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# Heidelberg Materials | Q3 2026 Analyst Call |Transcript

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## PRESENTATION

**Q3 2026 Analyst Call**

Operator: Ladies and gentlemen, welcome to the Heidelberg Materials third quarter results conference call. I am Sandra, the Chorus Call operator. (Operator Instructions) The conference

must not be recorded for publication or webcast. At this time, it is my pleasure to hand over to Christoph Beumelburg. Please go ahead, sir.

Christoph Beumelburg: Thanks, Sandra, and good morning, good afternoon, everyone listening in our Q3 results call. As always, we're here together with Dominik von Achten, our CFO; and the IR team. We look forward to your questions later. But first, we have prepared some remarks that Dominik and Rene will go through now.

Dominik von Achten: Yeah, Chris, thanks a lot. Hello, everybody. Thanks for joining. I think, exciting times. Thanks for joining despite the fact that the midterms are just being done but with good news to share. I think we have another strong quarter for Heidelberg Materials driven mainly by a very disciplined execution across the business, but let's take a closer look.

If we go to page 2 basically on the presentation, I would say the profitable growth clearly accelerated in Q3, supported by both price and some volume contributions, revenue up 10%, RCO, up 9%, mainly driven by a strong performance in Europe and also continued growth in North America. I think what's key is that the operational excellence initiatives continue to offset the cost inflation. I think that's the key point.

And on the back of that, we are also extending our Transformation Accelerator Initiative with a new savings target and a new savings wave creating additional potential for 2027 and 2028. The project is going to run until end of '28.

In times where the organic growth is sometimes not easy, we have also accelerated our acquisitive growth and announced the acquisition of NCC Industry in Northern Europe, which complements well our existing market footprint in Northern Europe. And we've also, in the quarter, completed three acquisitions MAAS, Peru and Akçansa that will then going forward, also contribute to the results of Heidelberg Materials. And based on that performance, we also confirm our guidance for 2026 and remain confident that the mid- and long-term perspective is intact.

Okay. Then if you then turn to the next page, which I think is your page 3 and talk about the third quarter results, I think they demonstrate the resilience of our business model and again, a very disciplined execution. The 10% growth on the top line is the first double-digit growth since the first quarter of 2023. So I think that's a good indicator that there is some energy coming back in that respect. Our earnings grew by 9%, supported by positive pricing.

Here and there, improved volumes and ongoing efficiency gains also contributing from our program that we have -- that I mentioned before on the TAI Wave 1 and TAI Wave 2. We continue to stay very focused on commercial excellence operational performance anyway. And obviously, that also includes very strict cost management. And at the same time, we continue

to find the right balance between organic growth and acquired growth. I mentioned a couple of examples above.

If you go to the next page, page 4, and talk about the first nine months. I think they confirmed the good momentum that's coming out of the business. You know that we had a slow start into the year, but since then, I think delivered consistent earnings growth for the first nine months period, basically driven by good pricing in most markets, disciplined execution especially also around the cost side of things.

Price over cost, you know that's a very important indicator for us is moving in the right direction, staying positive for the first nine months, efficiency gains contributed to that as well as portfolio moves that I described above. So overall, I think this nine months should be a solid foundation for the remainder of the year, but also going into 2027.

If you then go to the Q3 bridge in page 5, you see that the positive pricing and better volumes are coming together for a long time. This is now, I think, a nice picture where both the volumes increased, but also price over cost is positive.

At the same time, and that obviously is a good combination. The overall markets, I think, are intact on infrastructure and industrial, not so much yet on residential and commercial. I think in that respect, there is upside potential. Pricing remained disciplined in most markets and helped to offset cost inflation. In that respect, we are moving in the right direction. And the TAI program, as I said, continues to enhance efficiency.

If you go to the nine months bridge, the picture doesn't look much different. You see price over cost with consistent execution stays positive and the efficiency gains come in as well as the scope effect that you see also to the right side of the picture that is almost EUR50 million in the first nine months of the year.

If you then go to the specific areas, I think excellent quarter for Europe, showing really also now the effects of the master plan in Europe and the portfolio optimization, including the operations excellence focus that we put on Europe.

I think clearly, strong pricing discipline, price of our cost is clearly positive in Europe and slightly improved volumes in some key markets. So it's not like Europe is flying high on volumes, but slightly improved volumes in some key markets supported the profit growth.

We continue with the efficiency initiatives and the footprint optimization to improve -- continuously improve our competitiveness and we also continue to do the investments into decarbonization and modernization of our plant network in Europe in order to drive future growth.

If you then turn the page to North America, I think good results out of North America, supported by favorable infrastructure and also industrial, nonresidential demand. Main growth driver was aggregates, continued to be strong across the regions.

I think the very good focus of the team on the commercial side of things turned also in some good performances on the pricing side in aggregates, especially but also in cement, we stayed positive. So almost 2% price increase in North America in the quarter in local currency and pricing I would say, was below our expectation in cement.

But as I indicated, mildly constructive, if you want to paint it that way in terms of being at least positive. It's clearly not enough to cover the cost inflation, and that's why we aim to turn this around in 2027 to fight the margin erosion in cement that seems to be also pronounced in the industry at this point.

Then turn the page to Asia. I think a strong quarter from Australia, moving clearly in the right direction despite headwinds that was the latest interest rate hike. Again, I think it's the fifth hike in a very short period, but the team is really doing an excellent job to push ahead with the results in Australia.

So a strong quarter from Australia. Across Asia, we see a mixed picture, very strong operational execution, very disciplined cost management. Volumes start to grow in some key markets. Pricing, I think, has still upside potential. So that's the picture a little bit for Asia.

If you then go to AMWA, I think it's fair to say that AMWA again delivered a strong growth quarter, obviously also supported by the acquisition of Akçansa, but clearly also showing the strength of a diversified portfolio. Pricing discipline remained good in AMWA, although there is obviously now a little bit of an impact quarter-over-quarter in the accounting with the impact of the Akçansa acquisition. I'm sure we'll come back on that during the Q&A.

I think the team has weathered the varying market conditions very well across the region, and the region and the perspective of growth in AMWA is clearly intact based on growth in urbanization and also infrastructure development.

Then next page, I think it's clear. The markets remain volatile, as I indicated before. We are very focused to do our homework. I think we've done a good job in our homework with EUR500 million savings program to call it early on. I think we are paid for proactive measures and in that respect, we also built on the success of TAI.

Now with the second wave, with a EUR300 million additional savings program going through 2028. That will focus clearly on operational excellence initiatives around the world. So it's a global focus on this operational excellence, but with a specific focus on overhead restructuring

in Europe because it's a homegrown structure. That's also where our headquarter sits. So we are focused to also optimize that effect.

We have clearly taken out FTEs on the operational side, and we'll also take FTEs out on the overhead side. So clear focus to further optimize our network and to be super competitive in our core home markets in Europe.

Last but not least, just to also indicate what has happened in Europe, we talked about the master plan of Europe before. We've talked about TAI, we thought it would be a good idea on the next page 12 to show you a little bit what has happened over the past years. So significant impact in Europe, both in terms of optimized clinker footprint. We've talked about this before, but all of these here are done.

So I think that's important for you to understand. And also on the left side, obviously, with the EU ETS scheme being in place. We are very focused on modernizing, upgrading and especially also decarbonizing our footprint in Europe. We've given you many of the examples that we are -- that we have already done. There are many more to come. But I think it's also fair to say that a major part of the large investment project in Europe have been largely completed.

They're not fully completed, but largely completed and also most of the closure costs of the things that you see here on the map have also been digested. So with that, I would say I hand over to Rene on the financial side.

Rene Aldach: Thank you, Dominik. Hello, everyone. We are now on page 13. I'll give you the financial highlights. So we delivered another strong quarter leading to adjusted earnings per share, which is up 10% to EUR9.50 per share for the first nine months, reflecting continued solid operational performance and focused financial execution.

Our cash generation remains a key strength with EUR1.9 billion of free cash flow over the last 12 months, which supports both growth investments and shareholder returns. And here you see our capital allocation strategy, what we have announced is fully in place where we that we increased our shareholder return, which is -- which we have done by 22% by finishing the EUR1.2 billion share buyback program.

And at the same time, we strengthen our portfolio further M&A in attractive markets. So the key takeaways for that slide are very strong earnings, robust cash generation and very disciplined capital allocation. So that's -- these are in the snapshot financial highlights.

Back to you Dominik.

Dominik von Achten: Thanks a lot, Rene, and I'm just going to conclude with the final slide of the presentation, slide 14, which basically tells you we are on track to deliver our targets for

2026. I think the strong performance of the first nine months, especially also the good performance now in Q3 gives us the confidence as we enter the final quarter.

We remain very focused on execution, operational excellence and very disciplined, as Rene was saying, capital allocation. The market conditions remain volatile and mixed. I think the portfolio is well balanced. And one thing is clear, the dedication of the team is very high to deliver the guidance. Of course, in the end, it's always a weather report in Q4. We are very confident to deliver the guidance for 2026.

Christoph Beumelburg: Thank you, Dominik. Thank you, Rene. Now we move to the Q&A. Operator, you want to start the Q&A session, please.

## QUESTION & ANSWERS

Operator: (Operator Instructions)

Christoph Beumelburg: Yeah, Dominik. There are many people in the queue already. We start with Luis Prieto from Kepler Cheuvreux.

Dominik von Achten: Hey, Luis.

Luis Prieto: Hello, everyone. Thanks, Dominik, Rene, and rest of the team for taking my questions. Two from my side. First one, what is the situation of cement and aggregates prices in the US at the moment and into 2027? I'm asking in the context of cost inflation. These are, for example, the cement and input pressure that we saw earlier this year.

What was the offsetting price increases only come in early 2027? The second one is, what savings are truly incremental in other words, not neutralized by inflation in the next wave of transformation accelerator. Is there any cost associated to this new phase, by the way? Thanks.

Dominik von Achten: Luis, thank you. Let me take the first one, and then Rene will cover the second. Cement and aggregates pricing in the US. As I indicated, in aggregates, we are moving in the right direction close to inflation compensation, if not better. So aggregates pricing in the US is intact.

Cement pricing has been a little bit under pressure over the last two to three years. We performed well in Q3 with a positive increase in cement pricing. And we are confident for 2027 as imports will come under pressure with much higher costs going into the US. So we are confident for cement pricing in 2027. You know that typically, in the last quarter, we already start announcing price increases in our markets, and that has also happened in North America.

Rene Aldach: I take the second question regarding the savings of the TAI Program, which we, let's say, continue although the clear target is to offset a big part of the higher inflation we currently see. The inflation is probably around 3% to 4%. And the EUR300 million are there to a large extent to offset inflation to drive price over cost further positive. So that's what we aim to do with the EUR300 million.

Dominik von Achten: Thank you, Luis.

Christoph Beumelburg: Elodie Rall, JPMorgan.

Elodie Rall: Hi. Thanks for taking my questions. First, a bit of a technical one on the group services like the central line contribution, which was a lot higher I think, than consensus expected or anyone expected. So what drove the contribution to be so positive in Q3 and did you expect that to continue in Q4? And what should we expect for '27?

And second -- okay, which is second question. I'm sure we'll come back on price and cost. So I'll ask on buyback, so you finished that buyback plan that you had currently. Why didn't you announce a new one? When should we expect an new one? And I'll stop that there given these two questions. Thanks.

Dominik von Achten: Okay. Elodie, thanks a lot. Rene will take the first, and I'll give you this answer for the second one. And then you can ship also in if you want. So Rene, you want to take the one.

Rene Aldach: Hi, Elodie. Answer regarding Group Services, there, we have also our trading business in there, which has -- this volatility is always good for traders. So our trading result is better than last year. And then we have smaller bits and pieces there on overhead level. So I think the delta is, what is it in EUR8 million, EUR9 million or EUR10 million up versus last quarter. So don’t project this EUR10 million now to continue every quarter going up like this.

But our Peru business will be reported in the future are also there. So you will see contributions from Peru there then maybe you can calculate that this will go further up, but due to the Peru change. So trading is going well and a few million smaller bits and pieces of that included in that improvement.

Dominik von Achten: And then Elodie, on the share buyback, we stick to our capital allocation policy that Rene has already indicated. It has worked well so far. We are going to be very focused on shareholder return in a combination of dividends and share buybacks.

But bear with us, we've just finished the current program. So as we've done in the past, we go into the next couple of months, and then we'll decide how we proceed into 2027 with share

buybacks going forward? But as I said, we are very focused on progressive shareholder return. There is no change to that policy.

Christoph Beumelburg: Thank you, Elodie.

Ben Rada Martin, Goldman Sachs.

Dominik von Achten: Hi, Ben.

Benjamin Martin: Hi, Dominik, Rene, and Chris. Thanks for the questions this morning. My first question was just on the 2026 guidance. I note in the last few years, you've used the third quarter results to kind of narrow the range. I'd be interested from your perspective why you decided to keep the wider range and I guess, the working assumptions between getting to the top end or the bottom end of that for 2026?

And then the second question would just be on the cost-out program. Very helpful to talk through, I guess, the mix of both operational and corporate overhead savings. What would broadly be the split between those two buckets?

And I guess on the operational savings, you also made a comment that the clinker closures are largely done now. Could you, I guess, give us an update on what's remaining to get to, I think, some of your 2030 targets on clinker closures in Europe, I think, which were 12% to 17%? Thank you.

Dominik von Achten: Yes. Okay, Ben. Maybe let me start with the answers for both questions and then Rene chips in. I think for the 2026 guidance, in the last Q2, we have adjusted slightly the corridor, and we didn't feel any pressure to now change things again. So let's stick with the corridor that we have indicated and as I said, we are confident to deliver that guidance.

On the cost program, I think just to be clear, we still reserve the right or possibility to further adjust our clinker footprint. And this calculation of the numbers is based on the clinker line. And I think we are fully on track in order to deliver that. But when you ask about the additional contributions on the cost program, again, a large amount of this is not only Europe globally cost efficiency, productivity.

Really, as indicated, we have taken out more than 2,000 FTEs on first part of the TAI Program, and we'll continue to optimize that footprint globally. And then there is a part in there on the overhead -- on the overhead part that is focused on Europe. And that is in the mid double digit -- sorry, mid-double-digit million magnitude.

Benjamin Martin: Very helpful. Thank you.

Christoph Beumelburg: Next question comes from Morgan Stanley, Cedar Ekblom.

Cedar Ekblom: Thanks very much. Two questions from me. So first question is quite simple. Can you just help us understand the scope contribution in the fourth quarter and also in 2027 from the four deals NCC, Peru, Turkey, and MAAS.

And then the second question relates to the quality of the beat in Europe. So if we look at your EBITDA in the third quarter, it was up EUR65 million year-over-year the Cement division increased by EUR33 million, but then you had a negative EUR10 million offset from aggregates, so what I'm trying to understand is where does the roughly EUR40 million or so year-on-year growth in EBITDA in Europe come from. I'd be surprised if the ready mix business was able to deliver that much year-on-year growth. So a bit more color on what drove that year-on-year improvement in Europe would be helpful. Thank you.

Dominik von Achten: Fair enough, Cedar, thank you very much. Let Rene take the first one, and I will do -- I will cover the second one, okay.

Rene Aldach: Hi, Cedar, so scope contribution for Q4 '26, and I'm talking here, [our] CEO -- so that would cover the Building Materials segment of MAAS, Peru and the Akçansa part, so that should roughly be I would have said EUR30 million contribution from this in Q4. And when you then turn to the year '27, I would have said it's roughly on RCO level, it's roughly EUR130 million to EUR140 million what we know right now, and that does not include the NCC number because we don't know when this is closed.

Dominik von Achten: Okay. So that's it Cedar. And then the second one on Europe. I think you're right with your analysis. The contribution in the quarter comes also from the JV and associates side, and that's where our joint venture in Hungary is reported.

And you know that there was a government change in Hungary. That is, obviously, we had very big headwinds that we also reported to you in the past. And now we have some tailwinds coming from that joint venture. So that's basically a large chunk of that, not everything, but a large chunk of that explanation. Thank you.

Christoph Beumelburg: Thanks, Cedar. The next question comes from CIC, Ebrahim Homani. Okay. Then moving on to the next. That's Arnaud Lehmann from Bank of America.

Arnaud Lehmann: Thank you so much, and good afternoon. Two questions on my side. Firstly, on -- you talked a little bit about pricing in the US. Do you mind talking a little bit about pricing in Europe. That's obviously inflation there on the energy side, probably a little bit on CO2 as well. So can you confirm that you're heading towards mid-single digit on pricing for next year in Europe.

Secondly, very interesting slide 12 on your clinker capacity. I noticed that like France and Germany, basically appears more or less in all categories, you're adding clinker capacity,

reducing clinker capacity or doing grinding station brownfield projects. So can you help us a little bit -- give us a little bit of color on the big picture direction for clinker capacity in France and Germany? Thank you.

Dominik von Achten: Yeah, no, let me take maybe both in you chip in, Rene. Pricing in Europe is clearly intact. You see price over cost is positive. I mentioned that point, and there's no reason to believe that, that is going to change going into 2027. I think we are confident that we will be able to keep price of our cost positive and with that, have a better price increase than inflation.

And then we have also the programs that we have described. So Europe, I think, looks okay going into 2027. Clinker capacity in Germany and France. This has historically been untouched for decades. We have now taken the tough decisions to restructure the asset base in France and Germany. On the clinker side, and I think most of that is done. And I think in France, it's closing quite a few smaller, older, very carbon inefficient kilns and replacing it with a large plant in Airvault. That's basically the game.

And in Germany, a similar picture with the Masterplan Germany that was basically rebuilding our two plants in the south also investing into our plants in the West of Germany and then at the same time, taking out older and inefficient capacity in Germany. And with that, our business becomes both in France and Germany significantly more competitive also with a significantly lower carbon footprint. Airvault alone took down the carbon footprint of that plant by 30%.

Arnaud Lehmann: Very good. Thank you very much.

Dominik von Achten: Thank you, Arnaud.

Christoph Beumelburg: Thank you, Arnaud. We stay with another Arnaud. Arnaud Pinatel from On Field.

Arnaud Pinatel: Yes. Good afternoon, gentlemen. Congratulations for the good print in Q3. I have -- I'm coming back to the pricing. Just to understand the sequence of the price increase you are going to announce in 2027, are you going to announce the bulk of this price increase in Europe in January? Or are you waiting started the construction season in March, April.

Secondly, on pricing in the US. I understood your answer, but we earned from other players that they are going for high single-digit increase in aggregates and a mid-single digits for cement in Europe, especially. Could you confirm the this magnitude.

And my last question will be on your energy costs and hedging. We see currently the power price in Europe, around EUR200 per megawatt hour, they were around EUR100 historically. So

could you tell us a little bit more on the way you are hedged in Q4 2026 and also in 2027 for your European power. Thank you very much.

Dominik von Achten: Arnaud, you are a very experienced analyst. You have squeezed three questions in, but we are humble today, and we give you the answer. Pricing in Europe and the US, we are always targeting to go beginning of the year, not let it go for too long. In the majority of the case, it works. The clear target is to go from January 1.

And on the pricing in the US, we take our independent decisions, but I think on aggregates, it's higher single-digit percentages. And in cement, it is mid-single-digit percentage price increases. So I think that's it on the pricing side. And then Rene, energy hedging?

Rene Aldach: Yeah. So Arnaud. Hi from my side as well. So for Q4, we had our beginning of November. So you can imagine that we have not spot positions now available for Q4. So Q4 will not be our problem. And for 2027, roughly 50% to 60% of electricity exposure is hedged. And the good news is it's at lower cost than our hedge positions for '26, which is a positive.

But you see, we have also other cost here, diesel and coal. And for '27, our view is that we have a mid- to high single-digit energy cost increase for 2027, which we will mitigate via additional pricing and efficiency measures.

Christoph Beumelburg: Thank you, Arnaud.

Arnaud Pinatel: Thank you very much.

Christoph Beumelburg: Harry Dow Roster, Redburn Harry.

Harry Dow Roster: Hi, there. Good afternoon. Thank you. Just two questions from me. Just firstly, back on the EUR300 million of savings by 2028. I wonder whether is that a run rate by the end of 2028 that we should sort of be achieving and therefore, some of the savings fall into the 2029 P&L all the hope is that we get all of those savings by the end of '28 in the P&L?

And then just secondly, on Africa, reason the like-for-like EBITDA was down in Q3. I appreciate the comps are quite tough. Now it's a good year last year, but maybe just some color on the moving parts on that like-for-like profit decline? And should we see a similar picture in Q4? Thanks.

Dominik von Achten: Thanks, Harry, for your questions. On the EUR300 million, the -- to be precise, I think we are targeting to get it in by the end of 2028, but that doesn't mean that it is the full -- for the full year of 2028. So by the end of 2028, you're in a position that you then have the full run rate going into 2029. But all the measures and all the implementation has been done by end of 2028.

The full effect you then get one year -- full year around in 2029. That's the systematic it works. And then on Africa, I was -- I think the numbers in Africa basically a little bit tweaked by the situation around Akçansa. And Rene, you want to add maybe to that.

Rene Aldach: So you asked about, okay, we reported we are up, and that's what Dominik can like-for-like, it's slightly down, if I have it correctly in my mind, it's 5%. That's roughly EUR10 million down. And this is coming mainly from, I think, it's Egypt and Ghana. So lasting at some inflationary accounting there and Egypt, this is in a super high level. So these are the two reasons.

Dominik von Achten: But nothing out of the ordinary, Harry. I think this is normal.

Rene Aldach: It's low absolute numbers.

Dominik von Achten: Exactly. Thank you.

Christoph Beumelburg: Ami Galla, UBS.

Dominik von Achten: Hello, Ami.

Julian Radlinger: Hey, guys. It's actually Julian. It's just boring me, I'm sorry. So two questions from me. So the first one is kind of an easier one. So US volumes pretty strong in Q2 and also in Q3. You're bucking the industry trend there a little bit. Can you help us understand what exactly is driving that? And how long would you expect that to continue in the next few quarters into '27?

And then the second question is a bit of a bigger one. So getting back to this cost program, I think what's going to be -- what's in a lot of investors' minds is -- if we look at the EUR500 million program, it's kind of hard to really see that in the numbers, clearly, arguably.

And especially in Europe and North America, 2025 and '26, you're going to do something like low single 3%, 4% like-for-like EBIT growth, notwithstanding a very strong Q3 in Europe, in here now, but which you just explained with a benefit from Hungary specifically.

So in how far -- this is my question. How far would you say with some degree of confidence that with this new program, we're going to see like-for-like EBIT growth in Europe and/or North America really accelerate from these kind of low single-digit levels in the next couple of years? Or are you suggesting that that's not really what this is about -- this is about dealing with all this sort of higher than historical cost inflation. Thank you.

Dominik von Achten: Julian, let me make the first cut of it and then Rene chips in. On the US volumes, the business in the US is, in general, somewhat sluggish when it comes to the

volume development. Yes, there is a little bit of volume increase, but it's not -- the market is not growing.

You saw the latest American Association numbers, they are quite negative on the volume development in the US. What's the magic in Heidelberg. We have built up and have a very significant focus on larger projects because the business is very project driven and therefore, pretty scattered. And we have a couple of very large projects secured that drive the business in 2026, also going into 2027.

So that's the point on the volume side. And on the cost program side, as Rene was indicating, the main focus is for us to keep price over cost positive. So that's part of the answer also to your question. we should not speculate too much how much exactly goes into the P&L because that's always tough to see, but I think in the end, the target is to at least mitigate the cost inflation.

And that's also the last part of the answer is, if the cost inflation comes down and we've done the structural changes, then it becomes very interesting. But we are paid for rather a worst-case scenario that if the cost inflation continues that Rene was describing, we still want to keep price over cost positive. I think that's Julian, that's the answer.

Julian Radlinger: That's a clear answer. Thank you very much.

Christoph Beumelburg: Thank you, Julian. So we are approaching the end of the Q&A. There's one more analysts on the line. (Operator Instructions) And with that, we come to Ebrahim Humani from CIC.

Dominik von Achten: Hi, Ebrahim.

Ebrahim Homani: Hello. Thank you for taking my questions. I have two if I may. The first one is about the German infrastructure fund. Do you see any impact on your order books? Yes. And my second question is about your working capital dynamic in Q3 as you target zero working capital in the end of the year 2026. Thank you.

Dominik von Achten: Okay. Let me do the first and then Rene do the second. German infrastructure fund. I know the hopes were high. To be honest, we finally now see some uptick in volumes in Germany. So I think there are indications that the money now finally comes to the ground. Let's see how it plays out in '27. But overall, the trend now finally goes in the right direction.

Rene Aldach: And to your second question regarding working capital, as you know, we don't publish our cash flow and balance sheet data for Q3, but it's still valid that we want to try to get the working capital out through to zero for year-end.

Christoph Beumelburg: Very good, Ebrahim. Thank you very much. Two more on the line. Next question comes from Glynis Johnson from Jefferies.

Glynis Johnson: Hello. Yes, I've used my phone, if I may, but I'm going to be a bit pedantic. In terms of the contribution in -- from the inclusion of the Turkish operation the Canada operation. It looks quite a big number. Is there anything else that's going into that scope in the Q3 that we need to be aware about in the Africa Meditranian Western Asia division.

And then the second one is just, Dominik, you referred to slight volume growth in some key countries in Europe. Can you talk us through the key countries where you did see volume growth? And can you talk us through where volume growth didn't come to just so we can understand a little bit about some of the dynamics within Europe?

Dominik von Achten: Yeah. Thanks, Glynis. Let's -- we do this year and a team approach in AMWA, the main, if you wish to say so, distortion that you are talking about in some of the very strong top line growth, and then -- and also an increase on the reported result is mainly coming from the Akçansa piece.

And that's now keep in mind that used to be a minority participation, it's now a major majority, so I think in that respect, that changes also under IFRS, the accounting. So in that respect, that's the impact you see there. But Rene, maybe you can add in a moment to what you see in AMWA.

And then on the volume growth in Europe, as I already answered to Ebrahim, I think Germany moves in the right direction. I think the countries that continue to be a little bit sluggish, especially the UK. The UK is clearly disappointing from a market perspective. And then in Continental Europe, it's a little bit of spread picture with some markets being good in volume growth, some not so good, but I think that's a little bit the indication on Europe volumes.

Rene Aldach: So Glynis, as Dominik said, Akçansa, they are also publicly listed, you get the numbers from them, so in Q3, we had EUR170 million revenue contribution from Akçansa, EUR29 million EBITDA or EUR18 RCO. So these are the numbers for Akçansa, which in the past were equity accounted with net income, obviously in our numbers and now it's fully consolidated.

Christoph Beumelburg: Arnaud Pinatel, On Field.

Arnaud Pinatel: Sorry, I have the last one, but it's a very small one. It's the first time since a long time. I have not learned the word CCS during one of your conference call. I just wanted to understand where you are on the evoZero ramp-up in terms volumes, if you could just give us an indication of what you have sold in 2026?

Dominik von Achten: Yeah, thanks a lot. I think on evoZero, the product is being produced well. The plant in Brevik, runs as planned. And on the sales side, we said always we're not going to disclose anything specific other volumes more pricing. But the discussions go well across Europe.

We have a couple of very interesting discussions also about for longer-term contracts. If there is anything super magic, then we will obviously inform the capital market, but for now, we are continuing with our commercial strategy to market this product as a very differentiating products to all our competition and that remains also the strategy going into 2027 for now. But overall, as I said, production of evoZero works really well, and the commercialization is on track, and we'll continue to work with a special team to further advance the marketing on evoZero.

Arnaud Pinatel: Okay. So you will not give us a range -- it's to precise the question.

Dominik von Achten: This -- we have to be -- this is a competitive information, so we also don't give you volumes on other specific products. So yes, yes, no.

Arnaud Pinatel: Thank you very much.

Christoph Beumelburg: This concludes the call. Thanks for your questions. We are now going on our very intensive, let's say, post Q3 investor tool. So we go to the US next week in New York, Boston, Chicago, we will be in London. We are in London today and tomorrow. So stay tuned. If you're interested, let us know. And with that, thanks for tuning in.

Dominik von Achten: Thank you.

Operator: Ladies and gentlemen, the conference is now over. Thank you for choosing Chorus Call, and thank you for participating in the conference. You may now disconnect your lines. Goodbye.

End of Analyst Call

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