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Speakers: Sophie Palliez, Bruno Bich and Jim DiPietro

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Misprints and repetitions have been corrected.

Operator: Ladies and gentlemen, welcome to the First Half-Year 2016 Results BIC Conference Call. I now hand over to Madame Sophie Palliez. Madame, please go ahead.

Sophie Palliez: Thank you and good afternoon, everyone. So welcome to the conference call. The call will be hosted by Bruno Bich, Chairman and Chief Executive Officer; and Jim DiPietro, Chief Financial Officer. We will have a short presentation and then we will go through the usual Q&A session. Let me give the floor to Bruno.

Bruno Bich: Thank you, Sophie. Good afternoon or good morning depending on where you all are. So let me start first with the first semester Group figures. Our sales reached €1,133 million, an increase of 5.4% on a constant currency basis. The Consumer business grew 5.9%, with a well balanced and Group performance across all the regions, and BIC Graphic net sales increased 2.3%.

Our normalised IFO, which includes non-recurring items, reached €207.9 million, down 13.1%, and the normalised IFO margin was 18.3% compared to 21.1% in the first half of last year. For the third time, we paid a special bonus to all the BIC employees who had not been granted with performance share plans in 2015, and the cost of this bonus has been accounted during the first quarter, as you know, and the amount was €11.4 million. Excluding this special bonus, our first-half normalised IFO margin would have been 19.4%, down 170 basis points compared to the first half of 2015, due to the substantial increased investment in research and development and brand support.

Our earnings per share was €2.98, down 20.3%. Our cash position net at the end of June reached €98.2 million.

Jim will now go through all of the operational performance by category and consolidated results, and then we will go to the Q&A as Sophie said earlier.

Jim DiPietro: Thank you, Bruno. As you can see on slide 5, our consumer business increased 5.9% on a constant currency basis. Developed markets registered good performance. Sales were up 9.8% in Europe, showing solid growth in all categories. North America increased 3.4%, thanks notably to good performance in Stationery and Shavers. Developing markets' net sales grew 5.9%. Latin America performance was very good, with a high-single-digit growth. And the Middle East and African region grew at double-digit rate.

Stationery net sales grew 5.6% on a constant currency basis during the first half of 2016. In Europe, the increase in net sales was high single digits, thanks to a strong back-to-school sell-in in all countries. In North America we delivered mid-single-digit growth; consistent with the market, which was up 3% at the end of May 2016. We had good back-to-school sell-in driven by continued success of our champion brand products, especially BIC Atlantis range.

Developing markets' net sales were stable. In Brazil, we continued to grow market share. In Mexico, we experienced slight delay in second quarter back-to-school shipments, which we should realise in the third quarter of this year. In Middle East and Africa, South Africa continued growing with market share gains, strengthening our number one position.

Cello pens' first-half domestic sales grew mid single digits thanks to new product launches, notably in the Butterflow range. In the first half, normalised IFO margin for Stationery was 13.3% compared to 15.7% in 2015. Excluding the impact of the special employee bonus, the normalised IFO margin for Stationery would have been 14.1%.

First-half 2016 net sales for Lighters grew 5.4% on a constant currency basis. Europe delivered high-single-digit growth. Western Europe performance was driven by promotions and sleeved lighters. Eastern Europe was boosted by distribution gains. North America achieved low-single-digit growth when compared to a very good first half of 2015. In Latin America, net sales grew on the first half high single digits. In Mexico, the performance was strong thanks to distribution gains. In the Middle East and

African region, we enjoyed double-digit growth driven by gains and distribution. The first-half normalised IFO for Lighters was 39.3% compared to 39.7% last year. Excluding the impact of the special employee bonus, normalised IFO margin for Lighters would have been 40%, due to a higher gross profit margin which was partially offset by brand support investments.

In Shavers, the market continued to decline in Western Europe, with 0.7% decline for total wet shave at the end of February 2016. Disposable shavers declined by half a point. In the US, the total wet shave market was down 4.3% at the end of June. The disposable segment declined 4.5% in value, notably due to good performance of private labels and less promotional activity over the period versus last year.

In the first half of 2016, our net sales increased by 9.9% on a constant currency basis. In Europe, net sales growth was high single digits, driven by good performance in Eastern Europe. In North America, we delivered mid-single-digit growth. We continue to gain market share thanks to our value-added products, combining with our high-quality shave at a fair price positioning. We increased our market share by 2.2 points to 29%.

In developing markets, we registered double-digit growth in the first half. In Latin America, all product ranges contributed to the growth, especially Comfort 3. In Middle East and Africa, we achieved mid-single-digit growth driven by our triple-blade products and BIC Flex 3 shaver.

First half 2016, normalised IFO margin for Shaver was 12.3% compared to 20.2% in 2015. Excluding the impact of the special premium bonus, normalised IFO margin for Shavers would have been 13.4%. This year-on-year decrease was due to increased investments in research and development and brand support. The second quarter of this year, normalised IFO margin was 13.8% compared to 19.1% last year, due to negative FX impact on gross profit and continued investments in R&D and brand support.

In the first half of 2016, BIC Graphic net sales increased by 2.3% on a constant currency basis. In Europe, BIC delivered good performance in key countries such as France and Germany. In North America, our good value line and new products continued to perform well, driving growth in both hard goods and writing instruments. The first half of 2016 normalised IFO margin for BIC Graphic was negative 5.4% compared to a negative 4.7% in 2015. Excluding the impact of the special premium, the normalised IFO margin would have been negative 3.2%, due to lower operating expenses compared to 2015 in the first half. The review of the strategic alternatives for BIC Graphic is proceeding as planned. And again, we expect this to be concluded by the year-end of this year.

Moving to slide 12, we can focus on the key elements of the summarised P&L. Net sales grew 5.4% on a constant currency basis. When we look at normalised IFO, again, it's important to highlight that it was impacted by the special premium booked in the first quarter. Excluding this impact, normalised IFO would have decreased 8.3%. The €4.2 million difference in the first half of 2016 between normalised IFO and IFO as reported is comprised of restructuring cost, mainly related to distribution reorganisation in Middle East and Africa region.

I will now review the change of normalised IFO for the second quarter of 2016 compared to second quarter of 2015. We can see favourable variance of 0.6 points in cost of production as a result of an improvement as expected and communicated earlier this year. As planned, total brand support, which includes consumer and brand support above net sales as well, increased 0.8 points for the first half of this year. OPEX and other expenses grew 0.4 points, which includes the planned increase in R&D investments. In summary, normalised IFO shows a change of minus 0.6 points versus last year as a result of planned investments, brand support, R&D and operating structure to support these planned investments.

I will now review the change of normalised IFO for the first half 2016 compared to last year. We can see an increase of 0.1 points in cost of production, due to higher manufacturing cost partially offset by raw materials, which were lower and more favourable versus a year ago. As planned, total brand support increased by 0.8 points. OPEX and other expenses grew 0.8 points, which includes the planned

increase in R&D. Without the impact of the special bonus, normalised IFO shows a 1.7-point decrease versus 2015. Again, most of these decrease is related to the higher planned investments and brand support, R&D and the operating structure, again, planned to support these investments.

Now, on slide 15, we can see net finance revenue was minus €3.4 million compared to €11.8 million last year. This is due mainly to the unfavourable re-valuation of financial assets denominated in US dollar versus December 2015. And again, most of this was the re-valuation change we had seen on the first quarter 2016. For the first half of 2016 the tax rate was 30%, consistent with last year's first half level. Finally, EPS Group share for the first half of 2016 is €2.98 compared to €3.74 in 2015.

On slide 16, we'll look at the key components of our working capital. On a year-to-year basis, 16th June versus 15th June, working capital increased to €734 million, impacted by the increase in inventories in line with expected sales activity.

On side 17, this summarises the evolution of our net cash position between December and June. Net cash from operating activities was plus €61.6 million, with €196.1 million coming from operating cash flow. The impact of working capital and other was €134.5 million, mainly related to the seasonality of trade receivables. We invested €74.4 million in CAPEX in the first half, resulting from an increase of development CAPEX. The dividend payment, including the special dividend, was €277 million. And the share buyback, net of exercise of stock options and liquidity contract, was €59.9 million.

This ends the review of the first-half consolidated results, and I'll give the floor back to Bruno.

Bruno Bich: Thank you, Jim. So, the second half of this year we will continue to invest in R&D, increased R&D and brand support, in order to prepare for mid-term and long-term growth and strengthening our prospects in this important area. The full-year outlook remains the same: mid-single-digit net sales growth on a comparative basis, as we will continue to increase market share gains in most geographies, is our ambition. A 100–150-basis-point decline of our normalised IFO margin, excluding the special employee bonus due to the increased R&D and brand support investment, as I said earlier. Sustained net cash from operating activity, despite an increase in development of CAPEX.

We are quite confident to achieve all those objectives for this year. We are aggressive, as you will know, in front of much larger competitors than ourselves, but we are conservative in the way we talk with our shareholders, particularly the minority shareholders.

I thank you, and we are ready to answer your questions.

Operator: Thank you very much, sir. So ladies and gentlemen, if you wish to ask a question please press 01 on your telephone keypad. The first question is coming from Nicolas Langlet, UBS. Sir, please go ahead.

Nicolas Langlet: Hello, good afternoon, everyone. I've got three questions, please. The first one is on the cost of production. So we had a quite big improvement in Q2 versus the Q1 trend: can you just come back on the main drivers that impacted this line on Q2? And also looking at H2, what's the outlook? Do you think the plus 60 basis points is something you can maintain in H2?

Second question: looking at the North America consumer activities, we see that the sales like-for-like slowed down a bit over the past quarters. Maybe you can come back on the market environment for North America, and notably the US, and maybe give us your outlook for the H2 2016 compared to the sales trend in H1?

And last question is on the brand support spending: have you seen, since the beginning of the year, competitors increasing their spending as well? And do you think the increase in 2016 will be sufficient to support the sales growth for the coming quarter there, or do you think you could invest maybe a bit more next year? Thank you.

Jim DiPietro: So Nicolas, this is Jim. Let me start with your first question regarding cost of production in the second quarter. If you remember, we had – again, after the first quarter impact, we had estimated and communicated that we had seen, for the balance of the year, some favourability versus what we have realised in the first quarter in cost of production, mainly coming from absorption and raw materials. In fact, that's what was realised from the second quarter, and we would still estimate that that trend would continue for the balance of the year.

Nicolas Langlet: Okay. But do you mean we should see an improvement versus the 60 basis points, or the 60 basis points is globally the good figure for H2?

Jim DiPietro: Yeah, I would say what we have realised in the second quarter is a good estimate for the second half.

Nicolas Langlet: Okay.

Bruno Bich: So regarding North America, I would say that things are positive versus other parts of the world, but not strongly, not strongly. And in our particular business, I would say that we have seen some increased brand spending, or let's say brand support, particularly in the Shaver, but they have been more in the lowering of the price by our main competitor in the blade business, as they announced yesterday. I think in this regard, we have increased, as we said, substantially our brand support in Stationery and I think – we had good back-to-school sell-in, so the objectives, I think, are reachable to maintain market share in that part of the business.

The Shaver business is changing quite a bit with, you know, different effects that were mentioned yesterday: somewhat the growth of the private label with lowering of the private label prices in the shaver business, and then the aggressive promotion price lowering by Gillette. We have in this area also increased our brand support substantially. The market is down. We have gained market share this year. I think the quality of our product with the pricing that we have, even after some of the increased promotion by the competitor, is such that we have gained market share so far this year. So yeah, I think our plan anticipated correctly what would happen to the market.

Nicolas Langlet: Okay. And the last one on the brand support?

Bruno Bich: Well, the brand support, I would say from Newell we some increased brand support in stationery, but their brand support is much higher than ours, historically, and we have both increased.

In the shaver business, no; it's more in the promotion area that we have seen the push.

Nicolas Langlet: Okay. And if we look at 2017, do you think you have invested enough in 2016?

Bruno Bich: You are talking about the Shaver area?

Nicolas Langlet: No, as a whole for both Stationery and Shavers in the – as a whole.

Bruno Bich: I think we have a good plan for the year. We'll review 2017 plan again in September, October, and I'm confident that we will continue to increase for next year the R&D in 2017, the R&D and the brand support, yes, around the world, yeah. And as we said earlier, we are doing so in a proactive manner in all categories, in all regions of the world, except in Stationery in the United State where we said that was in the defensive manner.

Nicolas Langlet: Okay, okay. Can I ask just one quick additional question? On the recent acquisition of the Dollar Shave Club by Unilever, do you think that it could pose a threat for your Shaver business in the coming years? And do you know if the Dollar Shave Club or this type of subscription are actually attracting disposable shaver users, or it's mostly refillable users for the moment?

Bruno Bich: Obviously, it's one of the transforming events of the shaving business. I think – well, we have read all the marketing experts' writing and the analysts' writing, and our team together has come up with a position paper. And basically, you know, we think that this should increase competition in the category, there is no doubt about that. Short term, I think the pressure will mainly be in the system and on the leader of the system market. Longer term, the impact really depends on, you know, what Unilever wants to do; do they want to broaden the Dollar Shave Club at retail, do they want to buy a manufacturer in the blade business, or what is their intention? It's difficult to predict. We think the probable scenario is that it will bring more shaving performance at a value price. What is interesting is that the Dollar Shave Club offered prices of cartridges at substantially lower prices than the Schick and Gillette system.

No doubt in our mind when we analyse the sourcing of our growth in the disposable, it's mainly due to the much improved quality of our shaver and the price. Did the penetration of Dollar Shave Club mostly – and Harry's – bring some of the male customers, because we're basically talking about male customers, to say, 'Hey, I should, now that the pricing of the cartridges is in some cases, let's say, half price of the Gillette cartridges' – did they go from Gillette cartridges to disposable and back to cartridges through the Dollar Shave Club? We don't have a full analysis on the standing of it, because we don't know the numbers of Dollar Shave Club, but I do think that's a little bit possible.

Nicolas Langlet: Thank you. Okay, thank you very much.

Operator: Thank you. The next question is coming from Madame Hermine de Bentzmann, Raymond James. Please go ahead.

Hermine de Bentzmann: Good afternoon, thank you for taking my question. I have a first question on the 80-basis-point increase in OPEX. You have mentioned the impact from increased R&D investment, but I was wondering if you could provide some more details about the impact from R&D, and what is the other explanation of the rise?

My second question is on Shavers: I was wondering if you have been surprised by the growth you have published in this category, and if we can easily assume a state of high-single-digit growth in H2?

And last question on BIC Graphic: you have a strong margin rise in Q2; can you give some more details on that, on what we can figure out for the rest of the year? Thank you.

Jim DiPietro: Okay. Let me address the first question, which was the question of first-half 2016 OPEX and other expenses, the increase of 80 basis points. On that increase, say roughly three tenths, a little bit more than 30 basis points of that, is R&D. So of that, again, is the planned investment that we had coming into the year of R&D. Another 10–20 basis points of that would be additional structure, as we mentioned, to support investments; be it operating structure, people structure around the globe to support some of the investments that we have. The rest of that is primarily normal operating expenses that we see in plans, and some of that could be timing first half versus second half.

Bruno Bich: What was your second question? Can you repeat please?

Hermine de Bentzmann: Yes, it was on the Shavers division. You had a strong growth in H2, and it was largely above what the market was expecting. I was wondering if you have been surprised by the growth you produced within this division, and if we can easily forecast high-single-digit growth in H2?

Bruno Bich: No, I would say that the first half went pretty much according to what we expect. The reception of our new five-blade lady shaver in the US has been very good.

Regarding, you know, the second half, as I've said earlier, you have several transforming events in the Shaver business, which historically we have lived with over the years. But no doubt, this purchase of

Dollar Shave Club by Unilever is an important event. The action of Gillette is also important, because it's their first time they recognise that they have lost the market share and they're acting on their promotion; it's been larger than we have seen in the past.

I think that we are still offering a very good consumer value in the three, four, and five blades, even after this action by Gillette. So we are still offering very good quality at what we call a fair price, and it's enough changes to not be able to really be more precise on what's going to happen in the next half.

Jim DiPietro: And then lastly, your question on BIC Graphic. What we see in Graphic is really two main drivers of helping the margin versus a year ago: first, that of cost of goods, cost of production. We see lower manufacturing costs, more favourable manufacturing efficiencies and variances. That being roughly half of the increase or benefit change versus a year ago.

The other half is coming out of operating expenses, with some changes to, again, help reduce cost. But also, remember in operating expenses a year ago we did have the impact of some bankruptcies in the US that didn't repeat itself this year.

Hermine de Bentzmann: Okay, thank you.

Jim DiPietro: You're welcome.

Operator: The next question is coming from Marie-Line Fort, Société Générale. Please go ahead, Madame.

Marie-Line Fort: Good afternoon. Could you come back about – on the trends in Brazil's sales? What do you experience over the last six months? Because we see that on developing market you've got lower growth than before. That's my first question.

My second question is: increase in operating expenses on the Lighter division, that explains partly the decrease in Q2 of operating margin. Could you elaborate about the increase in OPEX for this division?

And also on Lighters, you've got a strong growth in Europe. Could comment where this growth is coming from, and also could you detail the growth in Asia for the Lighter division? Thanks.

Jim DiPietro: Okay, let me start – if I understood, the first question was talking about the growth in Brazil and France, and then also overall developing markets. I think in France, as we've said through the presentation, I think Europe – both Western Europe and Eastern Europe has performed well. France, one of those countries that, again, has done well, especially in Stationery, and as we get ready for back to school it had good back-to-school sell-in.

Brazil, even with the difficult, I would say, economic situation, we've done well across the board in all categories. And again, remembering that's where a lot of the investments that we're planning coming into the year are really focused, both in Stationery and Shaver in Brazil.

And lastly, the overall developing markets: as we mentioned in the Stationery commentary, some of that is really due to Mexico where we have a delayed sell-in on back to school in Mexico, which we expect to realise and have started to realise some of that in the third quarter of this year.

Bruno Bich: Regarding Lighter, as you remember we're quite a different situation in Europe versus North and Latin America. North and Latin America we have market share in excess of 70% in the Lighter business, and those countries are protected by, let's say, good laws and customs versus non-conforming, low-quality lighters out of China which is not the case of Europe, where as a result we have a much lower market share.

We are growing in Europe as the people use our lighters and we increase distribution both to Western Europe but particularly in Eastern Europe, where we have grown at a time when some people are pulling their efforts; we have increased our effort, particularly in Ukraine for example, and establishing the brand. The opportunities of doing advertising in this part of the world today at the right cost really do exist, and we're using them as an opportunity to build our brand in that part of the world, and the Lighter is highly benefiting from this situation.

In Asia at this stage there is not much of a change. Our lighter factory is starting to operate on a regular basis, and we are, as we speak, doing very sober analysis on how we could improve our situation in the very important Chinese market; very large Chinese market, but where the prices are extremely low.

Jim DiPietro: On the Lighter OPEX question, there were a couple of points. One: remember as we increase structure in regions around the world to help support the investments and planned initiatives, obviously at the Group level, some of that – not only at Group level, but regional level when we get back to categories – is allocated back to the brands, so some of this is going to be driven by the planned investments we have in structure that then get allocated back to the categories at a consolidated level.

In addition to that, there are some direct expenses that we see the timing difference of first half versus second half, more direct Lighter-related expenses. So again, some of that is planned increased support that gets allocated back, some of it is direct expenditures that we see a slight timing difference first half versus second half.

Marie-Line Fort: Okay, thank you.

Jim DiPietro: You're welcome.

Operator: Thank you. The next question is coming from Aurélie Husson-Dumoutier, Kepler Cheuvreux. Madame, please go ahead.

Aurélie Husson-Dumoutier: Good afternoon. I have three questions if I may. The first one is regarding the Cello EBIT margin. Can you give us an indication on the level, on the stand-alone basis?

The second one is on Lighters: could you remind us the reasons leading to the 33% EBIT margin that we have in Q4 2015, and can we see the same kind of effects in Q4 this year?

And finally, can you give us more colour on the phasing of the brand support in Q3 and in Q4 this year? Thank you.

Jim DiPietro: Okay, I'll start with Cello. As we said earlier, the Cello sales, domestic sales, for the first half was mid-single-digit growth. We've seen the margin – probably right now the stand-alone margin if you will, excluding some of the statutory-related adjustments, is probably mid to high single digits for six months. Some of that was a decrease versus the first quarter, primarily because of some of the domestic business – I'm sorry, export business being down a bit versus earlier this year, and versus last year.

On Lighter: again, we're not going to really get into comments by quarter. I think what we see is the continuation of the Lighter margin; obviously with a strong sales growth, margin for the first half of this year, again, very strong, very stable: 30 basis points better than last year. So again, we would still anticipate good margins for the balance of this year.

And then brand support: the investments that have we have, again, fall into the overall guidance of the margin decrease of last year by 100–150 basis points. The investments that we have are really throughout the year, so we would expect that the continuation of the investments would be similar to what we've realised in the first six months of this year.

Bruno Bich: Other questions?

Operator: The next question is coming from Christophe Chaput, Oddo. Sir, please go ahead.

Christophe Chaput: Yes, one quick question please on the Stationery business. So you experienced gain on the operating profit by 40 basis points to 17.5%. Could you remind us, let's say, the different factors that driving margin up? I mean, is it only, if I may, organic growth or also lower brand support? What happened, let's say, on the Q2 for that?

Jim DiPietro: The biggest impact in Q2 for Stationery is coming out of cost of production, and a consistent theme to what we spoke about earlier: a lot of that is coming from favourable material and favourable fixed costs absorption. Those are probably the two biggest single items that helped drive the cost of production, and then for the most part that's helping to fund the increase of brand support. So the change versus a year ago is really coming out of cost of production, driven by material cost and absorption.

Christophe Chaput: Okay. And just one point if I may: what is your reaction, let's say, regarding the Dollar Shave Club business model? I mean, could you expend, let's say, on internet, on the same more or less business model? What is your strategy on the mid-term regarding that way to retail?

Bruno Bich: We're increasing our sales with e-commerce. And at this stage it's a small part of our business, in a smaller part than from other categories. Basically I think because the unit price is low, and therefore people would have to buy a lot of our products to absorb the free shipping cost, which some people enjoy at higher prices.

You know, for example, you're talking about Dollar Shave Club: Dollar Shave Club ships you four blades and six blades at free shipping, but if you buy their twin blade you will pay for the shipping. So we are growing in this area, but we are like many people with an order of pricing, finding the right way to substantially develop it. But I do think longer term it's a very interesting new avenue of distribution.

Christophe Chaput: Okay.

Operator: Thank you. The next question – we have a follow-up question, sorry, from Mr Nicolas Langlet, UBS. Please go ahead, sir.

Nicolas Langlet: Thank you. I've got three quick ones. The first one is on the Stationery: you used to give us the total sales growth you expected for the back to school in Europe and North America; can you do it again this year?

Second question, on the margin guidance: between the minus 100 and minus 150 basis points today, what is the main factor that would make the margin come at the low end or high end of the full-year guidance?

And lastly on the CAPEX guidance: do you confirm the €180 million of spending for the full year? Thank you.

Bruno Bich: Well, on the CAPEX: longer term thinking, yes, we do expect to be around the €180 million, and to have to continue for the next following two years to have increased CAPEX investment. Again, you know, some of those include land and buildings versus just machines. Jim?

Jim DiPietro: Yeah, Nicolas, on the margin, the 100–150 basis points, obviously some of that's going to be sales contingent, some of that's going to be project initiative contingent. The brand support is pretty stable. Some of the other investments – as we still bring on some operating expenditures, some of that could be timing. But again, we would see within that range, pretty stable within – the plans we

have, brand support again is pretty much, I would say, a secured investment. The operating expenses could be a bit fluctuating depending on the final initiatives and the timing of those initiatives.

Nicolas Langlet: Okay.

Jim DiPietro: And then you had a back-to-school Stationery question. I think honestly, that's probably best to address at the end of the third quarter, because then we'll have more visibility to not only sell-in but also the – at least starting visibility of sell-out.

Nicolas Langlet: Okay, but was there, in the US or Europe, a phasing impact in Q2?

Jim DiPietro: No. I would say this year versus last wasn't significantly different, in this year compared to Q2 of last year. The only thing that we did note is we did see a bit of the phasing in Mexico, where we got delayed, but we're starting to see that in the third quarter being realised. So I think that's truly the biggest shift of timing that we have.

Nicolas Langlet: Okay. Okay, and sorry, just one last question on the share buyback: you did quite a lot of share buyback in H1, around €60 million; do you think we should expect more going into H2?

Jim DiPietro: We stay consistent to our use of cash policy, and if we have the opportunity we will still stay consistent with the objective of buying back shares.

Nicolas Langlet: Okay. Okay, thank you.

Jim DiPietro: You're welcome.

Operator: Thank you. The next question is coming Steve Levy, Natixis. Please go ahead, sir.

Steve Levy: Good afternoon, everyone. A lot has been said already. Just maybe one quick question on Cello and the Indian market: are you catching up the market trend, and what was the market for this semester, if you can elaborate a bit on that? Thank you.

Bruno Bich: I would say that domestically, we grew mid-single digits, which is what we estimate to be the growth of the market. We have done a lot of analysis on the market since now we control the company, and getting a much better understanding of where to push. And we also have a much better – I'd say, improved marketing team. It's not much information on the marketplace, so I must say to you that our best guess is that we have increased – we have basically the same market share as a year ago, and we cannot tell you really whether we increased a little bit or lost a little bit. But I would say it's in the same neighbourhood because the information is just not available.

Steve Levy: Do you think that you can reach double-digit growth in India?

Bruno Bich: On the domestic market?

Steve Levy: Yes.

Bruno Bich. Well, I think it'll take some time before we can answer that question. There's a lot of work to be done, and we're doing a ton of work in the factories and, as I said, in the sales force, in the marketing team. We're rebuilding those, and that's really coming into place. But the pieces of the puzzle are not all together yet to be able to answer your question. It's a complicated country to operate in, no?

Steve Levy: Yeah, okay. Thank you very much.

Operator: Thank you. As a reminder ladies and gentlemen, if you wish to ask a question please press 01 on your telephone keypad.

Sophie Palliez: So if there are no further questions, time for me to thank you again. And maybe a short reminder on our Q4 results: they will be released on 26th October.

Bruno Bich: Q3 results.

Sophie Palliez: Oh, sorry, Q3 results. And we'll remain at your disposal for any follow-up questions until then. Thank you.

Bruno Bich: Thank you very much.

Jim DiPietro: Thank you.

Operator: Ladies and gentlemen, this concludes the conference call. Thank you all for your participation, you may now disconnect.