



Dassault Aviation

Full-Year 2022

Results

9 March 2023

List of MAIN speakers	Company	Job title
Eric Trappier	Dassault Aviation	CEO

PRESS CONFERENCE

Éric Trappier
CEO

Good morning, everyone, and thank you for being with us for our press conference presenting our 2022 business results. We are going to start this conference with a video, and then we'll be presenting our financial results and then we'll have a Q&A. We'll start with the video.

CORPORATE VIDEO

Ferried by Greek air force crews, six Rafale fighters left [inaudible 00:00:37] and reached the Tanagra Air Base on January 19th. Our CEO was a guest at the ceremony, presided over by the Greek prime minister. The entry into operational services of these first six Rafales in the Hellenic Air Force, a 3-32 squadron, clearly demonstrates the strong partnership between France and Greece just one year after the signing of the contract for 18 aircraft.

On March 24th, our CEO and the Greek defence minister signed a new contract for six additional Rafales in Athens in the presence of the French Minister of the armed forces. This order will bring the number of Rafales operated by Hellenic Air Force to 24.

This year, two Greek Rafales took part in the traditional 14th of July fly-pass over the Champs Elysée, among a total of 44 Dassault aircraft mobilised for this National Day holiday. Dassault was present with GIFAS and French Air and Space Force for the second edition of La Fabrique de France trade show in Paris. For three days, armed forces and industry professionals gave a large number of young people the chance to discover the challenges of defence and to find vocations, training opportunities and professions for their future.

On the 3rd and 4th of February, Dassault Aviation took part in the Aviation Summit in Toulouse, an event organised as part of the French presidency of the European Union. We showcased the FalconEye, our operational combined vision system for optimising approaches to demonstrate how improving flight operations can reduce carbon emissions. The company has been contributing to the European Clean Aviation and SESAR Environmental Research Programmes for many years and also that of CORAC in France.

On February 10th, Éric Trappier and Air Vice Marshal, Yusuf Jauhari, head of the Defence Facilities Agency of the Indonesian Defence Ministry, signed a contract in Jakarta for the purchase of 42 latest generation Rafale fighters in the presence of French Minister of the Armed forces. Indonesia is the eighth country to purchase Rafale, the seventh international customer, the first to acquire new Rafale fighters without having even owned Dassault aircraft before.

The contract for the supply of 20 MALE Eurodrone systems, that is 60 drones and their support for five years, was signed at the end of February by OCCAR and Airbus Defence and Space, which is the prime

contractor for the programme. Dassault Aviation is one of the three main subcontractors. We are specifically in charge of flight controls and mission communications.

The Kazakh Research and Training chair was set up in 2016 under the impetus of Dassault Aviation and the ISAE-SUPAERO Foundation, with the aim of rethinking the relationship between crews and the systems used in aviation. The initial results have been promising and we have renewed our partnership for a further three years.

The Dassault team has won the Corsica race in support of organ donation for the second year running 850 km from Paris to Les Arcs covered in four days and four nights in a spirit of cohesion and solidarity. It's a sporting success, of course, but also, above all, a human one. The most important thing was to highlight the cause to be defended, the gift of life.

As in 2021, Dassault Aviation is included in the Financial Times Europe's climate leaders 2022 ranking. This ranking acknowledges the 400 European companies having made the most significant efforts to reduce the intensity of their greenhouse gas emissions. We are one of the five aerospace and defence companies to appear in this ranking.

Dassault Aviation has moved up this year in the Universum 2022 ranking for most attractive employers for engineering college students, all fields combined. Dassault is positioned fourth among the 100 most attractive employers. This is one place higher than in 2021. For the past decade, our company has been in the top ten companies favoured by students at engineering schools. This is corroborated by the EPOKA ranking where Dassault Aviation is on the podium for the Industry category.

EBACE convention and exhibition took place in Geneva from May 23rd to 25th. For the first time, we set up a full size Falcon 10X cabinet for our exhibition booth. This attracted numerous visitors, all impressed by the new aircraft's interior and quality design. We were able to present the Falcon 6X for the first time to our customers and the press.

The aircraft was exhibited in the static display alongside the 8X and the press conference confirmed that the technical step had been completed, but as the Covid pandemic put us as well as our partners and suppliers under pressure, we decided to put off the entry into service of the 6X, which will take place in mid-2023, said our CEO.

The first Falcon 6X has completed a world tour with its team of on-board engineers and technicians. It went through the hot Middle East weather and the low altitude routes over the desert to test the peak efficiency of the environmental control system. This follows on from the extreme cold tests carried out last winter in Iqaluit, Canada, where the business jet was tested at -37C. The first customer aircraft are currently being finalised at our Little Rock facility in Arkansas.

For over 20 years, Dassault Aviation has been a close partner of Les Chevaliers du Ciel Association, responsible for the Rêves de Gosse initiative, aimed at realising the dreams of disabled children. This nine-stop aerial tour is organised to promote inclusion and acceptance of differences by giving ordinary and extraordinary children battered by life or illness an opportunity to meet each other. With the help of volunteers, the association is able to offer about 1,500 children a first flight.

General Stéphan Mille, chief of staff of the French Air and Space Force, and our CEO, Éric Trappier, inaugurated on July the 8th from the Ouragan to the Rafale 70 years of Industrial and Operational Excellence Exhibition. One of each of these fighters were on display throughout the summer in front of the prestigious Hotel National des Invalides in Paris. An opportunity to remind that the Rafale is the result of 70 years of technological achievements in French air fighters. And it all began with the Ouragan.

Les Invalides is one of the greatest symbols of military progress, a field in which aviation has secured a prominent place in times of war. It cannot accomplish everything, but nothing can be accomplished without it. There can be no modern and efficient army without aircraft. At the same time, there cannot be combat aircraft without an efficient industry. A jet fighter is the human achievement that concentrates the most critical technologies in such a small volume. It is so complex that only three or four countries in the world, including France, currently have the know-how to master and build a combat aircraft with no outside help.

Mastering this complexity is a slow learning process, a process of accumulation, maturation and knowledge transfer from one generation to the next. You cannot cut corners and so it goes on. Aviation is an industry shaped by cumulative experience. You cannot become an aircraft manufacturer overnight.

On the occasion of various site visits carried out in the first half of the year, Éric Trappier and Loïk Segalen were able to check on the progress of the Dassault Aviation Transformation Plan. On June 28th, the CEO visited Mérignac, where he enjoyed the exciting presentation of the scientific day organised simultaneously in Saint-Cloud, eastern Mérignac by the General Technical Division, Direction Générale Technique.

While on his same trip, the CEO presided over a ceremony in honour of the martyrs of aeronautics industry in front of the still dedicated to the memory of workers and members of the French Resistance who died or were shot or deported during the Second World War. Today, at our own level, we are striving to ensure that France continues to keep control of its destiny with powerful tools that will guarantee its freedom of decision and action. In a troubled world, we refuse subjection and we uphold our spirit of resistance to defend the independence of our country and its army.

It is not always understood. Nevertheless, it is undoubtedly a major feature of our corporate culture, which has been transmitted to us by Marcel and Serge Dassault and by all those whose memory is engraved on this tale.

The extension of the Seclin plant was inaugurated on September 23rd. A ceremony was held with Xavier Bertrand, president of the Hauts-de-France Regional Council, and in attendance alongside numerous elected officials and representatives of the regional ecosystem and the plant personnel. The extension works lasted from early 2018 to mid-2019. They were followed by the equipment installation phase. In accordance with our transformation plan, the new workshops are devoted to surface treatment and sheet metal work. Surface area of the site was increased by 13,000m² to reach a total of 50,000m² and also it has led to an increase in the number of employees.

In mid-October, Éric Trappier and Loïk Segalen went to visit our Little Rock plant in Arkansas. They were able to assess the implementation of new processes for the interior fitting of our Falcon aircraft. Our leaders then flew to Orlando for the NBAA, a very important meeting for business aviation. For the first time in the US, Dassault Aviation showcased a full scale cabin mock-up of the Falcon 10X, a Falcon 6X and 8X were also presented on the static display to the many customers in attendance.

Our company's ranked in the top 100 most responsible companies in France, the most conscientious companies in terms of environmental, social, and corporate governance, ESG, as according to a ranking published by Le Point magazine.

Dassault Aviation attended the Euronaval show in late October in Le Bourget. In addition to the Rafale, Marine Company showcased its maritime patrol and surveillance know-how.

While primary parts manufacturing is underway, the production of first subassembly is on its way for the Falcon 10X. A new approach to ground testing will be used in order to demonstrate full system maturity before the jet's maiden flight. Two multi-system test benches will be deployed at Istres for this purpose.

Dassault Aviation was a partner of the Congress of Fighter Aviation in Le Bourget, an exceptional event organised every four years, bringing together more than 1,000 French and foreign fighter pilots. This addition was made even more memorable by the presence of French astronauts. The event was also focussed on young people. A military ceremony was organised at the Airman's Memorial in front of the Air and Space Museum.

The 10th anniversary of nEUROn's maiden flight was observed on December 1st, 2022. Developed as part of our European program involving Sweden, Italy, Spain, Greece and Switzerland under the leadership of Dassault Aviation. This UCAV demonstrator was initially intended to remain in service for only a few years. Ten years later it is still in use. It has faced many operational tests and has exceeded all expectations. In the name of the French, German and Spanish government, the French Defence Procurement Agency awarded the contract for phase 1B of the demonstrator of the Future Combat Air System known as FCAS.

This contract confirms Dassault Aviation's central role as primary contractor, architect and integrator of the NGF Future Compact aircraft, a main feature of FCAS, for which France is the lead partner.

The prestigious French Air and Space Academy awarded its 2022 Grand Prix to our CEO Éric Trappier for his remarkable career as an engineer manager. The ceremony took place in the Salle des Illustre of the Toulouse City Hall in the presence of many personalities.

On December 16th, the Dassault family visited the Seclin plant. Éric Trappier and Loïk Segalen presented to a majority shareholder the new extension of the site and the ultra-modern equipment installed as part of the company's transformation plan.

On December 29th, the Mérignac plant delivered the Rafale B359 to the Direction Générale de l'Armement. This event marks the resumption of Rafale deliveries to France after a four-year interruption.

Dassault Aviation presented its dual military and civil know-how at the 2023 edition of the Aero-India show in Bangalore from February 13th to 17th. The highlights were the Air and Navy versions of the Rafale, a Falcon 8X and a front section of the Falcon 2000 produced in the Nagpur plant. The Rafale was presented when flying. Dassault also attended the IDEX show from February 20th to 24th in Abu Dhabi. This was an opportunity to showcase the Rafale in flight. The United Arab Emirates have ordered 80 Rafale jets. Rafale demonstrates its versatility, efficiency and reliability every day in many theatres of operation. It continuously integrates feedback from the armed forces and the latest innovation to stay at the cutting edge of technology.

PRESS CONFERENCE

Éric Trappier
CEO

So, we're going to go on to the presentation. You've seen some very nice pictures already – the background. We're still having this war in Ukraine. The war between Ukraine and Russia and our

country's engaged to protect the neighbouring countries of Ukraine and we are supporting our air force that is deploying aircraft locally in those countries. The French military programming law is important. It will cover 2024 to 2030. It was announced by the head of state and we are waiting for the adaptations in the coming weeks.

The 2023 budget was already decided upon, and this military programming law will begin in 2024. The Covid pandemic, the issues related to the shortages because of the war in Ukraine; this created a lot of constraints in our logistics supply chain and our supply chain is in great difficulty. It's true for us and for the aircraft manufacturers, especially at this time where there is a ramp-up of our profession, whether it's us, Dassault, or our friends from business jets. And it is difficult for our subcontractors, and it requires particular attention at all moments, not to mention the increase in the prices of energy and the smallest of our providers can have some difficulties, but the backlog is full. So, the morale is good.

A lot of fragility regarding the increase in the pace. The orders are there, everywhere, but the ramp-up is a bit delicate. There's an energy transition too, as you've seen it in the film. We are involved in large research programs. I'll tell you more about this later on. And there are laws in France, the climate and resilience law in France, or the directives from the EU.

CONTEXT

2022 will be a record year in terms of order intakes, especially the contract with the UAE 80 Rafales. And also, a very good year for the Falcons with 64 Falcons. And the Russian aircraft, because we are following the embargo on all the Russian projects. We're not selling any more to the Russians and we've cancelled the aircraft that we had in our order intake.

2022 HIGHLIGHTS

So, the 64 should have been slightly above. So, the number of order intakes is €21 billion. Revenue, €6.9 billion. That is the delivery of 46 aircraft, 13 Rafale export plus one Rafale, France. So, considering the guidance, we have delivered 14 Rafales and I'll get back to this. Thirty-two Falcons were delivered slightly under our forecast, which was at 35. So, the backlog historical 35 billion, 251 planes, 125 Rafale export, 39 Rafale France and 87 Falcons. At the end of 2022, after many discussions and negotiations, we received the awarding of the phase 1B of the FCAS with NGFs.

ACTIVITIES AND PROGRAMS

The activity and programs, and I'm going to go back to the UAE, which is our major Rafale contract.

RAFALE EXPORT

There was an additional tranche of six Rafale's for Greece and the first tranche out of the 42 Indonesian aircraft that has been signed, the first tranche that was enforced of six Rafale. We are waiting for the entry of the 36 Rafales. There'll be two phases of 18 each this year. We're pursuing prospection. The

success of the Rafale doesn't need to be demonstrated anymore, and it's generating a lot of questions and interest all around the world, particularly in India where we have sold and in other countries as you've seen, like Colombia. And there are a certain number of other countries.

We've delivered 13 export Rafales. That's the end of India, Qatar, the first contracts signed, the 36 for India, 36 for Qatar, and we've begun delivering aircraft to Greece.

RAFALE FRANCE

The delivery of one Rafale to France after many years with zero Rafale. I'd like to specify this once again. I say it each and every time here, if we do not deliver any Rafales to France, it isn't because we favour export. France asked us to do so for budgetary reasons. We are pursuing our developments, the F4 standard. That was one of the first milestones and an F4 aircraft is being experimented at the Air Force and delivered by the DGA in 2023. We're expecting the fifth tranche. So, the 30 aircraft that were planned since a long time, plus 12 replacement aircraft from Croatia, the 12 Greek ones having been replaced and the order having been placed two years ago.

The president of the republic announced his intention to upgrade all Rafales in the coming years. And so gradually, we will give up the Mirage 2000 for the Air Force.

SUPPORT OF MILITARY FLEETS IN SERVICE

Support to our military fleets – this is important with the war in Ukraine. There are verticalized contracts for all the fleets. The Rafale with the Rafale Ocean for Atlantic 2 and Balzac for the Verticalized contracts for the Mirage 2000.

We're discussing today verticalization contracts for the French Air Force Alpha jets.

Exports: We have deployed our teams to set up our support to the aircraft that have been delivered, and this required a reinforcement of these teams and support. Croatia is not mentioned in our new aircraft because these are French aircraft and we are beginning to deliver the aircraft for Croatia, which come from the French Air Force. And we've begun the training with the French Air Force and we are beginning this launching of the Rafale in Croatia.

FUTURE COMBAT AIR SYSTEM (FCAS)

The future combat air system, as explained in the film, this was made concrete after the end of phase A in 2022. We had to wait for the end of 2022 to go on to the next step, which is phase 1B. These are detailed studies on the definition of demonstrator as far as we're concerned. The aircraft demonstrator of the NGF in partnership with Airbus and Indra in Spain. These are the three leaders for these countries. And under our leadership, our architects, this contract will begin officially in the coming weeks with the setting up of teams here in Saint-Cloud.

We are taking part in the other pillars, which are the remote couriers or the system-to-system pillars. And we have the Item Zero, which is a very strange name, but this is the continuation of the technical studies where the military are also part of all this. And we have the GCS phase that had been

completed in 2022 and we are resuming this to improve the operational concepts, and we have the Pillar 8. Pillar 8, these are the means that will allow our teams from the different countries and the different companies to work together with the Dassault System 3D experience platform, which will allow us to determine these future aircraft with the same definition production platforms and support platforms.

EURODRONE

The Eurodrone. The prime contractor is Airbus. We are one favoured contractor. We prepared the flight controls, the communication and data liaison systems with Thales.

MISSION PLANES

The mission aircraft, we are pursuing the development of our mission aircraft, the Maritime Surveillance Falcons for France, and they will be delivered during the PLM, the Falcon 2000. There are seven that are contractual, and there will be an option of five more that will be activated in the coming years. Archange, based on Falcon 8X, which is pursuing its development, Atlantic 2 that was upgraded, the retrofit of the former ATL2 to go on to this new system. This is underway, and we have received the sixth aircraft. The seventh one will arrive in the coming weeks.

We have provided the Futur PATMAR and the DGA has sent a call for information to two companies. Dassault, on the one hand, we will prepare Falcon 10X for maritime patrolling, and this is all our experience since 1958 on maritime patrolling. And Airbus will certainly propose its derived commercial aircraft.

For export, we have delivered the last Falcon. That's the sixth one. So now there are six Japan Coast Guard Falcons, which are operational for the Japanese Coast Guards. And we have taken orders for four aircraft for South Korea. And these aircraft are electronic war aircraft. We are going to deliver four green and the Koreans will do the work in Korea.

THE FALCON CONTEXT

The Falcon context: the number of orders received was good because the 64 orders that is net of the cancelled Russian orders at the end of 2022. So therefore, up compared to 2021, which was different compared to the previous Covid years. So, 32 deliveries. There are difficulties in the supply chain and the end of Covid. This did not help us to deliver more. So, we are ramping up. The market was very active in 2022. As you know, at the end of 2022 was more complex because there were a lot of fears of a recession and the beginning of years [inaudible 00:26:48]. So, it's slightly less active than last year. And today, we hope that all this is going to resume because now the recession is behind us. I hope so. But forecasts are difficult to make in this world because everybody was saying that there would be a recession. And finally, there is no recession. We will see what will happen in 2023.

The pre-owned market is difficult. It's very difficult to find pre-owned markets and the stocks of Falcons to be sold in the world have drastically fallen. We are pursuing the enrichment of the range

with the development of the 6X and the 10X with the priority which is given to the 6X, which will enter into service in mid-2023. But we first have to go through the end of certification and obtain the certification. The last days, the last weeks are the most touchy ones because there's still a lot of work and the agencies are very meticulous because of the aeronautical environment we've had in the past few years.

Continuous improvement of the aircraft and service. We are trying to improve our Falcons, for example, by changing the avionics in the 7X and the 8X. We will pursue this in the entire range and we will improve the completion in all our aircraft.

AVIATION BASHING

Now, aviation bashing, we cannot avoid this. The whole aviation sector is attacked by a certain number of NGOs and organisations. This has been criticised for the last four years. This is just to recall that aviation in general, it's 2% of the CO₂ emissions in the world. Business aviation in general, the entire business aviation is 2%. So, 0.04% of global CO₂ emissions. And the Falcon fleet, which is made up of 2,100 Falcon flying in the world, that is a little less than 10% of business aviation.

So, if you count the zeros, if you add an additional zero after the point, you will have 0.04% of emissions. That doesn't mean that we have to remain idle. Since 2009, we want to reach net zero, which was recalled by the International Organisation for the Standardisation of Aviation by 2050. In order to do so, what is important are the SAFs, which I'll talk about later on.

So one year of flight of Falcons, that's the equivalent of 24 hours of global flows of video streaming. And that is just to give you an idea. It's five years of global truck traffic or 2.5 days of operation of German thermal plants. So, if we really want to fight against the CO₂ emissions to help the climate, we have to look at the whole world. We have to address that. And we have our share. We are engaged in the correct clean sky programs and we have alternative fuels. We have 50% of alternative fuels, kerosene mixes. Today we have blends at 30% in France with biofuels today and we're working for the future.

We're going to increase this capacity and we're going to make sure that there are developments of new alternative fuels and especially E-fuels. They could be means of sequestering CO₂. So, we're spending money and we're receiving help from the public authorities.

FALCON: ECO RESPONSIBILITY

As for the eco responsibility and pursuing along these lines, the 10X will be on 100% of alternative fuels, will be fully decarbonised as long as we find fuels, so we have to develop these alternative fuels and distribute them.

I'm quite confident because when I go to the United States, I find American companies that are engaged that have incentives to do so. You know that in the United States this momentum is generated by these incentives. In Europe, it's the bans, the laws, and the Americans will decarbonise before us. Because it's not by banning that we'll be able to progress. And the objective is to encourage us to do so because we have the will to do so. So, I'm confident that the United States will develop these new technologies and will develop alternative technologies.

And in the automotive sector, they're going quite fast. Just to give you a figure, they've given an objective of 50/50 between the traditional thermal engines for cars and the electric motors. And it's going very fast. We are banning thermal engines by 2035, and countries are realising that this is silly. Italy and Germany are saying that this is silly to ban thermal engines by 2035. I'm closing this digression. This is nothing to do with the Dassault results for this year, but it gives you an idea.

So, we are engaged in this decarbonisation. We are engaged with the ICAO. Once again, I'm repeating, if we want to save the planet, it's got to be done globally. It's not just in France. It's not just Europe. It's got to be done in the whole world. And at the ICAO, we have the Chinese, the Indians, the USA, some number of European countries and those who issue a lot of CO₂. And together we'll find the right way of doing things at the ICAO.

FALCON RANGE

The Falcon range, you have the whole range, the Falcon 2000, the 10X, the 6X, that will enter and will enrich the range – 4,000 nautical miles up to 7,500 nautical miles for this range.

FALCON 6X

The Falcon 6X, as I've already said, we have a lot of flight hours. We have a lot of experience. Therefore, we've gone round the world to be capable of understanding the maturity of the aircraft and look at the small faults. But it's brand new and we're correcting all this before the commissioning. So, this world tour lasted four weeks with 50 stops, and this was very enriching for our ability to reach full maturity when it will enter into service.

Production ramp-up, it's not very easy in the current situation, but a certain number of aircraft are already fully kitted and this was shown in the trade shows at the EBACE, NBAA in Orlando, and the first aircraft are being fitted in Little Rock because the aircraft have been sold since some time now. And now we have to ramp up this production.

The 6X cabin is regularly awarded. In 2022, we received another award. It's a beautiful cabin. And for those who will look at the trade fairs, you will have a visit and it's wonderful.

FALCON 10X

The 10X will be more spacious, even better. It's like a flying flat. And those who are travelling for a long time and for long hauls, they will feel at home in the aircraft. They can keep working, they can take rest and erase the flying hours. The 10X is pursuing its development and we are closely watching the development of the engines. Rolls-Royce for the 10X, which is in Germany, because it's Rolls-Royce, Germany for the design and manufacturing. And we have permanent teams that are following the development of this engine, which is slightly different from the one equipping the Gulfstream. So, the development is ensured for other aircraft too.

FALCON SUPPORT

Falcon support. We've already talked about this in the previous years. This global network is very important for us. We can have a footprint around the world to support our clients who themselves fly all around the world.

And in 2022, early 2023, we've opened a maintenance hub in Dubai. In 2024, we will open, this was launched in 2022, we will open a new centre in the east of the United States in Florida, because we've closed down Wilmington in the east of the United States because the facilities were becoming a bit obsolete. It was easier to change places and to fully rebuild something that will prepare for the arrival of new aircraft like the 6X. And this is underway, and we've opened a new centre in Kuala Lumpur.

And I'm saying it, we have recuperated the maintenance of the state aircraft that we will do at Villacoublay and we have an MCO for seven years for this French governmental aircraft and they weren't with us until 2022.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR. We talked about this. We can talk a lot about this for those who are patient enough. In the management reports that will be at your disposal, you have some 50 pages explaining all that we are doing in terms of CSR. We are engaged. It's our will. We are engaged by the laws, by the European directives. It's very burdensome. You have to change the material. For REACh, there are new standards and this forces us and our profession to requalify a certain number of things. So, it is a very burdensome development and it is disturbing our supply chains, too. We're doing the work for a certain number of things. I talked about energy sobriety and all this is keeping our teams busy.

HUMAN RESOURCES

Human resources. The company is hiring more people. We've received a lot of new orders, so we've hired a lot of new people. A lot of people are retiring, not at the age of 62, later than that. And we've hired a lot of people. At Dassault, we can hire people. The conditions are good, unlike what some people might think. And we are putting particular efforts to hire women in 2022. So, 24% of new women hired. We're at 19% for men/women at Dassault. So, it's progressing. It's not easy because the entire industry has trouble finding women engaging themselves in this industry. It's true in the schools, in the engineering schools, or the apprentice schools. The ratio is not good. And we need to make efforts with all our different branches upstream in the education for the attractiveness of this industrial job.

The industry is the place where people are paid the best compared to other sectors. So, it's good for women to enter into this sector, but they have to be aware of all these scientific jobs as early as possible.

Sharing values. We've talked a lot about this. I'd like to thank the agreement signed with the trade unions, with MEDEF, also the MEDEF negotiator and the general Director of EMM. And thanks to this agreement, we respected the small ones and profit sharing and participation at Dassault. We are

upstream from all these discussions. And thanks to the Dassault spirit we're contributing; there is a lot of value sharing.

This year €210 million of employee profit sharing and incentives will be paid to the employees. And this is roughly four months of additional salaries for 93% of the employees. So, the higher-paid employees will get a little less. We added €4 million in value-sharing bonuses that I decided at the end of 2022, a €500 bonus that will be paid to all those that receive less than three minimum salaries to help the smallest salaries that are affected by inflation, especially for the first necessity products. And I haven't put it here, but you have the UAE bonus that was paid, and you see it's not too far from what we also share with our shareholders. So, it is well shared.

TRANSFORMATION PLAN: INFRASTRUCTURE

The transformation plan; this is being pursued. We are modernising our plants, all our infrastructure. You've seen it in our film. We did it last year. We inaugurated in Mérignac in Seclin, where we closed between the two buildings and we are preparing Cergy, which will replace Argenteuil. And we are pursuing the digital modernisation with the 3D experience of Dassault system, which will apply to the 10X, which will apply to the NGF, and we will generalise that for our other aircraft as well as for the completion in Little Rock.

2022 RESULTS

Now, the actual order intake.

ORDERS

€21 billion thanks to the 64 Falcon and 92 Rafale. So, it's up compared with 2021. 6.9 billion for the net sales.

DELIVERIES AND TURNOVER

We've delivered fewer Rafales than in 2021 – 14 versus 25.

BACKLOG

The consolidated backlog, €35 billion, much higher than the 21 billion in 2021, with a breakdown which is mainly towards exports because of the Rafales. It is still high for France, but as I said, you can have in your backlog a certain number of Rafales. If you never deliver them, then it does have an impact.

It's the case of 42 with the 28 aircraft which remained in the logs for a long time. But we're going to start the second phase of the 40 deliveries. Falcons are smaller in the share of the backlog, but there is a high turnover.

R&D CONSOLIDATED SELF-FINANCE

R&D is self-financed and it was higher in 2022 than in 2021 because of the 10X. R&D Dassault is twice of what we do. So, we self-finance 50% of our R&D.

THALES

Thales has reported its business results yesterday. They're also performing very well. We are enjoying, therefore, this high and good result and this is also part of our net result.

So net sales, €6.9 billion, an operating margin of 8.3% and operating income at 572 million. So that's up 1% versus last year.

ADJUSTED CONSOLIDATED INCOME STATEMENT

Financial income, 11 million. It's positive as opposed to last year. The financial management has made sure that our cash was not losing money. That's unfortunately due to the higher interest rates. Thales, €394 million; that's the contribution of our shares in Thales. Taxes, -147. So, net income 830 with a 12% margin. The R&D, 8.3%. Of course, it all depends on the sales, but it's also up compared with last year. So, earnings per share will be €10.

CONSOLIDATED FREE CASH FLOW

The cash is also on the rise because of our exports with down payments from our clients. €9.5 billion, allowing us to manufacture the aircraft with a free cash flow of €4.9 billion. And for those of you who do not do the math, it helps to have a €3.8 billion of cash that we directly own.

DISTRIBUTION OF CAPITAL AND VOTING RIGHTS

The distribution of capital and voting rights – we've had a share buyback program, and that's for the changes, and it will be approved at the next shareholders general meeting.

So, the proposed dividend of €3 per share, slightly better than last year – which will be paid out, €249 million.

VALUE SHARING

I was talking about €210 million of profit sharing for the employees plus the value sharing bonuses. And compared with the legal obligations which would be €38 million. And we're far above this €38 million. So, it's rather close to what we pay as a whole in terms of dividends.

FUTURE OUTLOOK AND STRATEGY

Now, future outlooks and strategy. We need first and foremost to secure the supply chain. It's a daily concern for our teams to detect the challenges, be they financial challenges or manufacturing or human resources. We have great difficulties in recruiting in the supply chain. It's even more difficult, and within our teams. Now in GIFAS, we also try to improve and secure the supply chain. But it's in the international supply chain, not only in France. For the Rafale, we have to perform more current contracts and secure the tranche five order for 42 aircrafts while continuing our business development for Rafale.

Military developments: We want to continue the programs underway and prepare the future standards of Rafale, which will also be exported. So that's the F4 standard. We also preparing the F5 standard after 2030 for the French military.

Support and availability of military aircrafts. We want to continue and meet our commitments to be close to the armed forces staff and their needs. That's 95%. When we have a virtualisation contract, it's close to 90%.

Falcon: We need to obtain the 6X certification to start its service and keep on developing the Falcon 10X and keep up with our sales efforts.

Support and availability of civilian aircraft. I'd like to remind that it's always difficult because, unlike what you might think for a commercial aircraft with large airports, big airliners, we support and maintain one aircraft at a time. And that's true worldwide. It means that we have to be present sometimes in very small airports at the other end of the world. It's a very particular type of service that needs to be improved. Therefore, we have to have an after-sale network for spare parts and for all the services that we aim to improve.

Energy transition: I've already described it.

Made in India. We continue ramping up in spite of the challenges you've seen in the video, you've seen the front part of the Falcon 2000 made in India for all our Falcons. So that's ramping up. That's important. And India is becoming a country where the aeronautic industry is getting prepared for the future. And that's not only true for Dassault.

So, NGF and FCAS, we've launched the phase 1B of the demonstrator, and the heart of the development will be done here in Saint-Cloud with some of our partners.

Guidance: Delivery of 15 Rafale next year as per our contract and 35 Falcons. And it all depends on the entry into service of the 6X. And we are expecting a decrease in our net sales. In spite of the Rafales where the backlog is not the same scope as the exports because we do not sell the radar and the engine in France, while on the export market we sell the whole set.

So that was my introduction and I'm ready to answer your questions.

QUESTIONS AND ANSWERS

Mathieu Rabechault (AFP): Good morning. Mathieu Rabechault from AFP. We have delivered fewer Falcons because of the supply chain challenges, as you said. Are you fearing that these difficulties will have an impact, the ramping up of the Rafale?

Éric Trappier: Yes, there is a risk. As I said, we try to deal with the problems and challenges one by one, but we are up to our standards. We've delivered 32 instead of 35. So, we're almost online. But it's really daily hard work when you are on the eve of the delivery of some equipment and the supplier says, well, they won't be able to deliver everything we've ordered. You have little time to respond. So, we have to get prepared. And we have teams in our industrial operations divisions and procurement and supply teams, so that we rely on the suppliers who are in better health. Or sometimes we shift the production mode in order to deliver. And there are risks on both. That is on Rafales and Falcons.

But the strength of our company is that you have to be very agile. Sometimes I have to shout out loud, and during the pandemic we've delivered all our aircrafts on time. Everything was delivered on time and it was quite praised by some of our clients, like India, for instance, which means that our staff, our employees were working in difficult conditions with all the precautionary measures that had been introduced. And that's the strength of our company and of our subcontractors.

We are also working with more than 500 subcontractors. And even when some of them are going through difficulties, we try and manage to find solutions. And we need to find a solution to each and every problem. If a screw is missing, you cannot deliver the aircraft. That's the problem.

Unidentified speaker: [inaudible 00:52:54] Cote-d'Azur. You've answered many of my questions. I have two to three questions. You've talked about the MCO earlier and the improvement of operations, now in terms of outlooks. What about MCO in the future? The MCO contracts. I have further questions. You've talked about the Aero-India Bangalore trade show and said that the outfall was very possible. And what about the Phoenix work and when are you going to inaugurate this site?

And then two other questions about some breakthrough you have mentioned. You have had some shortages in hiring resources, human resources, or raw material. I'm thinking about titanium, for instance, and same for the skills. We've experienced something terrible in France where there is a corrosion of the cooling systems of the nuclear power plant and we no longer have qualified and skilled welding operators.

Éric Trappier: We are not EDF and we still have welders and welding operators at Dassault. We have difficulties for all our business lines. We try and make sure that supplies are there. In addition to the geopolitical context, we're in a context where many are retiring, so we have to make sure that the skills from the best of engineers in our engineering study development or welders can transfer their knowledge and their expertise and improve it because the young generations will improve these skills thanks to new technologies. But the basic skills have to be transferred. So that's a difficulty of a small business because Dassault is a small business, but that's also our strength.

We are very agile and constantly, not every day, but we're working hard on this and that's something we're working on. We're trying to maintain and keep the skills. Welders and our boilermakers are also very happy because these are considered as the highest in the pyramid of the employees in the aeronautic industry. So, we hire them and then we train them. And this is traditionally done at Dassault Aviation in the form of a shadow training. That is, a senior operator will teach and train a junior on the

spot in the shop floor. And we have many young coming up and we have difficulties in recruiting. And on top of that the backlog is full. And we also want to recruit women.

So, difficulties are adding up for the HR department and they're working on this with all our managers. So that was for the last question.

Titanium. Well, indeed, for some time we were dependent on titanium from Russia. Penalties and sanctions are enforced. It seems normal that we do not have titanium for jet fighters. So we have relied on alternative suppliers with whom we already worked before. So they have to supply us with more quantities and we are trying to develop new sourcing solutions for titanium for electronics components. There are some components in our flight computation systems. In all the components that are delivered for the Rafale, so far so good. But it's also been complicated. And when we find suppliers, sometimes we have much higher prices. Like steel, for instance. And all this was taken into account.

It has kept us quite busy in 2022, and I'm sure it's going to be keeping us busy again in 2023. Plus, the higher prices of energy, and this has an impact on SMEs.

As for the first question, provided I can read my handwriting. MCO contracts. The MCO, as I said, is about supplying a service to the users. The virtualisation of the contract is such that as the aircraft manufacturer, we take care of everything. The engine is a bit separate, so we deliver to our client an availability based on scenarios. And when we commit over ten years, it helps to better adjust the supplies, the spare parts, to work with the suppliers for the standardised and required inspections, avoiding some peaks in the activities. Because I remember that all the orders were coming at the same time. The military were not happy. Neither were we. Now we can roll out our schedules and planning.

And for the Rafales it works so well that it was extended to the Atlantic 2, which is quite a feat because there are only two currently in operation. All the original suppliers have given up on their maintenance commitments and we're taking them up and it's difficult to maintain it in operations, but we're doing it because it is our duty towards our customers and the French navy. Same thing for Mirage 2000, because unlike the Rafale, you only have one standard, more or less. For Mirage 2000, you have several differences in models so the fleet is more difficult to manage. With the Rafale, you have a standardised system that's easier for us for the export contract and maintenance contract and MCO contract in France. It will help us to better organise our logistics flows and the human resources are allocated to the MCO contracts.

Cergy. The delivery will be at the end of the year. I say it with a lot of caution, because in the building it was even more complicated than the manufacturing of Rafale. There was a lot of delay, people saying, we're not going to do your roof anymore because energy costs so much. So, this dropped right in the middle and we have to manage all that. But it is progressing.

Anuradha Chappard (Times Aerospace): Anuradha Chappard, Times Aerospace. I have a question on business jets during the crisis. That is the segment that really withstood things compared to commercial aviation. What about the evolution of this market and what are the perspectives for Falcons, especially the new generation of Falcons? And you talked about the ramping up. Thank you.

Éric Trappier: Thank you. So, a lot of good things for the new Falcons, the 6X and in a few years from now, the 10X. This is what is expected from the market. The market is very dynamic. Why is it dynamic? Well, unlike the image, it is dynamic because the world and the countries need, and the companies need to develop, make sure that industry is advancing, the trade is advancing. And the best way to do trade for some large companies that are companies everywhere, that have suppliers around the world,

that have customers around the world, is to fly and instead of using business jets, because you go from one point to another, not only do you fly to a place, but you can follow a whole route with your aircraft and change the appointment times because it's not always the exact time. Then you can go to the United States. You can visit four or five sites in the United States, and you don't have to use the domestic flights with all the constraints that that can pose with larger airports, flights that are cancelled, etc.

So, for business aviation, I see a very strong development, and business development will decarbonise before the commercial flights because somebody who uses a business jet will pay more for the fuel, which will be a synthetic alternative fuel in the future. It's more difficult for the commercial flights unless they increase the ticket price. Well, business jets will be decarbonised before the large airlines will do so. So, I see a very strong development. And the market, it's mainly made up of the United States and Europe and Asia is coming up without China.

Anuradha Chappard (Times Aerospace): What about the Middle East?

Éric Trappier: The Middle East has always been a very small share. It is there. We sell and deliver aircraft to the Middle East and a few 6X, which is an interesting range for the Middle East. They can go to the United States, to Asia, and I hope that the success will really develop and will help us progress in the Middle East amongst other countries, not only in the Middle East.

Véronique Guillermand (Le Figaro): Véronique Guillermand for Le Figaro. You've just mentioned the topic. I had a question on China. We saw the sudden end of the zero-Covid policy. So therefore, will this make it an attractive market for the Falcon or not at all because it is too early still? A question regarding Russia. Can you tell us how many aircraft were cancelled in your backlog? And the question regarding HR and all the social aspects. I read on one of the slides, 1,500 hires. Was that in 2022 or was this the forecast for 2023? Can you specify what is your action plan in terms of hiring in 2023?

And finally, can you tell us how the NAOs went, the pay negotiations went? And can you tell us the outcome of all that?

Éric Trappier: Thank you, Véronique. For Russia. I'll answer immediately. We're not going to give you the figure of the aircraft cancelled, but it's roughly 10 to 15% of the backlog. So, you have an order of magnitude. It was quite significant for us and it was significant for our stations. The Russians would overhaul their aircraft in Europe and all our overhaul stations in Europe, all our competitors also experienced a real drop. That's for Russia. And now for China, I will answer with a joke. It's the largest market in the world. That's where we sell the least number of aircraft. And it's as usual, it's a huge potential. We really believe in it. But we don't sell because of the Covid. We don't sell because we say that there are some political issues. We don't sell because they'd rather make the aircraft themselves rather than buying.

They want to have a price for 100 instead of the price for just one. And the sales people will scream at me, will scold me. But it's not thanks to China that we are surviving. In the future we do not know. As my friends from the Middle East say, Bukra Inshallah. But we are not forecasting anything for China. But the 10X would be totally adapted to China as it will be adapted for the western coast of the United States and for France for those who want to fly, for example, to Asia.

As for the hirings, yes, we have hired 1,500 people in 2022, which is huge because we have to integrate them, etc. We will hire roughly 2,000 in 2023. That's our objective. And you will see, because you see the workforce. Some people have gone on retirement. So, we're really renewing our workforce right now. And since we are developing, the equations are not so simple. We're giving work to our

subcontractors, too. It was harder during the Covid years and now we're giving them more work because we have a lot of work. So, we're sharing this work with our subcontractors.

And the third point is the pay negotiations for 2022. We had a crisis. We came out of the crisis with the pay negotiations for the white collars at 4.2% and the others at 5.2% on an average. On an average, because actually there was a uniform increase. We gave €140 to everybody. So that's an average increase for the non-white colours to 7%, much more for the small pays and we can count them on the fingers of one hand. And we are not taking into account the profit sharing and the bonuses.

And in 2023 we are right in the middle of our negotiations. Actually, at the end I propose 6% for the white collars and the others. It doesn't seem to satisfy them that much. So, we'll see what's going to happen in the coming weeks and days. So, it's 6% of increase in salaries. We increased it by 7% for the non-white collars, to which we add four months, plus four months of net salary, to which we add €500 of bonus that we paid at the end of 2022. And this year there is no Emirate bonus, but there will be the air show, etc. I don't think you can find anything better in the rest of France. And you, the journalist. Have you received a 6% increase? Le Figaro is going to scold me. But I'm not working for you, Charles.

So, you see, when I see some articles that say that this is a scandal, Dassault is increasing its pay by 6% only. And with the results, I show you 8.3% operating margin. We are not among the top margins, which is good. I'm not criticising, but that's not the top margin. But we're among the top for the increases. That's just to give you some fuel for your articles.

Vincent Lamigeon (Challenges): Vincent Lamigeon, Challenges. Good morning. A calculation: you have 164 Rafales in your backlog to deliver. If you count the 42 from the French tranche and the 36 from Indonesia, 42 minus six, we go beyond 240 for 2023 for only 15 Rafales produced during the same period of time. So, my question is the following: When will we see the main ramping up and what is your maximum ramping up that you can reach? Is it 30? A little more? And the question is what is the limit for the industrial tool at Dassault? Can you go plus-three per month?

Éric Trappier: So 2023, it's quite simple. The contracts. There are two parts. The former contracts in 2015, etc., and then the new contracts. Actually 2023 will be exclusively reserved to France. We will deliver 14 aircraft to France and we deliver one to Greece. That will be the only export delivery. For once, I'm giving you this detail. And so, all the new contracts, the 31 Egyptian ones, the 80 Rafales – I'll tell you more about this later on – and the additional ones to Greece. We'll begin delivering Greece next year and the nine new ones. So, this will come afterwards.

So, you are right, it isn't with 15 a year that we will get the right flows, especially if we get the orders. Right now, we still haven't got the orders. So we've anticipated the passage to Pace 3 since a few months. What is important is to warn our supply chain. There were difficulties because of the ramp-ups. We have to program them and tell them, careful, go up to Pace 3. We're going to organise ourselves so that when the orders will have to be delivered and when new orders will arrive, I'm saying might arrive. We're still taking orders at Dassault. We haven't closed our wicket, so we should be able to keep delivering. So we can reach Pace 3 and we can still increase our pace and then we will be flat.

If you take the years 2027 to 2030, you have the UAE. Because it's going to be in those years. We're going to see how France will adapt the 42, because as I said earlier on, take orders; that's one thing. Deliver them; that's another thing, because we have certain authorisations and then there are the payment credits we have to pay. Because when you deliver an aircraft, you have to pay for it. We are a bit mercantile at Dassault. Pay for them, that means we need to have the budget and not just the military programming law. We need the budgets. So, there's the temptation in general to smooth out this hole of four years. For four years it was three times less a few years ago. But thank God, we had

exports. Otherwise, we'd have stopped manufacturing completely. So now it's the other way around. But we haven't reached Pace 3. 2027-2030, we can still take on new contracts and we're going to go and look for them.

Tara Patel (Bloomberg): Tara Patel from Bloomberg. Can you comment the prospectives, the new Rafale contracts in the future, Colombia, India and the others, Indonesia, etc.?

Éric Trappier: Well, I'm not going to do this because I never do this. And I might be mistaken because Colombia, I cannot really bet on Colombia. Last year when we spoke here, I talked about it, so I'd rather be cautious. It came out in the media. This will of the Colombians. So, we are negotiating with the Colombians. Will we sign? We'll see. We are engaged. We would like to win a contract in India. 26 Rafale for the Indian Navy. It would be a first contract for the International Navy. We've done this before. I'm not going to tell you where, but it'll be quite interesting. It would be quite logical, too, because we have Rafales with the Indian Air Force and to have the same aircraft for the Navy, it's quite logical. So, we are engaged to have these contracts in India.

Indonesia. It's a question of implementation rather than contracts. We have signed the 42 aircraft for Indonesia plus 36 and there are other prospectives. Yes, we do have them. We do have them down.

Unidentified speaker: Yes, Mr. Chairman. By accepting to be at the head of the FCAS with the cooperation, is this a bet that you cannot keep? Because I see three hurdles which are very difficult to overcome. The first is that you have to juggle with the Bundestag that keeps changing its mind all the time. And the second point is that you're going to have to satisfy at least two armies. The first, which has turned towards the East, quite rightly so, and we are to the West with the whole overseas territories. And the third point, you'll have to cooperate with Airbus Defence that has not built any military aircraft for a long, long time. Because Airbus Defence, these are bits and pieces of old companies that have never really manufactured military aircraft, unless I'm mistaken. The only bit coming from France is Nord Aviation that built the Griffon in 1950. So, at the same time, you seem to be very peaceful. You have the right weapons to defend yourself. I think it's the Rafale. Tell me if it is right or wrong.

And another totally different question. You talked about the exceptional annual pay negotiations at Dassault, but is it really related with the exceptional financial results that you've presented?

Éric Trappier: I'll go straight to the second question. The second one, the exceptionally exceptional results. No, it's not exceptional. These results are not exceptional for Dassault. It's good; 1% better than last year. That's not exceptional. The number of orders is exceptional. Yes, I agree with you and I said so. But the results, 8% operating margin. If I look at my peers, I'm under. I don't want to say it in front of our shareholder representative, but if you take the large electronics engineers, look at Thales, yesterday; they were at 11% operating margin. If you look at the American companies, it's much more. If you look at Airbus. So what are the operating results? These are normal results. And these normal results, when you look at the net, thanks to the contribution of Thales and our own results, well, I share it 50/50 between the employees, etc.

So the annual pace, it's got nothing to do with the profit sharing. That's very good. And if the annual pace has got nothing to do with profit sharing, it's legal. So, if I got rid of that and if I went back to the legal, what would the employees say? They wouldn't be happy because they only get three to four months. So, when there are good results, they get bonuses. And if we were negative, it's already happened in the history of Dassault. If there are negative results, they won't get any profit sharing. But we don't reduce their salaries unless we have to lay off, which happened once at the beginning of the 1990s.

So honestly. I think that all this is reasonable. And then there are negotiations. We'll see where we reach. And I'm not against it. I do understand that there is inflation. There's all that. So, I'm not blocking things. I'm not saying we're going to do like the others and we will only increase their salaries by 4 or 5%. Who is doing 6% increase? Very few people. So, I think that we are reasonable and everybody should be reasonable. And then I hope that we'll find an agreement because otherwise I'll have to increase my prices. If I increase my prices for the Falcons, I have to face the international competition. And so, you see, you have to maintain a balance.

As for your first question, why am I at peace? I'm at peace because we've obtained what we wanted to obtain at Dassault Aviation in this 1B phase that prefigures the Phase 2 and we want to make our demonstrator fly. We have the levers. We will cooperate with our partners so long as they play the game, too, so that we are leaders, so that we might have a flying demonstrator from the end of 2029. That will help us make the future choices. The real challenge, and I do agree with you, this is a political challenge. I'm not going to negotiate with the Bundestag. I negotiate with the person who will sign the contract with me, our armies and the French Defence Directorate.

If they ask me to do something that I cannot do or that I do not want to do for legitimate reasons that I've already explained, we will not sign the contracts because it is our DNA. We sign the contracts only if we know how to fulfil them. Of course, there are always risks with the right prices, with the right schedules, with the right technical definitions. So, if it is cooperation with the right parameters, with the right cooperation rules so that our armies might have the right product, etc. We are not the leaders of the FCAS, but we are the leaders for the NGF. So, there are other parameters, other pillars, and other companies are in charge, like Airbus.

So there are no leaders for the FCAS. There are pillars and we are in the technological phase. What I find interesting for my company and for my French partner in particular is that we're going to fly a demonstrator, and that is very important for the teams who've worked on the Rafale on the nEUROn and who are making this demonstrator fly. Then we'll see what will happen in the future. But those who negotiated with the Bundestag, it is not going to be easy for them. We have to find the engagements so that we can do away with politics when we have cooperation.

It's complicated, but we will not replace politics.

Unidentified speaker: Sorry for taking up the microphone again. I'd like to come back to what you've said about the phase 1B. You've talked about [inaudible 01:22:02] and transmission. This is something that appealed to me. I started at Dassault in 1975, but when I read this news about the phase 1B contract with this war to know who is the leader. At that time, I remember going through something terrible. Mr Marcel Dassault came back to the plant and asked people to start their work again. For three weeks there was a downtime in production. We had the F1 market at that time and it was replaced by YF-16. It was supposed to be the biggest contract for Dassault at that time. So how are you protecting yourself?

Since we're the leader more or less for the NGF, how do you protect our know-how, the patents, etc. I think it is essential.

Now, regarding the drones, I'm not far from the base where the naval group is going to start military drones with €140 million allocated to this. So, drones are very important in avionics. I would like to know your point of view about that.

Éric Trappier: No, intellectual property protection and our patents is something we pay particular attention to, because very few because few companies have accumulated such a know-how in jet

fighters. Even in the United States, sometimes Lockheed or Boeing or another operator because there are several players on the market. So for us, it's the same engineering studies, the same manufacturing since the end of the Second World War. So, we are paying great attention to it. So, we're not going to give away free of charge our know-how for sure. I will do that only if it is a win-win. That is for us and for the program. So, no bargains. And it's not because we're protecting our intellectual property rights that we do not cooperate. There are some arrangements to share intellectual property. The technology will belong to the two partners. It's not because we have a screw of five that I will have to give away 50 years of experience to the other partners.

Generally speaking, industrial partners fully understand this because they also protect their intellectual property rights. Let's consider my friends and partners at Airbus. They also protect their know-how and their patents. If they want to cooperate, everything is put on the table. You know, policymakers do not always understand this because they do not consider the very long-term life of a company that has grown based on its know-how and intellectual property. And this is what I explained to those people.

Since we have gone through all the items of our agenda, I'd like to thank you for your attention and have a nice day.

Thank you.