

**Transcription**  
**FNAC Darty H1 2021**  
**Results Conference Call,**  
**29.07.2021**  
**EV00125682**

## Presentation

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### Operator

Ladies and gentlemen, hello and welcome to the conference for the semester of results of Fnac Darty. I will give the floor to Enrique Martinez. You have the floor.

### Enrique Martinez

Thank you very much. Hello, everyone. I would like to thank you for being connected today with us for this conference call dedicated to the results of the first semester for Fnac Darty. I will present for the results with Jean-Brieuc Le Tinier who is with me today. Before we start talking about the details of our financial elements, I would like to talk about a few elements which were in the headlines for past few days.

We confirmed yesterday that an inquiry was ongoing after the irregularities which was observed in a very limited numbers of Darty shops after a series of internal control reviews, to make sure that the public prosecutors of Paris was aware of it since January 2021, and of course we lodged a complaint. This judicial inquiry is not targeting to Fnac Darty Group but is targeting individuals which were [inaudible] of those actions. A few operators decided to benefit from a few loopholes existing in our internal control systems in order to act this way. So Group is condemning strongly those practices even if it's not significative at the scale of the Group. It remains illegal and completely unaccepted, especially if we take into account practices and the ethics of the Group and its collaborators.

We are actively cooperating to the current inquiry and we made sure that an external audit firm, PricewaterhouseCoopers, can help us in order to make sure that such actions can't happen again. I'd like to talk about something else. The Group wished to participate with a few French e-commerce stakeholders through the e-commerce charter, which is supported by the Ministry of the Ecological Transition, Barbara Pompili, and the Secretary of State for the Digital Economy, Cedric O. We have signed yesterday this common charter which aim is to reduce environmental impact of the e-commerce activities.

With this project, the Group would like to make sure to reach ambitious actions regarding its e-commerce processes and also to accompany the customers in order for them to have more knowledge when it comes to buy online. We would like to work for a more sustainable economy and we're very proud to be one of the stakeholders of this project.

So now we will start to dive into details and talk about the different elements of the financial elements for the semester 2021. As usual, you will be able to find those documents on the website of the Group.

So now let's have a look at the third slide. I would first of all remind you that this semester was really impacted by the fact that we needed to carry on the health restrictions in all the different territories where Fnac Darty is present. It is penalising the operating conditions of our different shops and businesses and restricting our usual activities, because we needed to close down a few shops of our Group, a few aisles sometimes depending on territories. For example, in France, more than 90 Darty shops were closed and all the Nature & Découvertes shops were closed for more than – for month and a half.

And as you know, the ticketing services were really impacting, but certainly during the first semester because of the cancellation and some massive postponing of shows and cultural events. Today, the restrictions are also – they are not as stringent but we need to abide by the personal protective measures, especially when it comes to the possibility to have access to a few shops.

So now slide four. We are really happy of our activity level for this past semester. The France markets remain very dynamic. The online activity remain very important in parallel. And on top of that we had a good performance in our different shops during this period. And we managed to once again attract new online customers during this period of time. So just in a nutshell, we had sound results, which were registered for the first semester in 2021. And now we managed for the first semester to have an income of €3,465 million, which is an increase, represents an increase by 21% in comparable data with due of sound operational execution and thanks to the work of all the regions and the fact that different product categories remained attractive.

More than 28% of the Group were done, thanks to our digital platform and the attractiveness of our platforms remained present. Our margin was reduced – was maintained. And gross margin rate was for this part of 29.7% and we managed to have a very important product mix. We managed to compensate the lower income for the ticketing service for the first semester 2021 because of the

governmental measures and also because of the withdrawal of the activities within Nature & Découvertes shops and because of the dilutive technical effect of the franchise.

During the second semester, the Group managed to change around the trend for this gross margin rate with new dynamic for the second quarter which was better than during the first quarter. Then the operational results was €34 million for the first semester 2021 with an increase of €92 million compared with the first semester of 2020. For the same perimeter, in spite of the taking in service and the activity of Iberian peninsula, which was impacted by the crisis. So to conclude, we are very happy about the results, which are allowing us to take – to be in advance regarding the income and the expected operation results.

So now slide five. We managed to really focus on different other categories which was really a boost for our income during the entire semester, especially because the technical and IT equipment really attracted our customers and we're very successful because of the teleworking context. We also in the television was also a key product with the broadcasting of the European football game.

The cultural dimension was also [inaudible] this semester and it was promoted in France, especially because of the Pass Culture. This is launching the entire territory and the internalisation of the territory will help €10 million of – 10 million young people of 18 years of age to be able to use a price of €300 in order to buy books, audio products, videos or to buy tickets for shows in all the Fnac shops, our partner shops with the platform see to different shops that Group e-commerce platforms. Once the first rechargeable battery scooter which can be recharged in 50 seconds. The home and design segment is really following a good trend with the deployment of our cuisine cooking Darty offer, which was – of course, which was carried on during the semester with the opening of 11 points of sales for per se and seven under [inaudible] franchise.

And we knew that was an acceleration of the segment of the services. We launched in of three new offers for the repair services by the subscription Darty Max which was forefront of its new strategic plan Everyday.

So now let's focus on the sixth slide. This semester was strictly impacted by the presentation of our strategic plan Everyday, which has ambition to be able to help us to embody the new standards of the omni – of our successful omnichannel retail system of tomorrow digitalised form and focused form. In order to do that, we have a growth of Europe activities which will be crucial and at the heart of our omnichannel strategy.

We have a gain of €2 million – gained two new – two million of new clients and also back for first semester 2021. Associated to the Click & Connect and which was a big successful. So we really try to have active mixed – the share of the mixed – active mixed customers both on [inaudible] channel, the web channel and the different brick and mortar shops, which was an increase of 4 points on a year by the end of June 2021. And we know that more than 70,000 sales were done this semester, thanks to video conferences or via chats with sellers, which shows that we knew how to use our new omnichannel trade levers.

Also we carry on with our strategic plan with the opening of 18 new shops and 15 franchise allowing us to have a new fleet of 923 shops, among them 359 franchise by the end of June. Then last but not least, we have our trial period. We led – it led to the deployment of four shops, shop-in-shops Fnac in the Manor shops by the end of 2020. And now we are going forward in Switzerland and we announced the opening of 27 shop-in-shops by the end of first semester 2022. Thanks to this partnership, Fnac Darty is now aiming to have an additional income of at least €100 million in the full year and we previously impacted of the free cash flow of the Group is expected – which was expected which is €500 million compared to 2021-2023 in spite of the investment linked to the perimeter of the partnership.

Slide seven. So now we really try to develop service of actions aiming to accompany our customers in order to consume more responsibly and to make sure that our products are more sustainable for better shelf life. And we have an opening with WeFix of 16 new points of sales which will lead to a new number of point of sales of 130 by the end of June 2021. So we will try – we have more at home repair services representing 560,000 repairs in workshops or at home, which is an increase of 29% compared with the first semester 2020. There is also new 13 classes which – for new trainings which will be able to welcome new apprenticeships for technician on the integrity of the territory.

And for the first time – third time in a row, Nature & Découvertes got a B Corp certification showing its continued commitment with its customers in order to accompany them in a sustainable way of life. And Fnac Darty Group is carrying on with its actions in other areas linked to the environmental and social responsibility. Because of that, Fnac Darty confirmed its commitment for the climate, especially with initiative ambition for climate showing concrete commitment of big companies and to fight against climate change presenting projects aiming to reduce the carbon footprint.

When it comes to the services, we are trying to accelerate the deployment and the development of Darty Max. Our subscription repair services for all the household appliances confirm the fact that we would like to go from a transactional model to a subscription-based model. We currently launched three new offers in France, extending and covering of new categories of products with the small household appliances, or TV cinema, sound, photo, multimedia. The complementary offer is helping us to really meet the expectations of the customers when it comes to the repair services with a ambition to reach at least two million subscribers for Darty Max by 2025.

We are really satisfied by the impact of our Darty Max action on the evolution of the customer behaviour. We observed that the basket of our subscribers at Darty Max is 25% higher than the average basket, which shows that there is an increase – very special increase in value, which is linked to our service based programme. So to conclude, I would say that we can keep on delivering some operational point of view, except if we had supplying issues that we anticipated by the beginning of the year.

Now we can start to – we have a good availability of the products for the second part of the year. And now the first key actions coming from Everyday that are ongoing.

And I give to floor to Jean-Brieuc.

### Jean-Brieuc Le Tinier

So let's talk about the retail performance of each region before we talk about the operational performance and financial performance [inaudible] with slide nine. The France and Switzerland zone in the most for us, we have a strong growth of 22.6%. So as it was – Enrique said, there was a closure of different shops in commercial – in malls of more than 10,000 square metres which led to the closure of 90 Fnac & Darty shops. On top of that, the Nature & Découvertes shops for selling products which were deemed non-essential led to penalised sales on the semester. But thanks to a new channels, we can make sure that the – to move the sales from the closed shop to shops which were remain to stay – which could remain open and also the performance contribute to keep the progression, even if there is high comparison base.

And also the different equipment linked to the – what we have to with the TV, the telephones and IT products were increasing as even if there was a shortage of components mentioned before Enrique. And also tried to be more comfortable at home, so started to buy products of better quality. The air [inaudible] was the only category which was not successful because there was not so many heat waves of the past year, and also the digital products was strong growth led by the book sector were benefitted from the maintenance of – the possibility of shops to remain open, more shops to remain open if we compared with the last year and the launch of Pass Culture for the young people of 18 years of age in [inaudible] France.

On the other hand, the services are increasing. It is linked to the main franchise, which is showing an increase of 63% of the sales on the semester, which has helped by winning proximity format and also by a new [inaudible] system on first semester and also a very good level of sales by the end of 2020. The ticketing services has also strengthened[?] [inaudible] semester after the government measures and for getting people from gathering and also compared with 2020 before the first lockdown period which was not impacted by those measures.

This strong dynamism of this income with a good management of operational cost allowed us in France and Switzerland to have an recurring operational result of €33 million of which means increase of €78 million compared with last year.

So now slide 10 talk about the Iberian Peninsula. There was a growth of the income of 18.2% compared with the last semester. I would like to remind you that those shops were opened later than the other regions. And after the first quarter, the growth was 3%. The area has a strong growth of 30% on the second quarter. While the other product categories were experiencing a growth, especially phones and televisions, sounds and systems and the book. IT has very strong growth which is more normative because of the basic very high effect and then there is also a macroeconomic environment, which is penalised by the health crisis in Spain and Portugal and also a strong competition this semester, especially for technical products, so that's why we are penalised the recurring operational results of the area, which remain negative and to first semester with minus €4 million, but it is increasing, an increase compared with the past year with plus €8.5 million.

So now let's talk about Belgium and Luxembourg in slide 11. So the Belgium and Luxembourg areas is impacted by a very strong growth of its income, an increase of 13% if we comparable data on the first semester. It is helped by the sound performance of different shops and the dynamic of the online sales. There is also the help of the teleworking systems, which are implemented within the companies, boosting the sales for the – also appliances and books. Also there was a recurring operational result of plus €5.6 million, an increase of €5 million compared to the first semester of 2020.

So now let's talk about the P&L results in the slide 12. So I won't talk about the gross margin rate. Enrique talked about the at the beginning of the conference call. So let's talk about the [inaudible] we mastered. We control the operational cost during the semester which allowed us to have an income of 300 points of the base with 28.7%. This reduction was realised in spite of the increase of the [inaudible] charges. And as Enrique said, the operational result is higher than what's gone in the first semester 2018, which was €32 million at the same scope and taking into account Nature & Découvertes throughout the full year and outside of [inaudible] compensating the issues of ticketing services and to solving European countries.

So this performance allows the Group to reach the growth, the recurring operational growth margin rate for the first semester 2021 online with the one first semester 2019 for the comparable scope. So that's why when it comes to the non-recurring operational cost, it is €3 million, which is really below what's going in the first semester. We had a depreciation of the Darty brand for €30 million in the cost directly linked to the health crisis for €6 million, the operational result is €32 million. So we had a new financial structure, which is clearly an extension of RCF line, thanks to the extension of the – payment extension of the guarantee of state-backed loan reimbursed last March was element compensated the interest gained registered [inaudible] of our [inaudible] in 2021.

So the network of the Group of the consolidated system at a growth of €136 million compared to the first semester 2020 with €60 million after [inaudible] accounting and the first semester 2021 with a tax adjustment in increase the divestment of the Dutch subsidiary, BCC[?] in November 2021.

So now let's talk about the available free cash flow by the end of June in slide 13. So the operating free cash flow outside of the IFRS 16 are €577 million, which is a decrease compared with last year. This decrease comes from the negative evolution of the working capital. So the first semester of 2021, we reconstitute our stock with the [inaudible] of the sales in growth and we anticipated fact that we needed to buy new goods because there were shortages a few components necessary to see the manufacturing of products by the Group.

So when it comes to the capital expenditures, the Group maintained a good management of this operational in the financial semester, which has a decrease of €4 million compared with last year and reaching €46 million compared with the Everyday plan the Group is trying to maintain its yearly investment spending with a normative level of around €120 million outside of the investment dedicated to the modernisation of our logistic equipment, which could be impacting during – we could have an impact during the fiscal year and outside of investment linked with the partnerships with Manor. So the Group remained confident that the fact that we will be able to reach €500 million of operational free cash flow generating in the period of time 2021-2023.

So now let's say a few words about the financial structure and you would be able to see all of that on slide 14. The financial situation of the Group is healthy with more than €1.4 billion of equity by the end of the first semester. The financial debt of the Group was traditionally higher at the end of the fiscal year because of the seasonality of our activity. So by 30<sup>th</sup> June 2021, our financial net debt of the Group outside of the IFRS 16 was €454 million. And just on top of that just as a reminder, the Group announced in the last March, the success of its new financing strategy, which was reimbursing of all the state-backed loan up to – which was up to €500 million and to extend the credit line to €500 million with maximum maturity in 2028. And also we also really try to reimburse the senior term loan facility of €200 million which mature in April 2021 and placed convertible bonds up to €200 million by 2027.

New financial structure of Darty Fnac is optimising the average cost of its debt with no major deadline for the reimbursement before 2024. Therefore, the Group is now, by the end of June, around €500 million of the free cash flows allowing us to have an RCF of €500 million, which makes us very trustful regarding the uncertainties to be able in order to face with by trusting our positions, the potential and negative evolution of the health crisis.

Then by the end of June, the lever that net debt EBITDA outside of the IFRS 16 calculated on 18 months was 1.1 times. So it means that we will communicate once the annual results after the shareholders come back with the results of the shareholders for 2021.

And now I give the floor back to Enrique in order to back the Group outlook.

### Enrique Martinez

Thank you very much. As you understood, it's very complicated, the first half needs to be encouraging. We want to review our expectation – for higher expectation the first half is quite encouraging but our activity is still impacted by the health – the sanitary conditions.

The new French government announcement seems to mean that there will be an impact on how to access big shopping centres. And this could have an in turn impact on the expectation of our stores. So we are very careful about these measures. The economic turnover in the Iberian Peninsula is slower than expected. In consequence, Fnac Darty stays confident but still careful on how we will perform on the second half and we will stay very close on our commercial execution to fulfil the big commercial meetings we will, have the big events we'll have to also manage our cost and to generate cash flow with our objective from the Everyday plan.

And that is why with the first half that is encouraging, but within the unsure sanitary environment, the Group will review its perspective 2021 with higher ones. We wait turnover to increase by 5% in comparison to 2021 and we expect an operational current operational result between €260 million and €270 million.

That is all I wanted to tell you today. And I am available with Jean-Brieuc to answer your questions.

## Question & Answer Session

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### Operator

Ladies and gentlemen, if you'd like to ask a question, you can tap 01 on your phone. We have a first question from Clément Genelot, Bryan Garnier. You are up.

### Clément Genelot

Good evening. I have three questions. The first one is about the upgrade of the guidance on sales. Is it due to the very good performance on the second half? Or is it – because the future performance will also be higher on the second half? And what is the schedule, is it between May-July? What are your expectation? Is there strong reducing of our activity with the opening of bars, restaurants and others? And final question about the cash flow. There is a risk here. Cash flow could be lower than in 2020. In your opinion, will the BFR[?] change, will it be positive or negative or will we need to renew our inventories again?

### Enrique Martinez

Thank you for your questions. I will answer the first one and then I'll let Jean-Brieuc answer the others. The first half, as we say, was really encouraging. And for the second half, just to remind you of the fact, last year the second half was really huge. We had an increase of 8% and a real increase of our results. And our forecast here shows that we could have a similar result or a slightly lower result. So we expect the end of 2021 to be as 2019, but we think that we are very strong on our first half. We will be strong as well on our second half but slightly less strong.

And we take into account a lot of characteristic of features to calculate that. So this is just a forecast. We cannot be too precise. We think that we are on a good path and we will be able later to give you more details on the end of 2021. But we think that the turnover will be around 5% of increase.

For July, we cannot comment because as you know, it's still current. We cannot comment on a current situation. but we do not anticipate gradual changes in the current growth. So, of course, we stay very careful. But today, we have a turnover that is higher than last year for the same period. And I think that the next week will be decisive for our Group's success.

### Jean-Brieuc Le Tinier

The BFR at end of the year, it's a bit like last year. It will depend on how we do in December. And of course, it could mean anything. It could go in any direction. We can see that the last half of last year we had a great BFR, because we had low inventories and now we have higher inventories, so it might impact BFR negatively. As for the – so for the BFR, it will depend on the end of the year.

As for the cash flow, there will be an increase of the EBITDA compared to last year. There will be – in 2021, the decrease of the [inaudible] and the decrease of corporate tax. So we will benefit from that. Usually, we pay 40%, and here it's going to decrease. And then it would be 30%, 35%. As for cash loan, it will also decrease. So that will help with our cash flow. And again, the working capital requirement will probably decrease too. So yeah, the few details I can give you about how the cash flow relate at the end of the year. I can't give you all the details.

### Clément Genelot

Thank you. That was very clear.

### Operator

Thank you. There is another question from Florent from Midcap. You have the floor.

### Florent Thy-tine

Good evening. Congratulations for the results you presented tonight. I have a question around the guidance. To go back to the July performances, I know that you don't want to communicate them. But can we have a trend for April, May, June maybe? Are there any differences between those months because as you know we have a minus 5% on the second half. So did you see any slow – any decrease like in Maisons du Monde? As for current operating margin, is it 5.2% for this second half? It would be level unseen since 2016. So what could explain that 5.2% margin that's very, very low margin? I know that the ticket sale has been impacted but we also integrated Nature & Découvertes and we also, I think, split with BCC, so this should have an impact as well. I would like more clarification on that.

### Speaker

As for April, May and June, the comparison is really not easy to make because last year in June, we had very, very successful month, so we cannot compare. However what we've seen here is that we expected less and we had a very good trimester, a very good quarter. And of course, the sales have helped but it's not as much as for our competitors. So yes, we could be at the same level of 2019 and that would be very satisfying, because it means that we've overcome the crisis and we've succeeded to have sales online and in stores. And we could have the same profitability rate as in 2019. So we would be very happy with that and we're very satisfied with the performance we expect.

### Florent Thy-tine

And can we have an idea of the impact of the ticket sales on the EBIT to know what the margin will be?

### Speaker

Well, we won't give you the numbers but it's quite significant. Two years ago, like-for-like we had €278 million. So that would be our level for 2019.

### Florent Thy-tine

Another question please. How about online sales profitability? Can you tell us – can you isolate that number and tell us how much it helps margin?

### Speaker

It's a very important question as you can see the profitability of the Group is not an issue. It depends on many, many factors, on services, on accessories, on goods. However, we showed already at the end of 2020 that with 25% online sales, we can gain 7 to 8 points more in comparison to 2019. So we've shown that our online sales system is working. It's a system in itself and that's also our intention that to do more to a subscription system. We need to have a cost margin for CTW[?] rate that is positive and that's the case for the sales on the online sales.

### Speaker

Thank you.

### Operator

Ladies and gentlemen, if you wish to ask a question, you can select 01 on your phone. We have a question from Geoffroy Michalet from ODDO BHF. You have the floor.

### Geoffroy Michalet

Good evening. Thank you for answering my question and congratulations for this online performance that is still growing that's very impressive even if the stores might close and the ratio has been turned. I want to talk about the online performance at the end of the year. What could it mean in terms of additional logistical costs? Thank you.

### Speaker

The logistic CapEx are not concerned here. For this year, the system is already in place, thank god. It will really depend on the new or the new sanitary restrictions will store close or not, it will depend on that. Because at home delivery through stores can be

impacted. We have a mix around – it's about 50-50. It's quite important. We hope that the stores will stay open to sale of course but also to maintain online sales. So we think that it will stay coherent with 2020.

We shall wait and see. But one thing is sure we've grown, we've matured in – between 18 months we had seven million more clients on our online platform. So of course, this has an impact on our online sales. And it didn't happen overnight. So we think that there will be more and more hybrid behaviour by our customers. And this will probably be the consequence of the COVID crisis. We will have a new generation of clients, of customers who maybe don't go to stores.

**Geoffroy Michalet**

Thank you very much.

**Operator**

Next question from Marie-Line Fort from Société Générale. You have the floor.

**Marie-Line Fort**

Good evening. I have two questions. The first is, have we gained market share on the first half, especially in comparison to Amazon? And second question, I would like to better understand in your forecast for the whole year and especially for the second half, if you've integrated an increase in prices, which probably will happen at the end of the year. We know that for the fourth quarter, prices might increase. So is it something that you've included? And can you tell us more about what it means for the fourth quarter? Or will it be rather for the first quarter 2022?

**Speaker**

Well, thank you for your question. Amazon, it's really difficult to have the results of the Amazon. They have not really transparent, so I can't really comment. We need more information. But if we look at what we have I think our performance has been really good, better than everyone in the country. Because of online service also because some of our stores may manage to stay open, so we're very satisfied with our place on the market. I can't compare our position to Amazon's, but I think that in comparison to the whole market we are doing quite well.

As for increase in prices, yes, we've heard the same thing. I think the increase will be quite insignificant though and the impact as well. For the past few minutes, we've benefited from an average increase in prices not for the same products but there's a mix. There are higher entry products and it's happened for the past few months. And I think this will also have consequences for our Group to build longer term strategy to be more viable.

So I think it's a good thing for us. It goes in the right direction. And the inflation, we're forecasting – again, we think it's going to be very low. And, of course, it will be up to the customer to pay for us retailers. We cannot absorb this increase. So the customers will have more products to choose from, but some of them will be higher prices. And this might help us to absorb this inflation.

We think, however, that this phenomenon is linked to very concrete and contextual elements such as raw material, lack of raw materials but we're not worried.

**Marie-Line Fort**

Thank you very much.

**Operator**

Thank you. Next question Clément Genelot. You have the floor.

**Clément Genelot**

Thank you. A question about inventories. With cargos with – are we at risk of lacking our staple[?] products or not?

**Enrique Martinez**

Thank you for your question. I think that our supply chain is under pressure since 2020. It stops, it increases and it's also under pressure because of the growth. If you look at 2020, there were lots of pressure because our product categories were highly demanded. Today, we have an inventory level that is at its highest since the beginning of the crisis. So our inventory pre-COVID is the same as during as now. So we are placed today than today during – at the beginning of the crisis. We are very careful for the next few months. We're going to keep an eye out.



We are looking at our orders. We are ready to face our demand. And we hope that this phenomena that we've seen during the crisis would slowly disappear. Of course, some supply chains will be under pressure but we hope that our inventories will make up for that pressure if they are short-term pressure or significant pressure for some group, some stores we will really able to absorb them. We are really careful about our availability for our products.

**Clément Genelot**

Thank you.

**Operator**

Thank you. We have a question in English now. Yes, we have a question from Adam Crocker from Logbook Investments. Please go ahead.

**Adam Crocker**

Hello. Hopefully you could hear me. I had a question about the Culture Pass. If you could talk to early about the long impact that it might have and if there are any programmes you have in place to maximise the potential there? Thank you.

**Enrique Martinez**

I'm sorry. There is a bit of an echo between the lines. If the technicians can help? Okay, I think it's better now. Sorry. French programme for the last four years. So Fnac has been one of the first players that has been cooperating with the French government to create this programme in terms of technology offer and the way we have been proposed for the young. So the pilot launch for two years and now they decide to go for a full rollout. So the first figures are quite impressive. We have the young. The potential is around 10 million new young every year and for each of them €300 available to expand in [inaudible] products, [inaudible] e-stores, so is [inaudible] to address this young generation for the stores.

And in particular, for the Culture Pass was big impact on the books in particular in the categories like gaming and records [inaudible] but books in particular that is quite satisfying because this is the main, I would say, one of the main objective for the government is to put the reading back on the young generation hand. So the way to optimise that is to be inside this platform, open the global inventory online for the geo-localised sector on the – for the whole stores in Fnac. I think Fnac is the only channel nationwide so that is able to produce this level of inventory and catalogue for the young. That's the main reason why we are able to catch a significant part of this programmes that give us a good impression that how much can be on the next coming month.

And if the programme is proposed not just for this year, it's to be projected for the following ones. So it's probably good news for the culture products. But probably you know that Fnac is the main leader in all of them, both records, movies, gaming. So for us, it's a good decision.

**Operator**

Thank you. We have no further questions.

**Enrique Martinez**

Well, thank you to all. Thank you for being here and for all those questions. I wish you all good holidays and a good summertime. And we will see or we will hear each other in October for our quarter meeting as usual. Thank you. And have a good evening everyone.

**Operator**

Ladies and gentlemen, the conference is now ended. Thank you for taking part. You can now disconnect.