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PRESENTATION

Operator

Welcome to the ISS Trading Update for Q3 2022. (Operator Instructions). This call is being recorded. Today, I'm pleased to present Jacob Aarup-Andersen, Group CEO; and Kasper Fangel, Group CFO. Speakers, please begin.

Jacob Schmidt Johansen ***ISS A/S - Head of IR***

Good morning, ladies and gentlemen, and welcome to this call covering ISS Q3 2022 Trading Update. My name is Jacob Johansen. I'm Head of Investor Relations, and I'm here at our global headquarters in Søborg, Copenhagen. In the room with me for this call is our group CEO, Jacob Aarup-Andersen; Group CFO, Kasper Fangel, and Christian from the IR team. Before we begin the presentation, I will ask all of you to pay close attention to the disclaimer on Slide 24. With this, I will hand over the word to Jacob and Slide #3, please.

Jacob Aarup-Andersen ***ISS A/S - Group CEO & Member of the Executive Group Management Board***

Thank you very much, Jacob, and good morning, everyone. So let's start here on Slide 3 for some opening remarks. Today marks an important point in our OneISS journey as we have formally reached our financial turnaround targets that we laid out in December 2020. Reflecting on the 2 years that are passed, I'm proud of how the organization has developed but also grown stronger during challenging times. ISS was in a deep crisis in 2020, and it's the passionate work of more than 360,000 place makers that has taken us to a very different situation today.

The financial health has strengthened significantly, and we've enhanced the operating model for long-term performance. As such, we are now ready to look beyond 2022. Therefore, we are excited to present the next stage of the OneISS strategy at our 2022 Capital Markets Day on this coming Monday at Canary Wharf in London. We will leave all comments about the future to that day. Today, we'll focus on current performance.

In Q3, the growth momentum continued to be very solid. The work with our customers is supporting strong portfolio growth and is also impacted by historically high customer retention level. Our operating margin is also developing in line with plan, and we're updating our financial outlook today more on that later. So please turn to Slide #5. Throughout the quarter, we focused on the execution of our strategic priorities in a volatile and unpredictable macro environment. Our operating model is the foundation for managing the main challenges that we face today. That's inflationary cost pressure, it's tight labor markets, and it's our customers focused on attracting employees back to the office. These challenges are putting our model to the test and so far with encouraging results.

Our investments in the commercial model continues and is yielding results. We win the right contracts and are expanding the business with our current customers. As announced on October 28, we've also acquired a business in Switzerland, Livit FM. The acquisition plays right into the OneISS strategy and the strength of our delivery model. Livit will add around 0.5% to our revenue and the asset is financially attractive. It's a low-risk, highly synergistic, bolt-on acquisition in a country where we have an experienced ISS management team and a strong operational track record. We'll provide more details on that on Monday.

Then let's go to Slide #7. The commercial momentum in Q3 remained solid. And in October, we were awarded a new key account contract with a U.S.-based pharmaceutical customer. Since our Q2 announcement, we've extended 6 major key account contracts. We now only have one remaining contract that's expiring in 2022. This contract represents less than 1% of group revenue. The pipeline of new business is still attractive within our prioritized segments. Our commercial processes are developing positively, but they are longer and more complex than before the pandemic. Many new factors are included in the decision process, such as ESG, technology, workplace design and much more.

At the same time, we are laser-focused on keeping the strong discipline in the pricing and risk reviews, and we do not accept any uncapped inflation risk. Please turn to Slide 8. So it's probably not a surprise that management of the inflationary cost pressure is a top priority in all of our markets. Managing inflation has been a core part of our business model for more than 100 years. And in 2022, we further sharpened and improved our processes. The majority of our cost base is staff costs, which are mainly adjusted through collective agreements. That creates predictability, and it enables thorough planning and execution. But managing the operating margin on the heavy inflationary environment is, of course, challenging full stop. We've been successful so far, supporting growth at unaffected margins, but not without tough negotiations with suppliers and challenging ongoing conversations with our customers.

High inflation will not disappear anytime soon. We will continue to rigorously manage potential negative implications, but we will also exploit the opportunities that it creates. Higher outsourcing rates will lead to new business potential and ongoing discussions with current customers enable reshaping and adjustment of scope for improved long-term performance. Please go to Slide #9. The recovery of revenue compared to pre-COVID-19 levels continued in Q3. Our revenue, excluding FX and M&A, is now 1% above the level from Q3 2019. This represents a sequential underlying improvement compared to Q2 as revenue from the Deutsche Telekom contract is now included in the comparison base.

The positive trend in food continued and is now at Index 90.That is despite customers not being back to the offices to the same degree, but both technical services and cleaning services are already above pre-COVID-19 levels. Similar to the reporting on our underperforming areas, we are also expecting that this quarter will be the last quarter with COVID-19 reporting. Today, growth is mainly driven by new business rather than recovery of lost business. As such, this reporting is getting less meaningful going forward. That concludes the first part of my presentation, and I hand over the word to Kasper and the numbers. And let's get to Slide 11, please.

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

Thank you, Jacob, and good morning from me as well. In Q3, the strong growth momentum continued and organic growth was 8.1%. This was driven by price and scope increases as customers are investing in the workplace post COVID-19. Return to office trends are still contributing positively, but with a lower effect as the reopening after COVID-19 started to have effect in Q3 2021. This led to an organic growth in the portfolio business up 10%. The Projects and above base revenue was flat in the quarter and stronger than expected. Non-portfolio revenue accounted for 17% of group revenue and remained above the pre-pandemic level.

Please turn to Slide 12 for a look at the regional development. All regions continued to deliver solid organic growth in Q3, and it's pleasing to see how all regions are contributing to our growth. The strongest growth was achieved in the Americas region, where food and new contract wins generated strong growth. In both Southern and Central Europe and Asia and Pacific, organic growth accelerated compared to Q2. In Southern and Central Europe, Turkey was the main driver of the positive development due to both price increases and underlying volume growth. All countries in the Asia Pacific region delivered solid positive organic growth, driven by increased activity level, especially as COVID-19 restrictions reduced compared to H1.

The organic growth in Northern Europe was lower than in Q2, driven by the Danish Defense contract that was exited in May and low growth in the U.K. as expected. As Jacob mentioned, today marks an important point in our OneISS journey. We have achieved our financial turnaround target of a run rate margin above 4%. Therefore, this will also be the last time that we will show this slide. The continued improvement of the underperforming countries and contracts had a positive effect, and the 4 hotspots have in total reached the financial turnaround target.

The U.K. reached the target already in Q1. France will end the year behind target and Deutsche Telekom is on track to deliver breakeven at the end of this year. In summary, this has been a long and tough journey as part of our financial turnaround, but we are satisfied with our progress and we're looking forward to present the future performance drivers at our Capital Markets Day. Please turn to the next slide for the 2022 outlook. Based on the performance in the first 9 months, we are, today, updating the 2022 outlook for all financial

KPIs. Organic growth is now expected to be around 6.5% compared to above 5% previously. This is driven by continued solid return to office trends and workplace investments. It implies organic growth of 4% to 5% in Q4, and I will come back to that shortly.

Operating margin is now expected to be around 3.8%. The positive margin effect from higher revenue is expected to be roughly offset by negative margin factors such as additional hiring and mobilization costs. The margin improvement in 2022 is mainly driven by Europe, where performance of the hotspots are contributing. Free cash flow is expected to be around DKK 1.5 billion. The expectation for operating profit is roughly unchanged, but we no longer expect an inflow from working capital as a result of the higher growth.

Please turn to Slide #15 for a closer look at the drivers behind organic growth. We expect a decline in organic growth in Q4 compared to the first 9 months. And it relates to nonrecurring factors, including a more challenging comparison. The main driver expected to decrease is non-portfolio work. The revenue from non-portfolio was all-time high in Q4 2021, and we do not expect that again this year. Needless to say that non-portfolio work is difficult to forecast, especially in these uncertain times. The second driver is that the return to office contribution is reducing as return to office was already material in Q4 last year.

In total, that gives us expected growth of 4% to 5% in Q4 and around 6.5% for the full year. In line with previous quarters, we show 4 main building blocks behind the 2022 organic growth development. I will not go through each of them as it is quite self-explanatory on the slide. Please turn to Slide 16 for a deep dive on free cash flow. The outlook for free cash flow is updated and is expected to be around DKK 1.5 billion. The expectation for operating profit is basically unchanged, and we now expect a roughly neutral effect from working capital for the full year. Payments of restructuring booked in 2020 are still expected to reduce this year's free cash flow with DKK 0.5 billion. And therefore, we expect underlying free cash flow to be around EUR 2 billion.

With that, I conclude the financial part of the presentation, and I will hand the word back to Jacob for some additional remarks and Slide 17, please.

Jacob Aarup-Andersen ***ISS A/S - Group CEO & Member of the Executive Group Management Board***

Thank you, Kasper. Let me be brief. We have achieved what we committed to back in December 2020, and ISS has regained its financial strength. We reached our operating margin target. We have generated significant cash, more than DKK 3 billion in '21 and '22, and we have taken our financial leverage to below 3x EBITDA. As such, ISS is now in a strong position to look forward. Please go to Slide 18.

We are excited to welcome all of you to the 2022 Capital Markets Day on Monday, November the 7th at Canary Wharf in London. We will present the improved and enhanced operating model as well as the opportunities that it brings to the business. ISS will be represented by selected leaders of the executive group management who will present and deep dive into key topics of the future. This should give all of you the opportunity to gain unique insights into the core of our business. We will also announce new financial targets, including our future approach to capital structure and capital allocation. With that, I will now open up for a Q&A session. Questions related to the future will be referred to Monday's presentation. As such, we expect today's Q&A to be relatively short. Operator, please?

QUESTIONS AND ANSWERS

Operator

(Operator Instructions). The first question is from the line of Michael Rasmussen from Danske Bank.

Michael K. Vitfell-Rasmussen ***Danske Bank A/S, Research Division - Research Analyst***

Yes. And well done, once again, guys. So obviously, not asking beyond Q4 is probably going to be a slightly different -- difficult task here, but I'll do my best. First of all, on Deutsche Telekom, you wrote in the report that you have ongoing contractual disagreements that the parties are trying to resolve. I think the wording on that, I haven't seen exactly in the past reports from you. And I guess, obviously, it's nothing new that the contract is difficult. But if you could just add a little bit of thought on that.

And then, Kasper, on the working capital guidance, I just wanted to make absolutely sure that you're not just growing faster because you're offering better credit terms or anything else here. So if you could just confirm that terms are unchanged. And I'll leave the next question because I'm running out of Q4 questions here. So just 2 questions from my side.

Jacob Aarup-Andersen ***ISS A/S - Group CEO & Member of the Executive Group Management Board***

Thank you, Michael, and thanks for the restraint. We can hear that you're struggling with it, but you will get your questions on Monday. Don't worry. Listen, let me start on the Deutsche Telekom question, and then Kasper will speak to working capital. Listen, we're continuing to progress on the comprehensive gap closing plan on Deutsche Telekom. And I'm very pleased to say that we will deliver on our run rate breakeven at the end of the year, as we have promised you for the last 2 years. We will deliver on that, and we're very pleased to be able to say that.

It doesn't change the fact that this is a complex contract and to get it to clearly stronger margin levels in the future, we need to continue our hard work on the improvement program. As part of our work, we are in constructive dialogue with the customer on certain we say, interpretations of aspects of the contract. And that is completely natural given the size and complexity of the contract. So that's a natural part of the next phase of this, which is to take the contract to clearly stronger margins than where we are at the moment. Over to you, Kasper.

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

Thank you, Jacob. And Michael, you -- I can indeed confirm what you said. I mean the free cash flow and the working capital is purely impacted by the stronger-than-expected growth that temporarily will impact the level of receivables. And whereas we before expected an inflow from working capital, we now expect the working capital to have a neutral effect this year. So there's nothing to do with us that provided for us unfavorable payment terms with customers, purely related to the strong growth that we've seen this year.

Michael K. Vitfell-Rasmussen ***Danske Bank A/S, Research Division - Research Analyst***

Great. Okay. Thanks for that both of you and look forward to be able to dive into the next couple of years on Monday.

Operator

The next question is from the line of Maddie Jobber from Morgan Stanley.

Madeleine H. Jobber ***Morgan Stanley, Research Division - Research Associate***

Again, trying to keep it to just the report today and Q4 without going further. Just one question for me in that case. Would you be able to talk us through the loss of the Ministry of Defense contract in Singapore that I noticed. Was there sort of key drivers that we should be aware of for that? Or was this just sort of a regular course of business?

Jacob Aarup-Andersen ***ISS A/S - Group CEO & Member of the Executive Group Management Board***

Thanks, Maddie. Let me take that. There's actually not a lot to add. You almost answered yourself. It's ordinary course of business. So no specifics there. We will not go into specific contracts and what the terms were and who wanted what aspects of a contract, et cetera. What we can say is that we will, of course, expect once in a while to lose a contract. That's just a fact of life with 40,000 customers. We are reporting a retention rate that is now above 93%, which is the highest we've reported historically. So it's a very strong retention. But still, of course, there will once in a while be contracts that leaves us. But nothing extraordinary to report on this one. So I think we'll leave it at that.

Madeleine H. Jobber ***Morgan Stanley, Research Division - Research Associate***

Of course. And can I just double check? Is that -- would that be classed as a key account that contract there to be above DKK 200 million annually?

Jacob Aarup-Andersen ***ISS A/S - Group CEO & Member of the Executive Group Management Board***

So it's a key account. That means it's above DKK 100 million.

Operator

The next question is from the line of Peter Sehested from ABG.

Peter Sehested ***ABG Sundal Collier Holding ASA, Research Division - Analyst***

Congratulations on the results. I have a couple of them, let's say, boring housekeeping questions. First question is, could you just give the figure for the impact of the U.S. food business in Q3 isolated? And after that, I have a couple more questions.

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

Peter?

Peter Sehested ***ABG Sundal Collier Holding ASA, Research Division - Analyst***

Yes. Can you hear me?

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

Yes, sorry. So your question was basically the growth in the food business in Americas.

Peter Sehested ***ABG Sundal Collier Holding ASA, Research Division - Analyst***

Yes. Actually, the impact on your group organic growth from the U.S. food business. And after that question, I have a couple of more, if I may.

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

Yes. So the food business grew in Q3 with approximately 30% in Americas.

Peter Sehested ***ABG Sundal Collier Holding ASA, Research Division - Analyst***

And can -- could you just translate it into a component or contribution to the organic growth in Q3?

Jacob Schmidt Johansen ***ISS A/S - Head of IR***

Peter, I think we are going to quite narrow details here. If it's okay with you, I think we will take it offline afterwards. Is that okay with you?

Peter Sehested ***ABG Sundal Collier Holding ASA, Research Division - Analyst***

That is okay. Then just a couple of more housekeeping questions. The first is the impact of ISS -- sorry, IAS 29 for the Q4. And I would like to dwell a little bit more into the working capital question. Could you just translate what you said about the receivables into a more operational terms, i.e., what is actually going on? And there's a reason for I asked this is just to have a sense for how to model it going forward. I know you'll probably say more on Friday, so -- sorry, Monday, so that's just an intermediate step, but nevertheless, a little bit more clarity on the operational factors impacting the working capital receivables would be great.

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

Yes. So the higher inflation, Peter has had a material impact on the consolidated results exactly the same as we saw in the first half. and that's both on revenue and margin and also on working capital. And I think just to help you on the free cash flow for this year, I mean, you can do the back of an envelope calculation. The operating margins is going to be slightly lower than DKK 3 billion. We have the provisions, which is an outflow of around DKK 500 million. You have financial items, which will be broadly in the same ballpark, DKK 500 million, and then you have tax payments up a little less than the DKK 500 million. That's the around DKK 1.5 billion. So the working capital is going to -- we expect that to be neutral this year, whereas before, we expected a positive contribution from working capital this year.

Peter Sehested ***ABG Sundal Collier Holding ASA, Research Division - Analyst***

Okay. So right. But as Michael stated, and a change in receivables sounds like slightly better credit terms to me. So it was just to get a little bit more flavor on that, actually.

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

No, but that is not the case at all. This is -- the expected stronger growth in the year compared to what we previously have guided that is having that impact or expected to have that impact on working capital. But this, I mean, also, I think it's a little bit more complex than just looking at the group's consolidated DSOs because, of course, you need to look at where the growth is coming from, which countries and which contracts and these sort of things. This is our best expectation at this point in time that we will have a negative contribution from the expected higher growth this year to working capital.

Operator

The next question is from the line of Klaus Kehl from Nykredit.

Klaus Kehl ***Nykredit Realkredit A/S, Research Division - Chief Analyst***

It's Klaus Kehl from Nykredit. Two questions from my side. First of all, the retention rates are going up and actually quite a lot. Could you talk a little bit about what you're doing differently? And secondly, you mentioned that you will have higher mobilization costs in Q4 and I guess that's related to the large U.S. contract that you won a couple of quarters ago. But could you talk a little bit about how it works, these mobilization costs? And should we consider this kind of a one-off? Or will it continue going forward without being too specific about '24, that's yes, that's not the question, but more generally speaking.

Jacob Aarup-Andersen ***ISS A/S - Group CEO & Member of the Executive Group Management Board***

Thanks, Klaus. Let me start on the retention point and then let Kasper talk about mobilization. So you are right, the retention rate is increasing, and it's historically high. We will double click on Monday a bit on retention, as you could imagine, when we talk about commercial, but let me give you a bit of flavor. It's not just happening by coincidence. There's a number of things around it. We've been structurally working with retention for a while. Part of it is also how we're building our customer portfolio with the increased focus on key accounts and increased focus on our prioritized segments. That in itself drives structurally higher retention because we're simply partnering up with customers who are more suited to us and the services and products that we can deliver. So it is -- it has been a major shift in our customer interactions. And we are -- it's both in terms of more proactively engaging customers. It's engaging customers also with segment knowledge around their segments. And it's helping customers make decisions and a value-based approach around the services they need.

So there's a lot of work around that. We don't think that this is not an overnight improvement. It's been the result of several years of work. And we are still -- we are still in a phase where we can significantly improve how we work with our retention. It has to be embedded across our entire organization. I'll speak a bit more to that on Monday, but there's no doubt that this is a structural focus for us.

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

Yes. And Klaus, on mobilization, what we're referring to is obviously the contract that we have mobilized in the U.S. And I mean, let me just give you a bit of context here. We mobilized 81 large sites and more than 700 employees. So that's the magnitude we are talking about. And the transition is going according to plan from an operational point of view. And what we're alluding to is that the cost associated with transition is higher than what we have seen historically. And what is driving that is especially when we are mobilizing on remote sites where it's challenging to recruit fast enough which means that we are backfilling with temp labor for a period of time, and that is obviously more costly than operating with people on our own payroll.

But what is pleasing to see, you see that already now is that when the people are on board, then loyalty is building quickly and the employee retention is high. So it's really incremental cost that we incur for a period of time until we are fully mobilized. And of course, that is included and baked into the guidance for this year.

Operator

We have a follow-up question from Peter Sehested from ABG.

Peter Sehested ***ABG Sundal Collier Holding ASA, Research Division - Analyst***

This time, I have bit of forward-looking question, but it might not be a topic that you will address on Monday. But if you do that, then we'll just skip it, and it pertains to how you think about potential recession as everyone was talking about for 2023? Are you seeing any signs in general, what is your thoughts, what are the signs? Anything you can tell us today that you might not dive into on Monday?

Jacob Aarup-Andersen ***ISS A/S - Group CEO & Member of the Executive Group Management Board***

Yes. Yes. Thanks, Peter. Listen. Happy to talk about that, of course, without giving you financial implications as such. But there's no doubt that we, like everyone else, we're looking into a slowdown in the global macroeconomic environment. There's no doubt about that. We can all see the headlines. We can as see whatever geography you're looking at. And of course, we see that and we hear that and -- and we do expect that 23 from a macro perspective will be a less benign environment than what we've seen over the last couple of years. I think that's not rocket science, but we are also seeing that from all the conversations we're having with customers that they are facing the same scenario.

When that is said, I have to remind you of 2 things. First, the thing is that ISS has historically been very much on the left-hand side of that spectrum, i.e., the acyclical part of the spectrum. We historically have not been impacted at the heart in recessionary environments due to the fact that our services are, we say, core services to keep the workplace going.

So we've been relatively acyclical throughout the sessions. We're not saying it's a great thing, but we have been relatively acyclical because yes, there is usually a pressure on some of the say, nice to have services and discretionary services part -- sorry, part of our service. But on the other hand, you also in recessionary environment, see an accelerated degree of outsourcing and demand for our type of services. So it has usually not been a particularly big cyclical hit on us.

The other element is, of course, that we are in the middle of a journey as a company. And a lot of the things we've been doing over the last couple of years has been improving our internal performance. And there's a lot of that motor that continues regardless of what the external environment is. So yes, we are, of course, seeing a tough environment from a macroeconomic perspective, but I think those factors hopefully also gives you a bit of confidence in terms of how we see it.

Peter Sehested ***ABG Sundal Collier Holding ASA, Research Division - Analyst***

And maybe just a follow-up pertaining to Q4. Just curious about what actually surprised you with respect to above base/project work in Q3?

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

I can take that one. Peter, there's actually -- there's nothing that has surprised us there. We have expected a decrease in above base in Q4 this year against last year, all year long because last year was a record high, above base, especially in November and December.

Peter Sehested ***ABG Sundal Collier Holding ASA, Research Division - Analyst***

Okay. Yes. Sorry, I said Q4, but actually mean Q3. So that's -- sorry.

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

Okay. But in Q3, we continue to see that we generate a strong level of above base. And what is pleasing to see is that I think we have moved our commercial understanding a lot at tight level. So our site managers are actually strong and spotting the opportunities that can help our customers. And they're incentivized to do so as well. So I think we moved the needle a lot on that over the last year. And that also, of course, gives us a structural belief that we will see a level of above base revenue, which is higher than what we have seen before COVID-19.

Peter Sehested ***ABG Sundal Collier Holding ASA, Research Division - Analyst***

Okay. Good to hear that your managers are performing better than you expected. I hope that you give them a nice bonus as well. That finished my question.

Operator

(Operator Instructions). The next question is from the line of Allen Wells from Jefferies.

Allen David Wells ***Jefferies LLC, Research Division - Equity Analyst***

Just 2 very quick ones from me. Just on the 3Q organic growth, which was broadly in line with the level we saw at 2Q. Could you maybe just talk about if there's any differences in kind of the price versus volume trends there, i.e., the underlying activity level similar? Or has pricing improved as you -- if you've got into the third quarter? And then the second question is just on -- just going back to the Deutsche Telekom side on those contractual disagreements, could you maybe just elaborate on what are the potential outcomes here? Like, I -- guessing the bull cases that you guys just resolved in the interpretation as you want from those contracts, is there a more bearish scenario where we get a kind of Danish Defense type exit if you can't get an agreement? I'm just trying to see what the magnitude of outcomes might be on those negotiations.

Jacob Aarup-Andersen ***ISS A/S - Group CEO & Member of the Executive Group Management Board***

Okay. Well, let's start with Deutsche Telekom then. On the contractual disagreements, of course, as you would appreciate, it's not something that we can go into details on. And I'm not even going to speculate about the types of scenarios, Allen, that you're suggesting around Danish Defense, et cetera. We are in good and constructive dialogues. This is part of our work to improve the performance of the contract. And therefore, there's no need for us to start going into that type of speculation. This is ongoing work, both in terms of the gap closing to improve the underlying run rate on the contract. And then, of course, we will also continue to make sure that we feel we have the right interpretation of the contract. But nothing more to add there. I can't go into specifics.

Kasper Fangel ***ISS A/S - Group CFO & Member of the Executive Group Management Board***

Yes. And Allen, on the price increases, you're right that the contribution on the total growth in Q3 is higher on price increases compared to Q2, slightly higher. And that is, of course, because that there has been some adjustments to the cost base in Q3 versus Q2, which we are passing on to our customers. So therefore, the pricing -- the volume has increased accordingly. And on your last question, can you just repeat that one again, sorry?

Allen David Wells ***Jefferies LLC, Research Division - Equity Analyst***

No, I think you answered them. It was Deutsche Telekom and then the price versus volume discussions. I think you answered them.

Operator

As there are no more questions, I'll hand it back to the speakers for any closing remarks.

Jacob Aarup-Andersen ***ISS A/S - Group CEO & Member of the Executive Group Management Board***

Okay. Thank you very much. As expected, a brief Q&A, as I know many of you are focused on Monday and so are we, of course. Pleased with putting the first 9 months behind us in a good way. We reflect on a year where we started the year looking at expected organic growth of 2% and margins above 3.5%. So we're very pleased to sit here today with these types of financial results and outlook for the rest of the year.

Now we look forward to seeing as many of you as possible on Monday in London where we can start discussing the world beyond 2022. Thank you very much for your interest. The IR team is, of course, available for any questions.