

Transcript for "Interim Report for January–September 2026"

00:00:00 - 00:00:35

Speaker 1: Good afternoon from Helsinki, and welcome to Nokian Tyres Q3 2026 results call. I'm Annukka Angeria from Nokian Tyres Investor Relations, and joining me today are our President and CEO, Paolo Pompei, and CFO, Timo Koponen. As usual, Paolo and Timo will first present the results, and after that, we are happy to take your questions. With that, I think we are ready to begin. Paolo, over to you.

00:00:36 - 00:01:48 Speaker 2: Thank you, Annukka, and good afternoon, and good evening for those who are connected from Europe and Asia, and good morning for those who are connected from North America. Let's start with the headline. Strong profitability improvement continued in the third quarter. We are once again delivering a strong quarter that reflects our strategic plan journey and is in line with, or even a bit above, our own original plan. Moving to slide number two, let's see the agenda today. We will focus on the quarterly highlights. Then we will briefly analyze the financial performance, and then Timo will guide us through the business unit performance, our cash flow, and financial position. We will close the call with the assumptions and guidance. After that, we will obviously have the Q&A. Let's move directly to slide number four, and let's start with the market. The market is still pretty negative when we look at the development of passenger car and light truck tires in Europe as well as in North America.

00:01:49 - 00:03:18 Speaker 2: In North America, we see a gradual recovery of the market in quarter three, but it is still negative. While in Europe, we obviously still see the market down compared to the previous level. The truck tire business, on the contrary, is growing double-digit, up to 11%, and the agri and forest tire segment is pretty flat to plus 2%. A different trend between agri, which is slightly growing, and forestry, which is at the moment presenting a stable or negative outlook in some cases. Moving to slide number five, let's look at the highlights of the third quarter. Operating profit, as we said, improved significantly, and that was driven by price repositioning and lower manufacturing costs. The good news is also that sales grew across all regions despite the price repositioning, and this reflects the high customer trust in our brand in a declining market. We are also very pleased to see the development of the new flagship winter tires that are now available to the consumer, both in the Nordics, in Canada, as well as in Central and South Europe: the Hakkapeliitta 01 for the Nordic market, and the Snowproof 3P for the Central and Southern European market.

00:03:19 - 00:04:38 Speaker 2: We also saw a record-high share of larger rims this quarter, and this is supporting a higher-value product mix, with the share reaching 54%. Our group-wide efficiency improvement plans are progressing in line with our plan, and they are contributing significantly to our bottom line. Moving to slide number 6, we are extremely proud of the achievement that we were able to see in the market with our Hakkapeliitta 01. Our new product for the Nordic and North American market was actually indicated to be in the top ranking of several magazines or several specialists in the segment. In particular, the Hakkapeliitta 01 was rewarded as the best studded tire in Finland, Norway and also in Sweden. We're really pleased to see that our innovation capabilities are also well reflected in the performance of our tires in tests conducted by the leading industry magazines as well as tests by external bodies.

00:04:39 - 00:05:58 Speaker 2: We also had good improvements when we talk about Hakkapeliitta R5 studless tire that was also indicated to be number one out of six products in the test in Finland as well as in Sweden. Snowproof 3P, our new winter tire available for the Central and Southern European market, was also evaluated in Germany, ranking number two out of nine finalists and as one of the best winter tires. We also achieved success in the all-weather segment in North America as well as in the all-season business in Central and Southern Europe. We are really pleased about the development of our product performance. At the same time, we are very pleased to see that our innovation capabilities are well recognized by specialists in the segment. Moving directly to slide number eight. Let's look at the key metrics of quarter three. Net sales grew by 4.4% or 2.9% in comparable currency. We were able to grow in all regions. We were well-supported by pricing and mix. Segment EBITDA grew by 22% to €80.1 million.

00:05:59 - 00:07:16 Speaker 2: This is today 22.3% of net sales, very close to our long-term target of 24%. It is a great improvement compared to the previous year, when we were at 19%. Segments operating profit, which had also an extremely good development, increased by 45% to €47 million. This corresponds to 13.1% of net sales. It's a great improvement again compared to the previous year. The improvement was driven by price repositioning and lower manufacturing costs, in particular. Operating profit improved to €37.9 million. This is an improvement of 74% compared to the previous year. We are very pleased to see the development of the operating profit as well. Moving to slide number nine, as you can see from the slide, we were able to grow sales in all the regions where we operate. Obviously, we had higher growth in the Nordics and in North America,

where the winter tire season is developing better than in Central and Southern Europe, where winter has to come, probably in quarter four.

00:07:17 - 00:08:36 Speaker 2: Generally, we also had a very good improvement in all regions in terms of price as well as the mix. Passenger Car Tyres grew by 5.6%, or 4.3% in comparable currencies. Heavy Tyres also delivered an excellent performance in terms of profitability, growing moderately by 2.4% or 1.7% in comparable currencies, but, as we will see later on in the presentation, improving significantly in terms of profitability. Vianor remained pretty stable in comparable currency and, in overall, was growing by three percent. Moving to slide number 10. This is also a great development because winter tires in quarter three represented 76% of our total sales, very consistent with our own strategy. We are growing by 3 percentage points compared to Q3 2025. The all-season, all-weather segment, at the same time, is slightly lower than in Q3, 2025, stable at the level of 19% or 20% in the last few quarters, while summer tire remains stable at 4% to 5%. A great development is the record-high level for Nokian Tyres of 18 plus inches.

00:08:36 - 00:10:04 Speaker 2: We were able to reach 54% of our sales in this segment of 18 inch and plus. This is also a good development, improving our price and mix positioning. Moving to slide number 11, we can focus on the year-to-date performance here, starting from the segments operating profit that was up to 8.6% versus 4.2% in the same period last year. The segment EBITDA was 18.4% versus 14.1% compared to last year. The operating profit, as a consequence, is today 5.4%, compared to 0.1% last year, so a great improvement, as you can see year-to-date in the operating profit. At the bottom, you will see that we are investing significantly less after several years of strong investments. The cash flow from operating activities improved in the quarter by €21.6 million and year-to-date by €53.3 million. Excellent development also in the operating cash flow. Moving to slide number 12, CapEx is significantly below last year at this stage. This was obviously planned. We invested significantly, as you know very well, in the last four years.

00:10:04 - 00:10:26 Speaker 2: Now, obviously, we can leverage the existing investment and leverage a new state-of-the-art manufacturing platform, in particular, when we talk about Central and Southern Europe as well as North America. I will now pass the word to Timo for a comment about the business units.

00:10:27 - 00:12:03 Speaker 3: Okay. Let's look at the different business unit performances, and we switch to page number 14, starting with the Passenger Car Tyres. PCT delivered a very strong performance also in Q3, and was once again the biggest contributor to Nokian Tyres' entire Q3 profit improvement. Net sales were up by 4.3% on a comparable currency basis and 8.8% on a year-to-date basis. This, as already mentioned, was supported and driven by the higher average sales prices and improvement there, and also, as mentioned, record-high 18-plus inches product share. On segment operating profit, we reached €50.8 million, or 20.5% in Q3, and €96.5 million, or 14.4% on a year-to-date basis. Once again, this was driven by price repositioning, lower manufacturing, and lower material costs. New products, as mentioned, Hakkapeliitta 01 and Snowproof 3P, were the ones supporting the pricing development.

00:12:05 - 00:13:46 Speaker 3: Looking at the Passenger Car Tyres bridge, net sales growth was almost entirely driven by the price mix for the quarter, whereas the sales volume development was slightly negative versus a year ago. That said, it was happening in a rather challenging market. On segment operating profit, the price mix and continuously lower material costs were the main contributors, which is once again reflecting our strong focus on a value-over-volume strategy. Switching to page number 16 and looking at it on the quarterly time series view. There we can see once again that the sales volumes leveled in Q3, or were slightly negative, -0.9%. On the other hand, the price mix effect accelerated by 5.2% in a quarter. Once again, I have to highlight that this is now the sixth consecutive quarter with a significant positive price mix. Currencies also had a small tailwind in this quarter. Going to page 17 and looking at Heavy Tyres. In Heavy Tyres, we gained moderate growth in the quarter of 1.7% on comparable currencies, or 3.6% on a year-to-date basis.

00:13:46 - 00:15:25 Speaker 3: Agri segment was continuously the driver of the growth there. On the contrary, segment operating profit grew significantly, being once again more than 15% in this quarter and also the same 15.3% on a year-to-date basis. As in earlier quarters, disciplined pricing and very tight cost management were the main factors here. On our business units, finally, Vianor. There we had a flat quarter this year for quarter three in net sales on comparable currencies. As in the previous quarter, we are suffering from the cost of inflation, which is having a negative effect on profitability. Segment operating profit was -€6.8 million in this quarter. On a year-to-date basis, we are also behind the previous year's number at -€18.1 million. On this occasion, it should also be noted that for Vianor, we are at the start of the highest season of the market, the winter tire season starting now in October. Looking at the cash flow and financial position and going all the way to page 20: as mentioned, the cash flow continued its improving trend.

00:15:25 - 00:16:33 Speaker 3: On a year-on-year basis, free cash flow improved by €138 million. Working capital increased in line with the sales growth, but also reflects the measures we have taken to optimize working capital management in the company. As already mentioned, the investments or capital expenditure remained at a significantly lower level than in the previous year, contributing strongly to the improved cash flow. Finally, looking at the net debt: net debt decreased by €86 million year-on-year on a quarterly basis. Once again, it has to be reminded that quarter three represents the deepest point in the cycle in terms of the business and funding needs. When looking at the maturities, we had no changes in the quarter. Going back to Paolo.

00:16:34 - 00:17:48 Speaker 2: Thank you, Timo. Excellent. Let's go to the assumptions and guidance, and we can move directly to slide number 23. We don't expect major changes up to the end of the year. We believe the replacement tire market in Europe and North America will remain pretty stable between 0% and minus 2%, while the truck tire business will remain pretty strong, up to two digits, between 5% and 10% in Europe. The Agri and Forest Tyre business will also remain stable between zero percent and plus three percent, with the Agri business growing and the forestry business declining a bit by the end of the year. Let's move to slide number 24. The good performance of quarter three is also leading to a review of our guidance for 2026, indicating that segments operating profit as a percentage of net sales will be between 9% and 10%, with a higher probability toward the higher end between 9%-10% range.

00:17:48 - 00:19:05 Speaker 2: We are actually narrowing the guidance, and we are confident that we will get closer to the higher part of the range, between 9% and 10%. The market, as I said, is expected to remain pretty flat following the trend we have seen in the first three quarters. We will need to take always into consideration that geopolitical trade and tariff uncertainty may have an impact moving forward, but at the moment we see the situation pretty stable and we are pretty confident about the quarter four performance. Finally, moving to slide number 25, we keep executing our strategy and delivering results, focusing on strengthening our premium positioning through our brand, products and pricing. As you can see, we are extremely coherent and consistent in what we are delivering quarter by quarter, focusing on value over volume. We also continue to focus on the execution and efficiency improvements across the organization in order to deliver profitability improvement. We are releasing new products.

00:19:05 - 00:20:00 Speaker 2: There are new products in the market that will support higher sales and better price and mix, but we will also have a new product coming up in 2027. As we said at the beginning, the heavy investment phase is now complete. We believe that this will lead to even stronger cash generation moving forward. To summarize, we are very pleased with the performance of the quarter. In challenging market conditions, we were able to strengthen our positioning, improve our profitability, and to execute our continuous improvement and efficiency plan across the company successfully. This is obviously making us optimistic about the future development of the company as we move towards the end of the year. Shall we move to the question and answer?

00:20:02 - 00:20:03 Speaker 1: Yes, please.

00:20:05 - 00:20:22 Speaker 4: If you wish to ask a question, please dial the pound key five on your telephone keypad to enter the queue. If you wish to withdraw your question, please dial the pound key six on your telephone keypad. The next question comes from Thomas Besson from Kepler Cheuvreux. Please go ahead.

00:20:25 - 00:21:00 Speaker 5: Thank you very much. It is Thomas from Kepler Cheuvreux. I have several questions, and I'd like to ask them one by one. Is that okay? I'd like to start with the questions about CapEx and the tax rates. CapEx stayed minimal. Is it possible to have an indication from you on where we should land for this year and whether you see a return eventually to higher levels in 2027? A question about the tax rate. It has gone down sequentially every quarter. Where do you expect to land in 2027, please?

00:21:01 - 00:21:30 Speaker 3: Okay. Starting with the CapEx, as we have said earlier, we are going to be somewhat lower than €100 million. We can now narrow down that range to somewhere between €60 million and €80 million for the full year. On tax rates, the effective tax rate is sitting somewhere around 20%, and we see no changes going forward on that one.

00:21:32 - 00:22:35 Speaker 5: Thank you very much. Second question, please. I'd like to talk about the evolution of the various raw materials that you're using and energy costs. They've been going up very sharply in the last couple of months. Could you talk about this, please: butadiene, styrene, natural rubber, and energy costs? Are we still within your expected impact for Q4, and how do you plan to adjust in 2027, because you're

clearly facing substantial headwinds in the first half of 2027 after seeing these moves? Do you feel that there's any risk of down trading, as I think you've clearly articulated a strategy of value over volume, so you're probably going to be able to, and have to, raise prices? Do you feel that the volumes may be consequently lower?

00:22:37 - 00:23:41 Speaker 2: Thank you. This is a very good question. I think we are pretty under control, actually well under control when we talk about raw material cost management. The raw material cost obviously has been growing from quarter one to quarter two to quarter three, obviously. We saw the raw material costs growing fast, and as you can see, our pricing has been adapting quarter after quarter in order to compensate for the raw material cost effect. Clearly, the company has always been able to offset the raw material cost, and this is the component related to adjustments necessary to compensate for the market price increase. Then you may remember, the company has been reevaluating and renegotiating the supplier base significantly in the last 12 months, meaning that we were also able to achieve a strong advantage through our own actions, improving our supplier base, and at the same time being able to leverage better prices.

00:23:42 - 00:24:16 Speaker 2: Honestly speaking, we are not concerned at all about compensating for the raw material cost. Clearly, there is the only uncertainty related always to the consumer demand, and this is valid for any business, not only for us. If inflation is going up, of course you should expect the consumer to be more careful in the way they spend money. At the moment, as I said, if you look at the pure technical part, we feel that we are pretty under control and more than compensating for the raw material cost.

00:24:19 - 00:25:10 Speaker 5: Thank you very much, Paolo. Very clear. A question concerning your comments on winter tire markets so far. If I understood correctly, you said everything was fine in the Nordics and in North America, but winter is still to come in Europe. I'm looking through a window in Paris, and I can still see green leaves in the trees, which is very unusual. Can you talk about the trading trends in Q4? What is your scenario? I know last year was a fairly good winter tire season in Central Europe. What are your assumptions, and what do you see so far in Q4 as temperatures finally fall?

00:25:10 - 00:25:13 Speaker 2: Of course, it's difficult for me to tell you the weather forecast.

00:25:13 - 00:25:13 Speaker 5: Sure.

00:25:16 - 00:26:18 Speaker 2: In general, what I can say is that, if you remember, in quarter two, our sales in Central Europe were growing by 20%. The pre-sales of winter tires were also very important at that time. Please, let us forget that Central Europe has been pretty stable in quarter three. However, in quarter two, we delivered exceptional growth of 20%. We are very happy about the development of sales in this region at this stage. Clearly, winter is coming earlier in the Nordics. It is coming earlier in Canada. This quarter was extremely strong in North America, I would say, compared to previous years. A big part of the improvement was also coming from North America. If the winter develops, let's say, in November and December, also in Central Europe, I think the picture will look quite good at the end of the year, considering that we were balancing very well the necessity to reposition our pricing and at the same time to gain market share.

00:26:19 - 00:26:35 Speaker 2: Again, the weather is the weather. Obviously, we need to see snow in Paris, but even if we don't see snow in Paris, hopefully we will see snow at least in the northern part of the country or in the Alps.

00:26:37 - 00:27:08 Speaker 5: Yes, it already happened. I'm watching that very closely. Last question from me, please. Can you talk about Heavy Tyres' end-market trends for you in Q4 and your scenario for 2027? You have capacities that you can eventually deploy, if I understand correctly, from previous CapEx plans. Can you tell us where you stand? You seem to be a bit more positive about ag markets than, for instance, Michelin.

00:27:08 - 00:27:09 Speaker 2: Absolutely.

00:27:09 - 00:27:19 Speaker 5: Can you remind us of the share for you between truck tire, ag, and forestry, either year-to-date or in 25 as well, please? Thank you.

00:27:20 - 00:28:39 Speaker 2: Yes. About the market trend, I think we are pretty aligned with the other competitors when we look at the pure demand of ag, meaning that they see a more or less stable business at this stage. While, of course, we are also in the forestry tire business, as you know very well, and the outlook for the forest tire OEMs is not, at the moment, developing upward, let's say. It's not really too positive. It's pretty flat or

even negative in the case of a few players. We don't disclose, as you know, the business within Heavy Tyres. We don't disclose, but of course, as you can imagine, we are strongly exposed to agri and forestry in particular, and less to truck tires. I think the agricultural business has been down for several years now. This is the longest negative cycle I've seen in the last 30 years. It's pretty normal that now that the market is stabilizing at a low level, we are expecting a bounce back to happen already in 2027. As you know very well, when it is happening, it is happening extremely quickly.

00:28:40 - 00:29:25 Speaker 2: It's very difficult for machinery producers, but also for tire producers, to keep up with the demand. We have capacity. We are well-equipped, and we have a wider range at the moment. This is also giving us the possibility to grow in the agri industry and in particular on the OE side, where we are doing particularly well at the moment. We are pretty confident that now, after being able to reset the profitability at the right level, because the improvement compared to last year is almost six points. We're in the third quarter. We are really pleased about the job that our Heavy Tyres team was able to do, improving the profitability through disciplined pricing, but also through manufacturing efficiency and cost efficiency. If the market is moving up, obviously we see an upside in the Heavy Tyres business as well.

00:29:28 - 00:29:33 Speaker 5: Great. Thank you very much, Paolo. Very clear.

00:29:33 - 00:29:37 Speaker 4: The next question comes from Artem Beletski from SEB. Please go ahead.

00:29:39 - 00:30:24 Speaker 6: Yes. Good afternoon, and thank you for taking my questions. I actually have two questions that are a bit related. The first one is related to the mix. As you highlighted in the report, the 18-plus-inch category increased from 48% to 54% year-over-year. It has been quite a notable pick-up. Could you maybe talk about the key drivers behind this nice uptick you have recorded in the quarter? The other question relates to PCT's price mix, which was increasing by more than 5% year-over-year, some acceleration compared to Q2. Could you talk about the impact of mix versus pricing in the quarter? These are the two questions.

00:30:26 - 00:31:48 Speaker 2: Thank you for your questions. Improving the mix is part of our strategy. A premium company like Nokian Tyres is fully focused on a higher mix of vehicles that demand higher performance and higher safety levels. Clearly, this is part of our strategic journey. Our team is fully focused on delivering tires and solutions to vehicles that require a premium brand. This is part of our journey. We have been extremely successful in all the regions in this dimension. We are very pleased about the development because, as you mentioned as well, this is also reflecting and influencing or improving our margin. We had to accelerate the price and mix improvement, obviously, because of the raw material cost of moving up. We wanted to be in the position to offset the raw material cost fully. This is why you see an acceleration between quarter 1 and quarter 2, where we were stable at around 3.2%, to quarter three, where obviously we had a 5.2% increase in price and mix. It's a component of mix, but it's also a pure price adjustment made to compensate for the raw material cost.

00:31:51 - 00:31:54 Speaker 6: Great. Thank you very much. This is all I had.

00:31:58 - 00:32:03 Speaker 4: The next question comes from Miika Ihamäki from DNB Carnegie. Please go ahead.

00:32:06 - 00:32:15 Speaker 7: Thank you for taking my question. My first one is all regions reported sales growth, but could you help us to understand whether also profitability improved in all markets and if not, why?

00:32:19 - 00:32:52 Speaker 2: Thank you for your question. Profitability improved in all three markets. I have to say that at this time it was stronger in North America, where we were extremely efficient and good at executing the strategy and improving our pricing mix. We had good development also in the Nordics as well as in Central Europe. All the regions were contributing well to the profit increase. Heavy Tyres is within the regions as well at this stage and was also improving significantly.

00:32:54 - 00:33:13 Speaker 7: Thank you. That's clear. Then, on the Passenger Car Tyres raw material impact in the EBIT bridge. My first question there is that, excluding any sourcing benefits or changes and adjustments to the sourcing base, what was just the raw material impact there?

00:33:14 - 00:33:26 Speaker 2: This, obviously, as you can appreciate, we don't disclose it because this will obviously be information that will not be in line with the competition rules.

00:33:31 - 00:33:49 Speaker 7: Okay, but if we then look into Q4, given the lag dynamics, how these raw material prices are actually realized, I think it's fair to assume that we see a more pronounced raw material headwind starting from Q4 onwards. Can you confirm this, please?

00:33:49 - 00:34:12 Speaker 2: Yes, but obviously, as I said, also reflecting the question of your colleagues, I don't think we are at all concerned about balancing prices and raw material costs at this stage. I think we are well under control. Action has been taken, so obviously we are not concerned about the raw material development moving to quarter four.

00:34:15 - 00:34:28 Speaker 7: Okay. On that same basis, have there been any notable changes in your dealer activity starting Q4 compared to Q3?

00:34:31 - 00:35:35 Speaker 2: Not really. The raw material development is a problem of the market. It is not only a problem belonging to Nokian Tyres. What we always monitor, as I keep repeating, is the consumer demand, meaning that dealers are always very good at simply passing the increases to the end consumer. Then we need to see how much the end consumer will be able to digest the inflation. This is valid for any business, as you know very well. At the moment, we don't see any major critical development. Clearly, inflation is keeping going up quarter by quarter. You should expect lower demand from the market. Hopefully, we see a certain stability in some way in quarter three in raw material costs as well as the oil price. We hope this is the peak, but due to the geopolitical situation, anything can change at any time.

00:35:38 - 00:35:39 Speaker 7: Thank you very much. That's very clear.

00:35:43 - 00:35:47 Speaker 4: The next question comes from Mika Karppinen from Danske Bank. Please go ahead.

00:35:49 - 00:36:03 Speaker 8: Yes. Hi, this is Mika. Concerning the sort of new Hakkapeliitta 01 studded tire, could you comment on the production capability of it? Have you been able to deliver all pre-orders and orders for them? Have you faced any delays in delivering these products?

00:36:06 - 00:36:40 Speaker 2: Thank you for your question. No, I don't think we have any major critical situation. The pre-sales have gone pretty well, particularly in the Nordics as well as in Canada at this stage. At the moment, we are very pleased about the development. Quarter four is more about following the demand that is coming from the day-to-day business. The pre-sales, in some way, are now completed, and now we really focus on delivering day by day. We have good capacity, so I think we are in a good position to follow the market demand at this stage.

00:36:42 - 00:36:43 Speaker 8: Okay, good. Thank you.

00:36:47 - 00:36:52 Speaker 4: The next question comes from José Asumendi from J.P. Morgan. Please go ahead.

00:36:54 - 00:37:28 Speaker 9: Hi, Paolo. It's José from J.P. Morgan. Thank you very much for the call. Can you talk a little bit about the potential there is in Passenger Car Tyres to continue to deliver strong volume growth into 2027, and the mix improvement as well in the medium term? Maybe you can just link this with your longer-term targets that you already outlined, but just to get a little bit the trajectory, because I think this is what basically defines the investment case versus others. Thank you.

00:37:28 - 00:38:51 Speaker 2: Thank you, José. Good question. Obviously, we are not yet disclosing the guidance for 2027, so I cannot really deliver at this stage guidance in terms of volume for 2027. In general, as you mentioned, I think we are very pleased about the development of the plan that we described during the Capital Markets Day. In some areas, we are even above that plan, so we are very happy about the development. You can see that we said this company will get back to 15% return on sales and 24% EBITDA, and I think we are well on track. I keep repeating: I feel very strong about the profitability improvement. Sales can change within a range, because obviously we cannot really estimate at this stage well what the market demand will be up to 2028, 2029. We feel very strong about the profitability improvement, because I think the whole team has been able to work very efficiently and in a productive way on all the different projects that we have internally in the company necessary to improve our positioning and as well as our cost competitiveness.

00:38:54 - 00:39:06 Speaker 9: Paolo, for this 15% margin from here onwards, is it more mix? Is it a combination of volume and mix? What's the biggest lever two years out for the company?

00:39:07 - 00:39:39 Speaker 2: Yes. It's obviously a bit of everything. Of course, a mix is an important element. Volume is always important. Then, of course, cost competitiveness, meaning cost efficiency, in particular in our factories. If I can give you one more element, I think all our facilities, all our factories, are improving costs. This is really a good sign that our continuous improvement plan is working very well and in the right direction at this stage.

00:39:42 - 00:39:42 Speaker 9: Thank you.

00:39:47 - 00:39:52 Speaker 4: There are no more questions at this time, so I hand the conference back to the speakers.

00:39:54 - 00:40:08 Speaker 1: It seems that there are no further questions, so it is time to finish this call. Thank you for joining us today, and we wish you a wonderful rest of the year. Bye.

00:40:09 - 00:40:12 Speaker 2: Thank you very much. Have a great evening or afternoon.

00:40:12 - 00:40:13 Speaker 3: Goodbye.