

Orange Polska

CONFERENCE CALL DEDICATED TO ORANGE POLSKA FINANCIAL RESULTS 2Q 2022

Date: 28.07.2022

Participants:

- Julien Ducarroz, Chief Executive Officer
 - Jacek Kunicki, Chief Financial Officer
 - Leszek Iwaszko, Head of Investment Relations
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Operator:

Ladies and gentlemen, thank you for standing by. And I would like to welcome you to Orange Polska 2Q 2022 results conference call on 28th of July 2022. At this time all participants lines are on listen only mode. The format of the call today will be a presentation by the management team followed by question and answer session. So without further ado I would like now pass the line to Leszek Iwaszko, the Head of Investor Relations. Please go ahead Leszek.

Leszek Iwaszko, Orange Polska IR:

Hello and welcome again. Apologies for small technical problems. I hand again the floor to Julien to begin the presentation.

Julien Ducarroz, Orange Polska CEO:

Good morning ladies and gentlemen. Sorry for this small technical problem, but welcome everyone on our conference summarizing second quarter and first half of 2022. Agenda is as usual. Me and Jacek will go through business and financial review, and at the end we will answer to your question. Let's start on slide five with a key message for the quarter.

Julien Ducarroz, Orange Polska CEO:

I'm happy to tell you that Q2 was a very good start. Very good period for Orange Polska. We delivered despite the fact that the environment is increasingly challenging due to the rising inflation and energy prices. Against this backdrop, our commercial and financial result were strong. Our customer base expanded faster than last year. APRU growth continued to grow. After a slow start of the year, handset sales rebounded nicely in Q2. ICT had another strong quarter of revenue, despite continued problem with supply chain and a slowdown in the public sector. It is because we benefit from our diversified portfolio of competency and demand for digitalization.

Julien Ducarroz, Orange Polska CEO:

Financial results were excellent across the board with markable growth in revenues, EBITDAaL, net profit and cash generation

In Q2 we continued to support Ukraine. I am very proud of our teams' continued engagement here which underscores the values of our responsibility strategic pillar.

They are also relevant to the progress we make in reduction of CO2 emissions. They were down as much as 15% yoy in H1. This is due to higher share of wind energy in our mix and further optimization of our energy consumption, which was down 3% year on year. This is important both to mitigate surge of energy prices and to make our planet cleaner and to achieve our emission reduction goal. Let's look on the next slide.

Julien Ducarroz, Orange Polska CEO:

We present here performance of our main financial metrics after H1 versus full year guidance. I'm pleased to say that outlook for full year has improved. Our revenue were up almost 2% in H1, despite significant negative regulatory impact. Our core telecom services performed as we had planned, while ICT and energy resale outperform our expectation. However, this is made on a relatively smaller margin. Based on this, we are revising our full year guidance up. We now expect revenue to grow in 2022 by a low single digit percentage. Guidance for EBITDAaL remain unchanged after H1, and we are confident that we will deliver growth. eCapEx was down 35% year on year in H1. However, we do expect an acceleration in H2 and leave the guidance unchanged. This result and outlook prove that our business is resilient and once again we adapt to turbulent environment.

On the next slide we review our commercial activity. Let's start with convergence and fiber. Our commercial result in Q2 were very solid. Net customer additions were better than in Q2 last year and Q1 this year. Fiber customer base expanded by almost 30% year on year. It now includes 11 000 customers of the two small local fiber operators that we acquired at the end of Q1. As there is plenty of such a local players in Poland, we will be pursuing such opportunity further if condition are favorable. I remind you that this is one of our strategic direction in our .Grow plan.

Julien Ducarroz, Orange Polska CEO:

Customer base growth is reported by rapid infrastructure development. Our fiber footprint approached 6.5 million household, so we are getting close to reach 50% of households in Poland. Over the last 12 months, we increased this footprint by more than 1 million. In line with our strategy, this is now conducted mainly through wholesale partnerships. Our larger partner is obviously FiberCo, which already has a network of more than 1 million households, and the rollout goes as scheduled. Regarding further footprint expansion, we will eagerly observe the development of the opportunity linked with the potential rollout of fiber networks with EU subsidy.

Julien Ducarroz, Orange Polska CEO:

Switching now to mobile on page eight, mobile customer base increased strongly in Q2, both in postpaid and prepaid. In postpaid, thanks to our innovative digital offer Flex, and our strong fundamentals on network quality, customer experience, we have been able to deliver net customer additions of more than 100,000, which was higher than last year and higher than in Q1. Exceptionally strong net additions in prepaid, similarly to Q1, were achieved thanks to our support for Ukrainian families. Mobile ARPO reflect our value strategy as visible in the solid underlying growth, both in postpaid and prepaid. In postpaid it continued to grow more than 2% year on year. In order to foster it for the future, we have launched in Q2 a few additional changes to our offer, including inflationary clauses to new customer

contracts, which will give us an option to use in the coming years. We are also pursuing with more for more strategy. Earlier this week, we increased our mobile tariffs for small B2B customer in exchange for higher data packages. We have a pipeline of more actions for Q2.

Julien Ducarroz, Orange Polska CEO:

This is all for me for now, and I hand the floor to Jacek.

Jacek Kunicki, Orange Polska CFO:

Thank you, Julien. Let's start the financial review on slide 10 with highlights of our performance. Our financial results in Q2 were outstanding with strong growth of revenue, profitability, and cash generation. We are diligently executing the growth strategy, and we are pleased with the solid underlying developments of our business in this challenging environment. It starts with the expanding top line. It grew by 3.4% in Q2, mostly due to higher revenues from core telecom services and from ICT. This drove the EBITDA to plus 5.5% in the second quarter. We benefited from the high operating leverage, ongoing cost savings, and higher non-telco income, including margin from network rollouts for the FiberCo.

Jacek Kunicki, Orange Polska CFO:

Finally, I am very pleased that this is another quarter when expanding operating profit translates into robust growth of the net income and cash generation. These have both increased by over 100% in the second quarter, and their dynamics for H1 are equally impressive. Following the second quarter results, we are now much more confident to achieve our objectives for the full year.

Jacek Kunicki, Orange Polska CFO:

Let's now review our performance in more detail, starting with the top line. We're happy with a strong revenue performance. It expanded by 3.4% in Q2 looking at this year on year. Excluding the regulated decrease of wholesale termination rates, revenues would have grown by 7%. We are on a better trajectory than we originally anticipated. Let me mention the key factors contributing to this good performance.

Jacek Kunicki, Orange Polska CFO:

First, our core telecom services continued their high pace of growth, benefiting from a simultaneous growth of the customer base and ARPU's. These are key to our results as they generate the highest variable margin. Secondly, IT and IS revenues increased by almost 30%. This is a remarkable achievement given the challenges of the supply chain and the slowdown in orders coming from the public sector. We have once again demonstrated our ability to adapt to a rapidly changing environment. Finally, equipment revenues were up 10% after a slow start of the year, and other revenues were boosted by higher output prices in the energy resale business.

Jacek Kunicki, Orange Polska CFO:

Let's switch to operating profitability on slide 12. Our EBITDA increased by 5.6% year on year in the second quarter. We're now even more confident to achieve our full year objectives, and we aim for growth. This very strong Q2 performance was achieved due to solid growth of the direct margin and lowering direct costs. The sustainable expansion of direct margin is absolutely key to EBITDA growth due to the high operating leverage which we have. We generate most of this uplift through growth of the

core telecom revenues, while the value strategy bolsters their profitability. This is coupled with a rigorous stance towards indirect costs.

Jacek Kunicki, Orange Polska CFO:

In Q2 we kept indirect costs down year over year. This is a particular achievement in the current context of inflation and energy price increases, and it was possible due to three factors. First, the ongoing savings due to our transformation. This is mainly concerning the cost of labor, network, G&A and property. Second, while energy costs have increased year over year due to the surging prices, their impact was lower in the second quarter than the one visible in Q1. Third, we've gained profits from a number of initiatives, including the network rollouts for the FiberCo, and as we have cumulatively delivered over 300,000 of new FTTH coverage to swiatlowod inwestycje. Looking forward, we aim to grow the EBITDA. At the same time, we are mindful that energy costs, energy prices, are again increasing and we will monitor for any adverse impact of the macro on customer behaviors in the second half of the year.

Jacek Kunicki, Orange Polska CFO:

Let's now turn to net profits on slide 13. We have significantly increased our net profits and return on capital. The net income more than doubled in H1, expanding both in Q1 and in Q2. It came close to 370 million zloty in H1, growing by almost 140%. There were three main drivers of this excellent performance. First, the growth of the EBITDA, which we've already analyzed. Secondly, our property sales have rebounded and gain on sale of assets increased by 83 million. Third, depreciation decreased by 100 million zloty. This reflects lower CapEx for mobile network in the previous two years and longer than anticipated, more efficient usage of some of our assets.

Jacek Kunicki, Orange Polska CFO:

Let's switch to CapEx. Capital expenses have decreased in H1 by 35% year over year. The key reason for this is the benefit stemming from our FiberCo joint venture. It is visible in much lower CapEx for fiber rollouts. The main parts of our fiber footprint expansion is now realized by the FiberCo, and we focus our own CapEx resources on customer connections, rollouts of the EU subsidized fiber in rural areas, and some B2B projects. Investments in the mobile network, which were low in the past two years, have already started to increase in H1 as we prepare our network for the requirements of the future. We have commenced the modernization of our radio access network, and we expect this CapEx to grow visibly, significantly in H2. Lower eCapEx was also supported by higher proceeds from real estate disposals, which have finally rebounded after the end of the pandemic.

Jacek Kunicki, Orange Polska CFO:

Finally, over to cash flow on the next slide. We have generated around 650 million zloty of organic cash flow in H1. It was almost 300 million or 80% more than last year. This strong increase stemmed from two factors. First, higher EBITDA translated into 120 million zloty more cash from operating activities before working capital. This is a key lever, which we intend to sustainably grow in the future. Secondly, around 200 million lower net cash CapEx, including the sale of assets to the FiberCo JV. Here we expect CapEx to increase starting from H2 when we accelerate the mobile network modernization. Good cash generation further strengthened our balance sheet, which is very solid.

Jacek Kunicki, Orange Polska CFO:

The financial leverage stood at one to two times at the end of H1. However, please note that there are significant cash outflows ahead. They include, firstly, the payment of the dividend, which has already been done in July. Secondly, the cash outlay for the renewal of the existing 2.1 gigahertz spectrum expected still this year. And finally, the 5G spectrum auction, which has still not been announced and which is eagerly anticipated by all mobile operators.

Jacek Kunicki, Orange Polska CFO:

This is all from me. Thank you very much and I hand the floor back to Julien for the conclusions.

Julien Ducarroz, Orange Polska CEO:

Thank you, Jacek. Let me briefly summarize. Our strong commercial and financial result in Q2 prove that our business is resilient and able to adapt to a turbulent environment. Our services are essential for customers and businesses, which is especially important in the light of the approaching economic slowdown. At the same time, we know that the environment is increasingly challenging, and as we told you in the beginning of the year, 2022 is a year which required big effort to achieve good result in every quarter.

Julien Ducarroz, Orange Polska CEO:

Our key focus going forward will be value strategy, especially relevant in the time of inflation, further increase of customer base through leveraging our assets, and cost saving, including sourcing of energy. After H1 result, we report improved outlook for full year, which underscore our efforts so far to execute our strategy despite the external headwinds. I'm confident that 2022 will be the second consecutive year of growth into our strategic plan. This is all from us. We are now ready to take your question.

Operator:

Thank you very much for the presentation, we will now be moving to the Q&A part of the call. If you have any questions please press *2 on your keypad, that's *2 on the keypad. Wait for your name to be called. If you have voice or a text question you may also give that online. We currently acknowledge that we have a number of text questions that we will take towards the end of the call. So we will open the line to our first caller. Paweł Puchalski from Santander. Please go ahead sir your line is open.

Paweł Puchalski, Santander:

Hello, congratulations on your results. Well if I might I would love to discuss with you some unique events in second quarter. First of all you are presenting us your EBITDA growing by almost 6% and I'm very curious about your other operating income and expenses which was surprisingly strong up 30 million quarter on quarter. Can you update me, well how shall I look at this line going forward. Shall I look at 30 million or maybe just 5 again like in quarter one. That would be my first question. The other question would be also on another unique events. Shall we expect the second half of the year to come as strong as first half of the year in terms of real estate sales. Third question would be, can you guide me about your energy cost for the third, fourth quarter of 2022 and whole year 2023. That would be the initial questions.

Jacek Kunicki, Orange Polska CFO:

Thank you, Paweł, for those initial questions. They are quite relevant and I will start with the other operating income expense. This is a line where normally you have many costs and profit categories. Which are quite often non repetitive in nature by itself its not subscription revenues or subscription

costs. So this particular line tends to swing up or down between the different quarters. And it was on the up in this quarter, you are absolutely right. It includes incomes or costs from any categories. You will have here the impact of claims and litigations in some quarters you will have income from sale of copper, you will have some recoveries that we make, you also have here the revenues that we account for from the rollout agreements that we have with the FiberCo. And the costs, as you know, are spread over the different cost lines. You have the revenue part here.

Jacek Kunicki, Orange Polska CFO:

In terms of Q2, it's true that it had an accumulation of positive events on this line. So, first of all, yes, we are continuing with sale of copper whenever we dismantle the copper network which is not used, and this is a typical part of us making sure that we utilize the assets as long as we can and that we transform from copper to fiber in a most efficient manner. We have been able to gain additional incomes from recovery of certain VAT expenses. We also have had good results in terms of the revenues for the network rollout for the FiberCo, and cumulatively we have already delivered the FiberCo with around 300,000 of new production. This is all in this line. It's usually a bit less predictable and I would not expect for those upsides to be repeated on a consistent and on a easily predicted level in the next quarters. We're happy that they have been able to boost our performance so far. We are happy that they have enabled us to report a very good H1. I think it's a show of the fact that we adapt to the very challenging environment in many ways, in many levers, and this line indicates that it is not only the value strategy and the customer base expansion that we are, I will say, banking on. This is the underlying growth pattern which we then, I would say, boost by additional incomes whenever we can get them.

Jacek Kunicki, Orange Polska CFO:

Regarding real estate, it's true that our real estate progress has been much better in H1 if you compare it to the H1 of last year. When you look on 2021 and to an extent on 2020, the proceeds and sales from real estate were very small in the first semester and much higher in the second semester. We've been able to accelerate and to rebound, rejuvenate this activity. Again, this is a transaction per transaction activity, so I will not guide you too much into the future. But we are making every effort to make sure that we transform our assets, that we sell those properties that we are not using or not fully utilizing. And so, we will sell those real estates as fast as we can, at the best prices that we can sell them.

Jacek Kunicki, Orange Polska CFO:

Finally, on the energy costs you will have seen that their impact was much smaller in Q2 than in Q1. I would expect this impact to accelerate slightly in Q3, as the prices have again been increasing. And then starting from Q4 and then also next year, we're more protected because we... Well, subject to one condition, precedent still, we hope we will have around 70% of our needs, of our volumes, secured by the different... Well, both hedging, but also the green projects, so the energy we purchase from wind farms. They're on 70%, maybe slightly more secured for Q4 and for next year. It's not practical for us to secure more due to the volatility of the wind power generation, so we need to leave some energy on the spot price. But as you will see, Q3 I expect a bit higher impact again, and then starting from Q4 we'll be on more predictable grounds here. I hope this answers your initial set of questions.

Paweł Puchalski, Santander:

My initial set of questions has been answered. Thank you very much. Well one more small thing. You said you acquired 11 000 broadband customers. Has it affected in any way your convergence customer base. Because you are presenting those at broadband but there is no asterisk at convergence base.

Jacek Kunicki, Orange Polska CFO:

Well, because these are not customers that have-

Julien Ducarroz, Orange Polska CEO:

Migrated.

Jacek Kunicki, Orange Polska CFO:

... both our fiber and our mobile services with a financial benefit. Because when we're talking about convergence, the client needs to have both fixed and mobile services with a financial benefit, so it needs to be a client basically of the Orange Love service. And these customers are still the customers of the two companies that we have acquired. We have not merged those companies with Orange Polska. We have not migrated those customers onto our tariffs. I think this is an upside that we'll still have for the future, is to upsell more mobile to those customers and to foster the ARPU of those customers, and that's why they have not affected the convergent customer base that we report.

Paweł Puchalski, Santander:

Ok, last question from my side. Your guidance for 2022 offers wide EBITDA range for second half because it could be either up as you used to report until now or it could be down almost 4% and you would report year on year growth. Which is very wide. Could you deliver flat EBITDA in second half of the year. That would be my first question and secondly well coming back to your eCapex. You are still suggesting eCapex at 1.7 billion minimum. If there are any real estate income and in look at very low delivery first half. Your eCapEx or your CapEx would have to be extremely high in second half of the year to match your official guidance. Are you expecting extremely high CapEx in second half or are you just waiting for guidance cast for the third quarter?

Jacek Kunicki, Orange Polska CFO:

Well, we don't withhold information such as the change of the guidance waiting for a quarter. Just to answer your questions. On the EBITDA, we are happy with the H1 performance. We're more confident than we were to deliver the upper range of the guidance, or to grow and not to have the EBITDA flat. We don't change the method of guiding, so I will not guide for the particular semesters or quarters or months. I think you have seen that energy costs are still an element that is volatile, changing, and we may be surprised up or down with this particular cost line. The macro is an element that we really need to monitor, and we need to see if the deteriorating macroeconomic conditions are or are not impacting customer behaviors. Today they are not. We need to monitor going forward this really.

Jacek Kunicki, Orange Polska CFO:

We have not changed our guidance, but definitely we are aiming for growth. And I would say you should trust us on our ability and on our willingness to grow the EBITDA as much as we can this year. This is on the EBITDA.

Jacek Kunicki, Orange Polska CFO:

On the eCapEx, it's true that we expect much higher eCapEx in H2. It's nothing that would be out of the historical, I would say, averages. We did spend around 900 up to 1 billion zloty of eCapEx in the second half of the year before, and in particular with a lot of this coming in Q4. This isn't a trajectory which is totally unheard of or unseen before, and it's got to do with the fact that the network modernization project is only starting. It's only started. So we will have a big wave of purchases of the network

modernization CapEx for mobile in H2. As you remember, what we have been guiding before is that they can together, the 5G and the network modernization rollout, is between 400 to 500 million per year. This is what we've been guiding in the .Grow strategy. As you can see, it's a program that is quite considerable. Today we're not changing the guidance and I'm expecting a big acceleration of CapEx in the coming quarters.

Leszek Iwaszko, Orange Polska IR:

So that Pawel does not monopolize the call, let us switch now to some questions that we have received online, starting with questions from Dominik Niszczyński on the energy. I will read them, but I believe they were covered. The two questions. Assuming that electricity prices remain unchanged by the end of the year, what delta of energy costs do you expect next year? That's the first question. And the second question, what share of your energy needs, excluding renewable contract, is currently hedged for 2023? And at what price level compared to the currently paid price?

Jacek Kunicki, Orange Polska CFO:

Okay. Regarding energy we have about 70% of energy needs for next year hedged. It's well below the market prices that we are observing right now. It's slightly above the average cost that we will have this year. So still, energy costs will likely increase year over year '23 to '22, but it will be a much smaller increase than the one that we have been observing and we are observing this year in comparison to last year. We will make the final, I would say, guidance calculation when we will see ourselves for the full year results. Here we will have a more comprehensive guidance for the EBITDA outlook, and I think that is something that we would like to do, is just to speak about the EBITDA with all the elements taken into account. I will not be precisely guiding you for the energy price increase, but it will be much similar than the impact that we see this year. Thank you.

Leszek Iwaszko, Orange Polska IR:

Next question coming from Konrad Musiał from Dom Maklerski PekaO SA. Do you consider increasing the prices of your offers in the upcoming months? Could you please comment on decreasing pace of convergent ARPU growth? Should we expect this trend to continue?

Julien Ducarroz, Orange Polska CEO:

Well, certainly when we look at the convergence that will be a challenge in the future, because in the sense of out of all our product, convergence is the most complete product. But still, we are growing, which is very positive. We see that our fiber, as I presented, is still very strong and is well supported and continued support of rollout. So we are very confident that our strategy... I've noticed as well the market is moving in this direction. Some players are becoming more convergent as well, so I'm confident that with the experience and that since many years we started in 2017, this move into convergence. I don't see any big slowdown. Now, for sure, it is challenging in a time of inflation and increase of costs. Obviously the biggest packages are becoming more difficult to sell, but we have as well, as I said, a lot of experience and it's as well cross selling during the lifetime of the customers. What we need to make sure is that we continue to fuel the mobile and the fiber, and then to bring the convergence in a second step. So I don't see a huge issue in this area.

Leszek Iwaszko, Orange Polska IR:

Have we answered the first question? Do we consider increasing the prices of your offers in the coming months?

Julien Ducarroz, Orange Polska CEO:

Well, I will not reveal a detailed plan. I think I will more comment on what we have done so far, which might give you indication of what we might do in the future. But as you have seen, our ARPU is growing. This is showing that the strategy of more for more that has been started in Poland since dot one 2017 program, is paying off. Because the result of the ARPU today are very little to do with what we did the previous months. This is the effect of what has been started many years back, and this we will continue.

Julien Ducarroz, Orange Polska CEO:

As I commented, we introduce in the term and condition of our contracts the possibility in the future for those who are joining now or renewing with Orange, the possibility to increase the tariff, which we will decide when the time comes. Clearly for us, we are not stopping there. Inflation, obviously it's coming, but we had already the plan to increase. And I remind you, especially for me coming from outside, there is still room for market repair in Poland, independently of the inflation. The level of ARPU compared to other country is still below any metrics, so that's why we will pursue our strategy of more for more.

Leszek Iwaszko, Orange Polska IR:

Next question from Piotr Raciborski from Wood & Co. How do you see current market environment in Poland? Despite the inflationary pressure, there are no price hikes in the market, while some of your competitors decreased prices. That's the first question.

Julien Ducarroz, Orange Polska CEO:

Yeah. So how I see the market? Well, I will not say that there is massive decrease of price, and I don't think that in the current environment on a long term basis the market is a view that the price will go down. Now, like in any, I will say, active market, there is always promotion. Visually we could observe sometimes that the price are advertised and it could look lower. But when you look after the term and condition and the total value during the lifetime, of the contractual cycle with the client, the value... I don't personally observe that they are fundamentally going down. And I think I do hear more comment and strategic direction from the different players that we need to compensate for the cost increase, which is happening. For us, we talk about energy, which is an obvious one, but there is other costs. And we have as well some of our cost which are indexed to inflation, like in any business when we are talking about property and different cost lines.

Julien Ducarroz, Orange Polska CEO:

So I don't think in the long run we could foresee a massive decrease of the price. But again, in a dynamic market of four players, you will always have promotion. And some are for short term, some for longer term. But again, I don't think that the orientation of the market is downward pricing. It's more upward pricing.

Leszek Iwaszko, Orange Polska IR:

The second part of Piotr question now about eCapEx. Does your eCapEx guidance for H2 include capex related to 5G and therefore depends on the timing of 5G auction?

Jacek Kunicki, Orange Polska CFO:

Our capex for the full-year, the one that we originally had, has a big range from 1.7 to 1.9 billion and that included implicit assumption that the auction would be started and finalized this year. Obviously

this eCapex definition does not include the cost of the licence but includes some elements of the network preparation rollout. As we know this is not happening as the auction has not yet been announced so the likelihood that this will be finalized this year is decreasing and even if it were to be finalized it would be so late in the year that we don't see substantial room for 5G, purely 5G related investments this year. However, we simultaneously have a project to renew our access network, which we have planned for the years 2022 until 2025 and even slightly going beyond. So, if we are delaying in comparison to the original plans, if we are delaying some of the pure 5G investments, we can at the same time reshuffle the CapEx portfolio and, well, use this time to do more of the network modernization that we anyway have to do in the next five years. Right now, when I'm thinking about 5G CapEx in the broad terms of this year's CapEx, I don't foresee that 5G CapEx will be a big element of the CapEx that we spend this year.

Leszek Iwaszko, Orange Polska IR:

Let me read the last question now from Jakub Viscardi from BOS. Given 3.8% growth of EBITDAaL in H1 and lower pressure on energy costs in H2 two on the back of new PPA contracts, why you did not decide to upgrade your full year EBITDA guidance towards low to mid single digit year on year growth? It seems to be within your reach.

Jacek Kunicki, Orange Polska CFO:

Thank you for the confidence. Thank you for the question. As I mentioned, what we did is we've kept the guidance. We have a clear conviction that we will be able to grow, so we're aiming for the upper range of the guidance. To an extent you could say this is the upgrade that we're doing. The environment is quite volatile. Energy prices are very volatile. They're moving up. We've seen the price surge between Q2 and Q3, and the current prices that you are able to observe are record high. I am not able to tell you what the price will be in the next weeks or months. This is really volatile, so we need to be ready for this. I think going with this current guidance and aiming for growth, it's ambitious enough, it's responsible enough. And this is something that we have a conviction that we will be able to deliver.

Jacek Kunicki, Orange Polska CFO:

Now, if you have confidence that we can do more, yes, we will try to do as much as we can. But not all the factors going forward within the next six months are within our entire control.

Leszek Iwaszko, Orange Polska IR:

We have a few more questions that came, but I believe we need to wrap up and close, so we will answer those questions offline. Again, any other questions, you are welcome to contact us anyway, any time for further questions or follow ups. Thank you very much for listening to us, for watching us. And again, apologies for the early technical problem and see you again back in October. Thank you.

Julien Ducarroz, Orange Polska CEO:

Thank you very much.

Jacek Kunicki, Orange Polska CFO:

Thank you.