in April, was very visible. So we are very positive about the current trend.

About new space contribution, you are totally right and at this stage of the year, I can only confirm what is our guidance and, as well, the way we plan our retail business, which is a space growth contribution in the region of 8/10%. So high single-digit is correct for the year-end. This assumption, in the 12 months period, is still our own assumption.

Anne-Laure, you already gave a part of the answer on Americas. Last year, the business in North America was very strong and when we look at current results, we cannot forget the results of the year before in the same period. I can add that the wholesale business gives a good contribution at the business in North America and it is, to some extent, depended on deliveries, on the requests of products from our customers and, specifically, from department stores. As I said in the past, we look at our sell-in because this is what we report but we look even more and with much more interest to our department stores sell-out because this is what makes or not our brand, our business healthy. What I can tell you is that the sell-out of our department store customers in this current spring season is better than last year. This makes us very positive about that market, which again is U.S., and Canada. We are growing very nicely our business in both markets being present in the most important department stores and thanks to the strategy to develop that business, not only from the volume point of view, but also from the quality of our business point of view. We started and we are working on a plan to open a shop-in-shops. We started and we will implement this year a plan to convert some of this shop-in-shops into concessions stores with some important names like Bloomingdale's. And again, we are very positive about that market.

ANNE-LAURE BISMUTH: Thank you very much. Just to come back on your comments regarding the performance in Q2. Is it even better than in Q1? So it is in acceleration compared to Q1? Thank you very much.

LUCIANO SANTEL: We are here to comment Q1. I hope to confirm your expectations when we will hold the call in July. I can confirm that April was very strong and May is still very strong. Again, timing might be negative as Easter, being in March, was negative for our business in March, but it was very positive for our business in April. May is still good. We face also June that is still ahead, when last year our business did very well because, as you may remember, we launched our Genius project and we reported very strong results. So June will be a nice battle compared to last year. But again, the business is doing well.

ANNE-LAURE BISMUTH: Thank you very much.

LUCIANO SANTEL: You're welcome.

OPERATOR: The next question is from Piral Dadhania of RBC. Please go ahead.

PIRAL DADHANIA: Hi, Luciano, Paola, three questions from me as well, please. Could you please quantify the revenue growth of the e-commerce in the first quarter? You have said that it was very strong and running almost 2 times the rest of the business, but any quantification will be very helpful. The second one is on product categories development. Could you provide us with some indications of how outerwear has performed relative to the non-outerwear categories in the first quarter? And my third question is on outlet versus full price. I think that, in full-year 2018, you said that full price is running ahead of outlet. So could just give us an indication of the trend in the first quarter for that as well? Thank you.

LUCIANO SANTEL: Hi, Piral. About e-commerce, I cannot report any number, but the business is doing very well and the growth rate of that business in Q1 was very strong. It is not unexpected because we are investing a lot in the online business. We have many projects in our pipeline, because we strongly believe that the online business will and must represent an important part of our business, much more than what it represents now. And again, Q1 was very strong.

About other categories: outerwear performed well not as last year since the business in Q1 was very strong because winter was very cold and very long meaning that we kept selling winter products and heavy down jackets until March. This year, weather was much warmer and winter was mild, therefore we sold lighter products and started, as we said before, to sell earlier spring products. So, I can tell you that we are happy about our retail business in the first quarter because traffic was up, conversion rate was up and units per transaction was up. Selling price was a little bit down, simply because instead of heavy down jackets we sold more spring products. We also sold very well, we keep selling very well the other product categories and, specifically, knitwear, cut and sewn. So the overall business did very well, but, of course, the average selling price of our retail business was lower than last year. But let me repeat and say again that the other categories are performing better and better and better than outerwear for sure.

About outlets. We have a very valid and talented people who go after the outlet business. They are very strong and they strongly work to make that business more and more success but unfortunately for them, outlet business is doing fairly well but not as much as our regular business for one simple reason: we don't have a lot products for outlets and this was

the case at the end of Fall/Winter 2018. Now we are of course in better shape. But again, we don't have so much product for our outlets and we miss sales opportunities, which is something that we are happy with, accordingly to our strategy, because we are interested in our regular business more than in the outlet business. So outlets are doing fairly well, but not well as much as our regular stores.

PIRAL DADHANIA: Right. Thank you very much. Great quarter.

LUCIANO SANTEL: You're welcome.

OPERATOR: The next question is from Susy Tibaldi of UBS. Please go ahead, madam.

SUSY TIBALDI: Good evening. I have 3 questions, please. So the first one: I was wondering if you can give us an update on Genius, especially given that from June, as you mentioned, you are going to annualize it and, we all know that, the contribution to the actual sales is just about 10%. But obviously the contribution in terms of traffic and all the retail KPI is pretty material. So how should we think about it when it analyzes from June onwards?

Secondly, have you done any progress on your travel retail plans in Q1? So have you opened any more stores at airports? And how do you see this going forward for the rest of the year? And one more question a bit more on the macro. There is a lot of uncertainty again, and hypothetically speaking, if the macro environment will deteriorate a little bit, and therefore it will become a little bit harder to keep such level of growth, how much room do you think that you have to maneuver? Are there measures that you can take to protect your profitability? Or do you think that it's very important at this stage to keep growing forward with

investments that you have planned? Or how do you think about the possibility of maybe slower growth or macro issues? Thank you.

LUCIANO SANTEL: Hi, Susy. About your first question Genius. You are correct Genius started last year in June with the very first delivery of fragment Hiroshi Fujiwara, which was a success and strongly contributed to our business in June. This is the reason, or one of the most important reasons why we face a challenging basis of comparison in June. On the other hand, we plan to deliver our first Fall/Winter Genius drop in June with Francesco Ragazzi Palm Angels' that makes us very positive. That brand is very hot now and the collection is very good and strong.

About the contribution of Genius, you are correct since last year, it was about 8/9%, this year will not to be much different from last year. In the first quarter we delivered four different collections: Craig Green, 1952, Simone Rocha and Fragment. Some of these collections are very strong for the brand, pretty commercial like Fragment. Other are more conceptual and less commercial. The Fragment drop in March was very successful and developed a very good sell-out. For this year, we have new designers, so we have a very tough plan starting in June and every month and even twice a month, we will have different deliveries.

Your second question about travel retail. In the first quarter we opened 4 travel retail stores. We have a plan for this year to open a total of 10, so other 6. We opened in Paris-Charles de Gaulle, we are opening shortly, in July, in Zurich, a very important new opening. The most important opening will be in July in Istanbul in the new airport that opened a few weeks ago. We are opening in Beijing and others. Travel retail is an important channel and we are investing a lot, not only because we are opening stores, but also because we are working very closely on the

specific merchandising and product assortment of the stores. We believe that travel retail has a very good potential and represents an opportunity for our business.

It is a more difficult to answer to your last question. I think that we have to live with the current environment and whatever will be in the future, maybe better, maybe worse, maybe better in some markets, worst in others. What is a very important is to keep investing in our brand because whatever may be the economic scenario, what makes brand successful is how strong they are. Our brand is very strong now, but is not enough, we have to keep investing from all the different point of view, not only communication, not only product, everything. So we have to keep investing and investments for this year are very important. I am talking about CAPEX that will be significantly higher than last year, for sure over €100/110 million. So no plans at all to slowdown them because all these investments are very crucial. These investments are not only associated with our retail network, with our wholesale, but also with our back office, with logistics, information technology and with the new online platform project. So what is very important is to keep investing in the brand and to make the organization, the structure of the company as much as possible flexible and quick in reacting to any kind of event. This is something we are working a lot as a management team. Again I can't say and do anything about the overall environment. The duty war between China and U.S. is something that we cannot do anything.

SUSY TIBALDI: Okay. Thank you. Thank you very much.

LUCIANO SANTEL: You're welcome.

OPERATOR: The next question comes from Melanie Flouquet of JP Morgan. Please go ahead, madam.

MELANIE FLOUQUET: Good evening. Thank you for taking my questions. My first question regards profitability. I know this is a sales call, but given the cyclical nature of the local business, you have a very strong visibility on your profitability of the first half, because the second quarter is of course smaller than first quarter. Can you just clarify, because I wasn't sure I got this right, do you expect H1 2019 EBIT or EBITDA margin, whatever you prefer to use to be, up year-on-year or are they close to coming in and a very tough comp base makes this more challenging? My second question is more strategic. Could you take us about the progress of your e-commerce in Korea? And my last question is on Genius. Could you help us to understand whether the weight of Genius 8/9% contribution that you're citing on a full-year basis is similar in H1 and in H2? Thank you very much.

LUCIANO SANTEL: Thank you, Melanie for your questions. About profitability, what I said about H1 is that last year we reported very strong profitability because our retail business grew very strongly and also the organic growth of the retail business was very strong making our selling expenses unusually low (as % of sales) because the productivity of the stores was very high. So I think that in H1 2019 it's very difficult to replicate such profitability or even do better. I would say that we don't aim at all to do better. We aim and we plan to do more or less in line with last year. That would be a very good result. I can't predict the future but based on our current visibility, based on our current sales trend, I think that the profitability in H1 2019 will still be very good, but it is impossible or very difficult to do better than last year.

About the online business project in Korea. The project is doing well even if we are very close to the start of the project. We will go live in the second half and we are ready to start with the first test of the platform. In fact, half of our company is travelling to Korea next week because of the start of the test of the platform. We cross our fingers, but so far so good. The plan is still to go live at the beginning of the second half of the year, in July in order to capture the first season. Needless to say that Korea is very important, not only because Korea is an important market but because this is the very important test of an online platform that is run by us. About Genius, last we said 8/9%. This year even if we have the expenses, we don't plan to do more than that, 9 maybe 10. We want this business not to be very high as this project is not aimed to develop volumes but to build a stronger and stronger perception of our brand.

Of course, from the seasonality point of view, even if Genius is much less season-driven than our main business, the Genius Fall/Winter business is stronger than spring. But your point is correct, it is much less season-driven and much less outerwear driven. This is very important strategically.

MELANIE FLOUQUET: Yes, thank you very much. Okay.

LUCIANO SANTEL: Thank you.

OPERATOR: The next question is from Paola Carboni of Equita. Please go ahead, madam.

PAOLA CARBONI: Good afternoon, everybody. I had a similar question on Genius, not so much in terms of contribution by season, but actually comparing the launches of this Spring/Summer with the launches of the last Fall/Winter

in terms of buzz. Have you experienced overall on the brand the kind of impact we had in the days immediately after the arrival of every single collection in the stores? How KPI are changing? Are you experiencing a similar impact to the beginning of this project or is the impact somehow normalizing or fading? And with a similar approach, I would also ask you to compare how wholesale clients have reacted in the orders of Genius for the Fall/Winter season compared to the Spring/Summer in terms of the feelings you are experiencing rather than the seasonal contribution?

And the second question is instead on evolution of your OPEX throughout of the year. I was just wondering whether we should think about any different phasing. Maybe ahead of any potential internalization of your e-commerce operation going forward and therefore possibly sequential acceleration somehow in the OPEX linked to that project. Thank you very much.

LUCIANO SANTEL: Hi Paola, about your first question on Genius. The impact in every delivery, in every drop of the current season was very good. Again, collections are different, target customers are different and also we did and we are still doing a very important selective clustering activity in order to target each customer depending on the specific collection. Craig Green was very impactful because he is a very strong designer, so the impact in terms of traffic of people on the day of delivery and the days after was very good.

Of course, the sales' ability of that collection is by definition different from the sales' ability of Fragment. Hiroshi Fujiwara is as much as Craig Green, a very strong designer. We held an event with Hiroshi Fujiwara in Hong Kong, the same day of the launch of the drop in March and it was very successful, with a lot of energy. The impact of all the different

collections was very good. Talking about KPI, the traffic at first was very good.

About the wholesale, wholesale is doing very well. What I can tell you is that our plan for this year was to be even more selective than last year. We reduced the number of customers. We were very careful in selecting only those we believe are the best wholesale customers. We made some of our customers angry because the problem with Genius is that everyone would like to get the product, but again our wholesale strategy, this year even more than last year, was very selective.

Your last question about OPEX associated with eventual insourcing of the e-commerce. We are investing a lot in our digital business and we are investing now to be ready one day in the future to be able to run this business. We don't know yet because we are very happy with YNAP but we want to make sure that if we will decide to run this business, we can run it. So, we have, first, to make sure that we can drive the car and in order to be able to drive the car, we have also to invest in people. The OPEX on that specific segment is growing now, but it is an investment for the future. So I can't tell you that we are trying to save money on that segment because we have to get talented people, we have to create the team, the digital team we need for the future. As you may remember, in October last year, we hired a very talented Chief Digital Officer. She is an Italian girl coming from a very strong U.S. company, a \$35 billion company - Mars. She is building the digital team. So OPEX on that side, are growing, but this is very important.

OPERATOR:

The next question is from Nicky Ito of MainFirst. Please go ahead.

NICKY ITO: I have a couple of questions and thanks for taking my questions. My first question is again on the Genius project. You mentioned that the Chinese cluster sales grew double-digit in Q1 and accelerated in March. Do you think that it was somehow supported by the Fragment collection that dropped in March? Hiroshi Fujiwara is particularly popular with Asian clientele. And also do you think the price reduction in Mainland China and maybe even in Japan drove the increasing amount of volume? Second question is on the sales trends for other nationalities in Q1, Americans, European and Japanese. Thank you.

LUCIANO SANTEL: Hi, about Chinese cluster. You said correctly, there was an acceleration in March. Even if Fragment was very successful in China, I don't think that was the most important driver of the increase of the cluster, not at all. All the nationalities are growing very nicely. Japanese is a cluster that is growing also not only in Q1, but also in April of this year and not only in their local market, but also in other markets around the world. North America, not only Korea, is doing very well. All the different nationalities are growing in line more or less with our business, some are a little bit better like Chinese, some are a little bit lower but overall we don't see any specific point of attention.

NICKY ITO: Thank you.

OPERATOR: The next question is from Silky Agarwal of Citi. Please go ahead.

THOMAS: Hi, it's Thomas Chauvet from Citi. Just a quick question on sales densities. Last year they were at about €36,000 per square meter, I remember Luciano said, he would struggle to increase them further from here, a largest store format, new openings, refurbishment product diversification into lower SP categories. I know quarterly densities are

very different, but could confirm maybe in Q1 that indeed you were capped year-on-year versus Q1 2018 or has sales density actually increased a little bit further. I know it's a probably a much lower density obviously then in your fourth quarter. And just a follow-up on the e-commerce. Could you give the weight of sales online in Q1 taking both the direct e-commerce and the wholesale partners? Has it reached now 10% of group sales? Thank you.

LUCIANO SANTEL: Thank you. About the sales density. The sales density is different month-by-month and season-by-season. So, what we report for the year end is a number that we normally represent. It was about 36,000 euro per square meter last year and this year we will be at least the same or hopefully even better.

First quarter, is totally meaningless. Our retail business did pretty well in the first quarter and our sales densities are totally in line with the last year and with our plan, even a little higher.

About e-commerce, I cannot give you numbers that also would be meaningless in one specific quarter, but we keep growing very nicely not only our own e-commerce but also our business with e-tailers. So, the two of them still represented about 8% this year and consider that the growth rate that is much stronger than the rest of the business. I think that we may see a higher number, double-digit maybe around 10% but it's premature now.

THOMAS: Thank you, Luciano.

LUCIANO SANTEL: You're welcome.

OPERATOR: At this time, Ms. Durante there are no questions registered.

PAOLA DURANTE: Okay. There were a few questions through the webcast, but I think we answered to them. If not, please call us anytime after the call. In the mean time, I thank you everyone for participating to this call. Let me just give a quick reminder of the upcoming releases. First half results will be published on July 24, as usual after market close. The conference call will take place on the same day, while our quiet period will start on June 25. For any follow up question, please feel free to call the IR team, myself, Alice, or Carlotta anytime. Thank you and have a good evening. Bye.