August 9, 2026 03:00 PM GMT

Software Snippets | Europe

Hyperscaler Capex Forecasts Rise Further

Important events in the world of Software & Services in the week ahead, and key MS research / stories from the past week.

MORGAN STANLEY & CO. INTERNATIONAL PLC+

George W Webb
Equity Analyst
George.Webb@morganstanley.com +44 20 7425-2686

Mark Hyatt
Equity Analyst
Mark.Hyatt@morganstanley.com +44 20 7677-3663

William Richards
Research Associate
William.Richards1@morganstanley.com +44 20 7425-0269

TECHNOLOGY - SOFTWARE & SERVICES

Europe

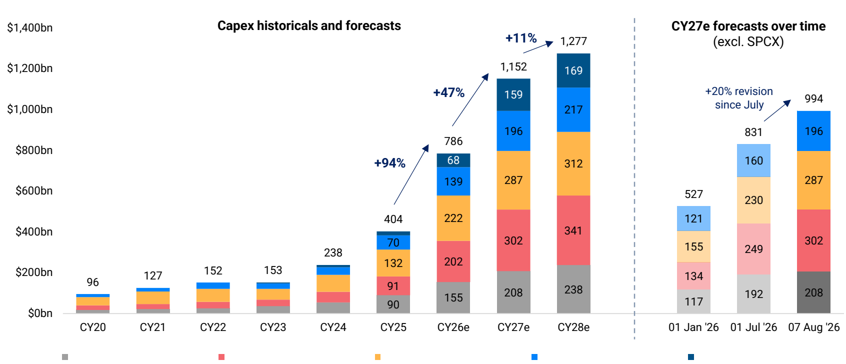
Industry View **In-Line**

Key Takeaways

- Big 4 CY27 capex estimates +20% since July
- Open-Weights Models & 3 States of the World, and other model news
- SAP: 2Q26 AlphaWise Reseller AI Survey – Traction Building? (#SAP)
- US primary law content now live in Legora (#RELX)
- IONOS: Multi-faceted Growth – Upgrade to Overweight (#IONOS)

1) Big 4 CY27 capex estimates +20% since July: With SpaceX releasing its first set of results as a public company this week, we can step back to see the new shape of the combined capex curve of Microsoft, Alphabet, Amazon, Meta, and SpaceX. Latest Visible Alpha forecasts pin CY27 capex at c. $1.15 trillion, c. +47% y/y, and approximately half the growth rate forecast for CY26. Since July, the CY27 forecasts for the group (ex-SpaceX) are 20% higher, meaning 2Q was another quarter of strong momentum in capex intentions. The AI debate has broadened with a deeper focus on the role of closed versus open-weight or open-source models (as we discuss below), but more models at different price points broadly means more choice and more democratisation of the technology, underpinning the ongoing need for compute and storage. How the +47% /+11% capex forecasts for CY27 / CY28 evolve from here will be the key question. Head of US Internet Research Brian Nowak published a wider lens on cloud capex this week, noting *"As monthly tokens processed grow exponentially, aggregate cloud revenue for GCP/AWS/Azure accelerates, data center commitments expand, and data center component suppliers highlight accelerating demand and elongating visibility, we believe there will continue to be upward pressure on hyperscaler capex estimates."*

Exhibit 1: Amazon + Microsoft + Alphabet + Meta + SpaceX capex forecasts



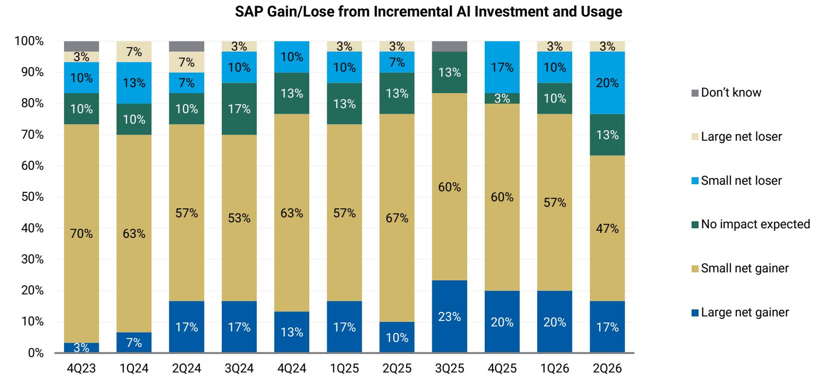
Source: Visible Alpha data (e = consensus estimates) as at 07/08/2026, Morgan Stanley Research

2) Weighing In: Open-Weights Models & 3 States of the World, and other model news this week: Global Head of Thematic and Sustainability Research, Stephen Byrd, explored the fast progression of open-source models to try and answer the questions *"Who wins - open or closed-weights models - and what does the world look like in each scenario?"* Stephen highlights *"Three States of the World"*: **(1)** Closed models win, with token costs falling gradually; **(2)** Hybrid, with closed models for complex tasks and open weights for cheaper, specialised workloads; **(3)** Open-weights win, and reach frontier performance, driving lower prices, broader adoption and more on-premise and edge deployment. Stephen notes, "*We believe open-weights models are good for competition and can enable faster AI diffusion, supported by Jevons Paradox, and see a long runway for AI adoption. 60%+ of enterprises use open-weights models as part of their stack, largely isolated to specific use cases requiring speed, security, or frequent use."* ***Elsewhere, we spotted two interesting things this week.*** Firstly, US-listed website builder Wix (covered by Elizabeth Porter) commented on their conference call that "*The deployment of Base 1 [Wix's proprietary model] marks a turning point in lowering our AI inference and compute costs [...] We now expect non-GAAP gross margin for Base44 to be approximately 60% in the second half of the year, a meaningful improvement from the near-zero non-GAAP gross margin entering this year."* Secondly, US-listed information services giant Thomson Reuters (covered by Toni Kaplan) indicated the success of their proprietary Thomson model, which trained *"on less than 10% of [their] legal content to date… delivers results on par with the latest version of the leading frontier models…. at a meaningfully lower cost, and in many cases, at significantly reduced latency versus third-party models."*

3) SAP: 2Q26 AlphaWise Reseller AI Survey – Traction Building? (*#SAP*): Our new biannual reseller AI survey digs into an extended set of questions around SAP's AI positioning. We share a couple of key takeaways below, with the **full survey results here.**

- **Responses lend support to SAP's Business AI narrative, although customer AI adoption remains early:** 33% of resellers report paid Business AI/Joule adoption in their customer base (c. 10pps is broad adoption), while 53% report customers are mainly in pilots. 87% of resellers expect AI to increase customers' spending with SAP over the next 12 months. Roughly two-thirds of resellers still see SAP as a net AI gainer (mostly a small net gainer, rather than a large one).
- **The clearest near-term AI opportunity is faster S/4HANA conversion, rather than standalone AI revenue…** 80% of resellers expect SAP's AI migration tools to increase customers' willingness to move to S/4HANA over the next 12–24 months. This chimes with our system integrator checks, which point to tangible productivity gains across documentation, code remediation, data migration, testing and quality assurance.

Exhibit 2: Do you expect SAP to be a net gainer or a net loser from incremental AI investment and usage in enterprise software?



Source: AlphaWise, Morgan Stanley Research, n=30 (US and European data)

4) Legora launches US primary law into its platform (*#RELX*): Legora announced on Wednesday that it had added "*comprehensive federal and state appellate US case law, continuously updated statutes and regulations, and federal agency guidance to its legal research data sources. Every document has been sourced directly from the courts, official reports, agencies themselves, and trusted partners - verified meticulously, then ingested and structured on Legora's own infrastructure*". Legora notes that Legal research has "*long been locked behind a handful of providers, each holding a different slice of the law*" with Legora looking to develop a primary law corpus from the ground up. Currently, Thomson Reuters (TR) and RELX are the dominant forces in the US legal research market; RELX itself indicates that it has >200 billion legal and news documents and public records, from more than 50k sources. On case law specifically and looking solely at the document level, RELX believes it has 144+ million documents, including 10m+ unpublished cases. We think Legal Research and Legal Workflow products will continue to converge over time, so it is not surprising to see Legora look to find solutions to the Legal Research side of the equation, should TR and RELX keep their data in walled gardens, particularly after Legora's acquisition of Swedish Legal business firm Qura earlier this year. We still lean to thinking that replicating a comparable legal research product to TR/RELX will be a tall order – particularly if an AI-synthesised approach is used – but this is an area we will continue to monitor. We think a competing product would need to in effect cover off three areas: 1) full coverage primary content, 2) value-added interpretation of those cases (equivalent to TR/RELX's headnotes/expert summaries), and 3) a citation network.

5) IONOS: Multi-faceted Growth – Upgrade to Overweight (*#IONOS*): IONOS is a leading European webhosting business, selling solutions such as domain names, webhosting, and other areas of the website value stack. Although 2Q missed on adj. EBITDA (mainly timing of cost investment), we came away from the results with increased confidence in IONOS' growth algorithm. We had raised our forecast stack for IONOS a fortnight ago, but raised our forecasts again, and now expect group growth to accelerate in FY27 to c. 8.6% cc. We see the business accelerating at the group level in FY27 as continued strong customer momentum combines with greater pricing effects in the mix. At a c. 0.93x PEG (as at Thursday's close) we think IONOS' stock outperformance can run further as growth execution continues. We also see potential upside optionality from both: 1) Cloud Solutions and 2) AI product innovation (e.g., the AI Phone Receptionist), which our current forecast stack does not fully reflect. We see a clear catalyst pathway ahead, led by 3Q results in November, where investors will look for reassurance that the FY26 adjusted EBITDA target of c. €530m remains on track, and an update on the latest AI adoption metrics. A further catalyst should come later in 2026, with an update on medium-term financial targets and scope for these targets to be brought forward. **See our full note here.**

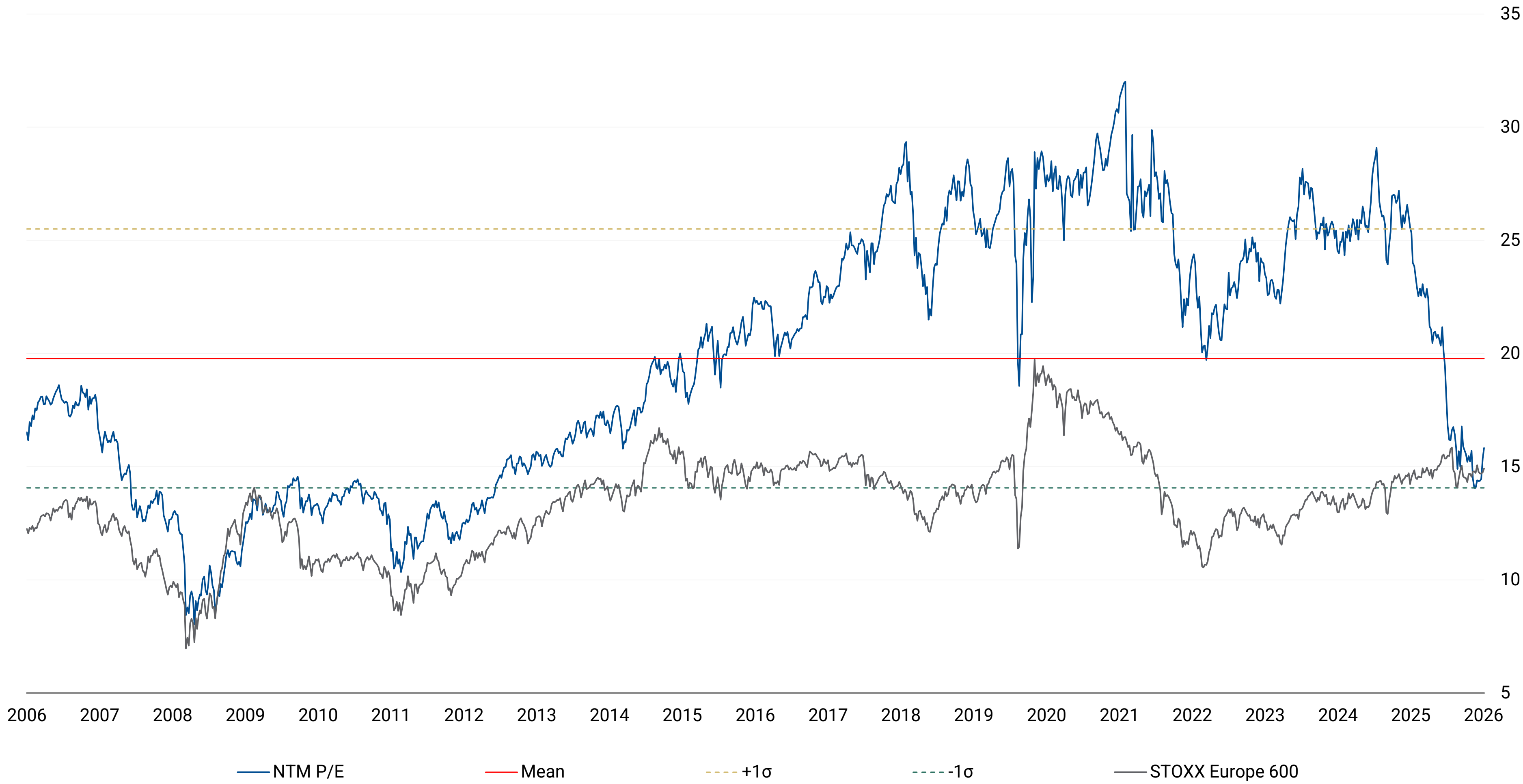
Exhibit 3: Key week ahead events

Monday 10/08/2026	Tuesday 11/08/2026	Wednesday 12/08/2026	Thursday 13/08/2026	Friday 14/08/2026
			Netcompany 2Q26 Results	
Key	MS Europe Coverage	Other Global Stocks	Industry Event	Other

Source: Morgan Stanley Research

Coverage Valuation vs. European Market

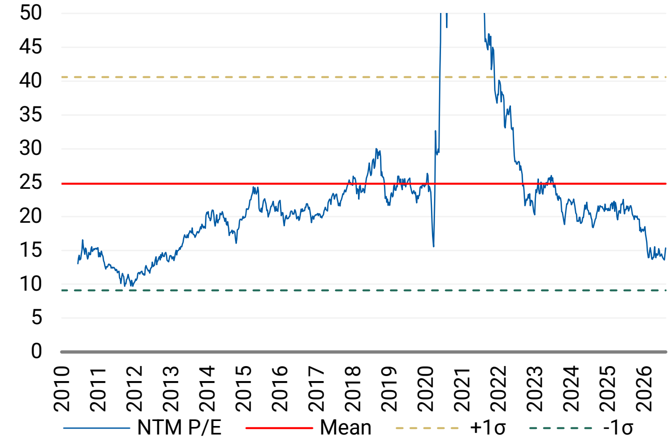
Exhibit 4: European Software & Services NTM P/E vs STOXX Europe 600



NB: Mean of CAP, DSY, INF, NEM, REL, SGE, SAP, TEMN, TIETO, and WKL. Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

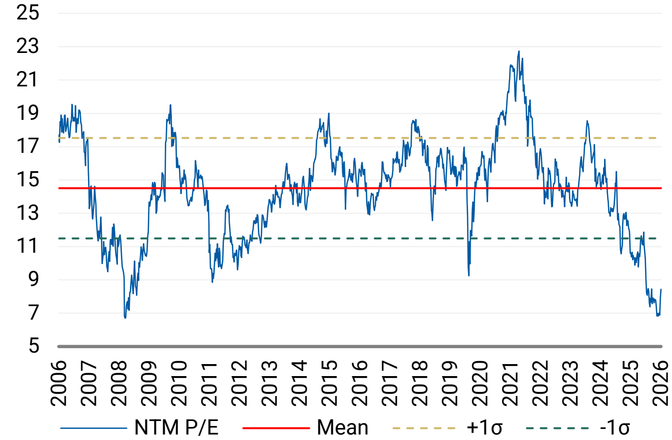
Long-Term Valuation Charts

Exhibit 5: Amadeus P/NTM Earnings



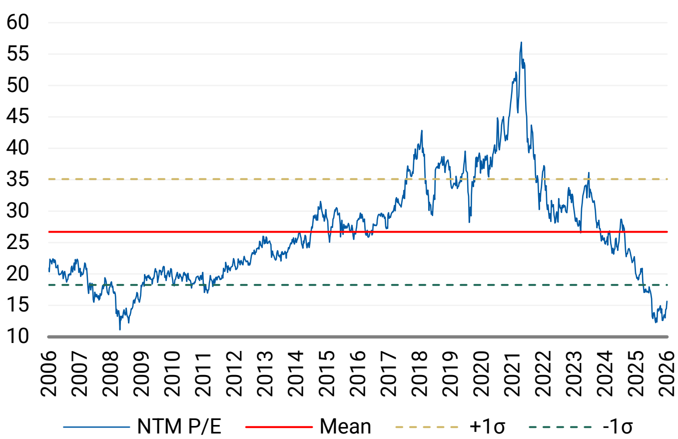
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 6: Capgemini P/NTM Earnings



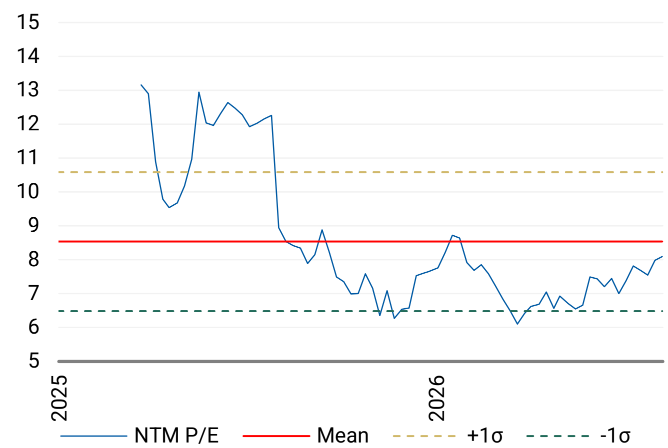
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 7: Dassault Systemes P/NTM Earnings



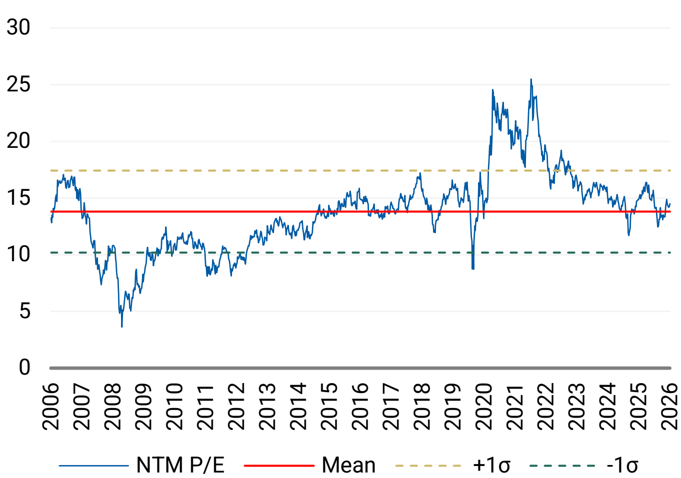
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 8: HBX Group International P/NTM Earnings



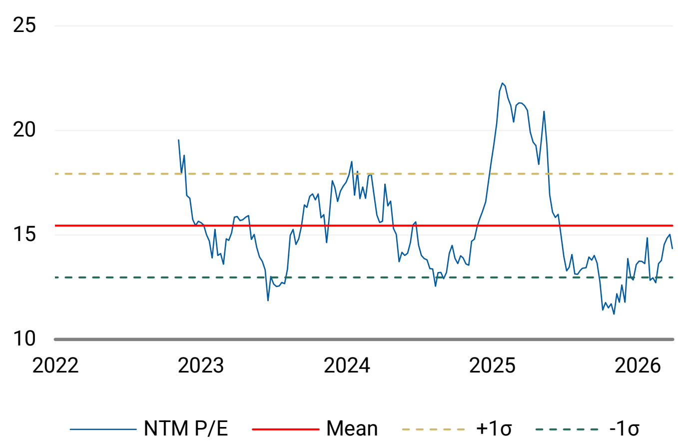
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 9: Informa P/NTM Earnings



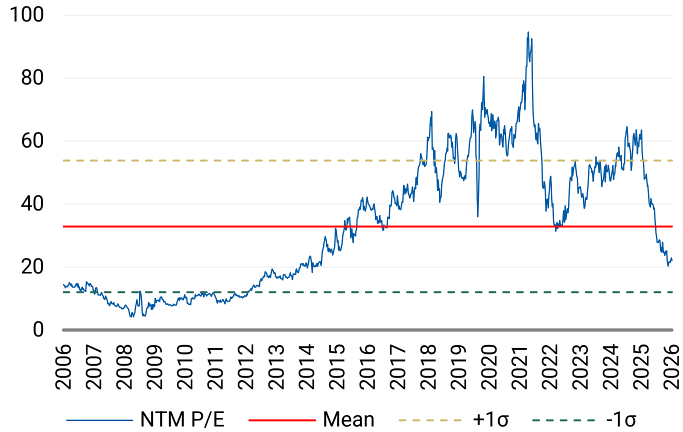
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 10: IONOS P/NTM Earnings



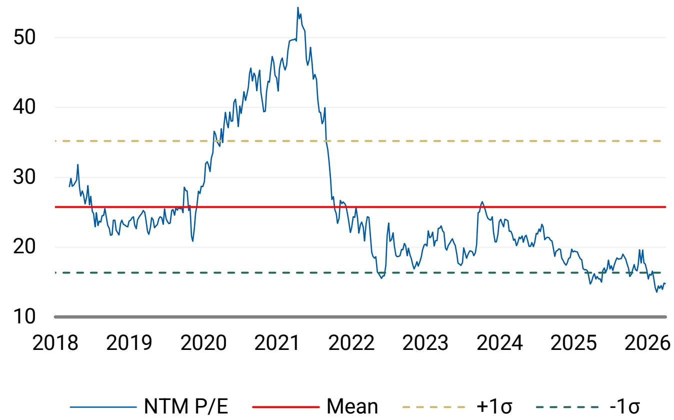
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 11: Nemetschek Group P/NTM Earnings



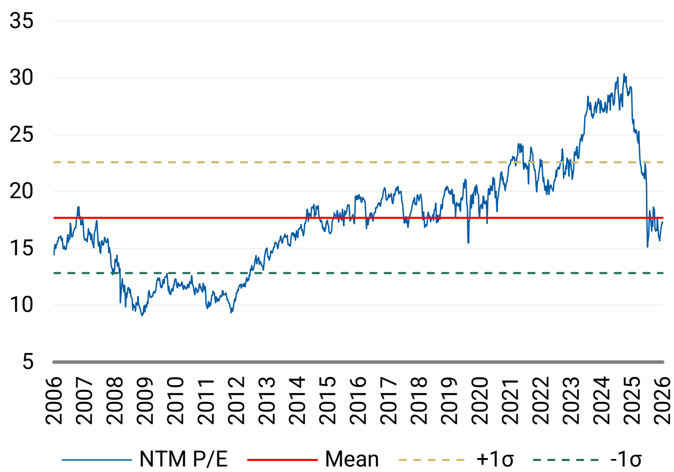
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 12: Netcompany P/NTM Earnings



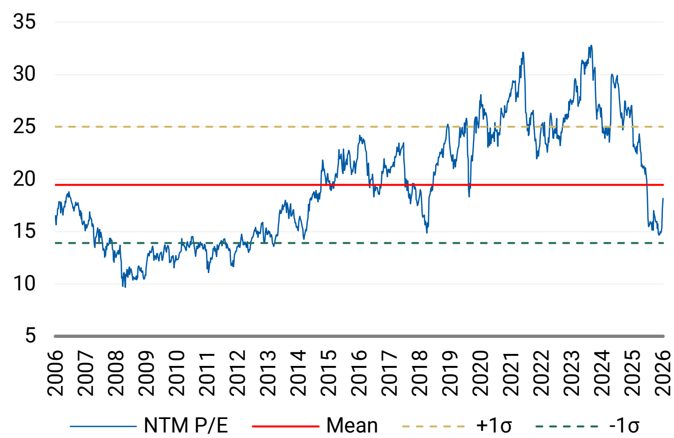
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 13: RELX P/NTM Earnings



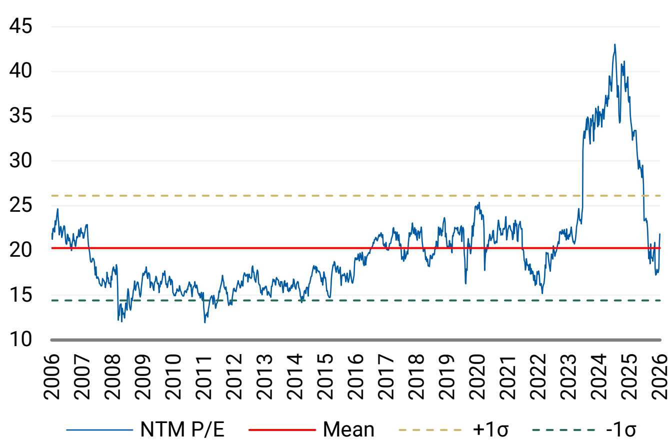
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 14: Sage Group P/NTM Earnings



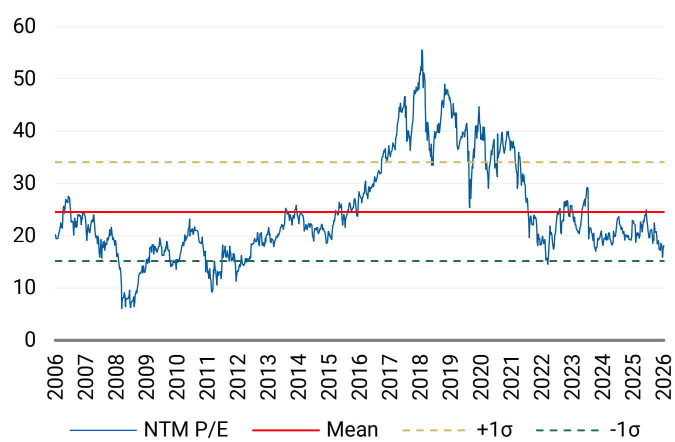
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 15: SAP P/NTM Earnings



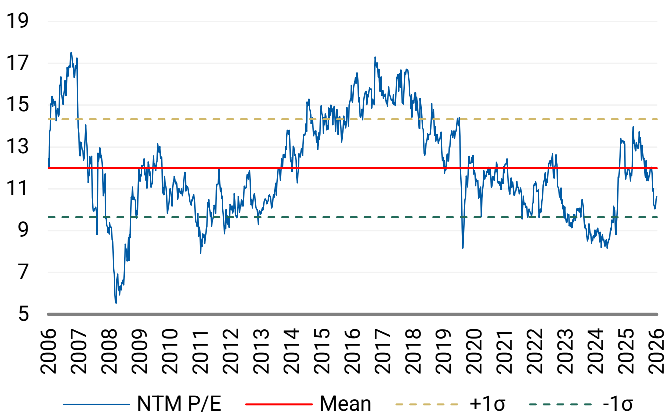
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 16: Temenos P/NTM Earnings



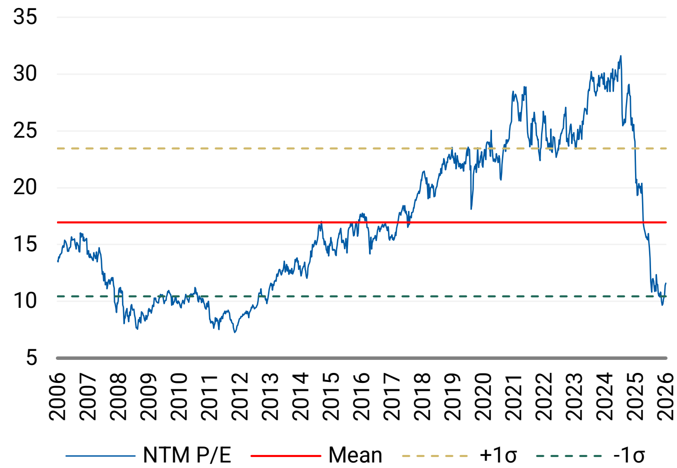
NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 17: Tieto P/NTM Earnings



NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 18: Wolters Kluwer P/NTM Earnings



NB: Price at close as of T-1 business day. Source: FactSet, Morgan Stanley Research

Exhibit 20: Company Forward Guidance (2/2)

	Published Company Guidance / Targets	
	FY26	Mid-term / Long-term
Sage Group	Organic total revenue growth in FY26 to be above 9% Operating margins are expected to trend upwards in FY26 and beyond	*None*
SAP	Cloud revenue of €25.8-26.2bn at cc (23% to 25% cc growth). Cloud and software revenue of €36.3-36.8bn at cc (12%-13% cc growth). Non-IFRS operating profit of €11.8-12.2bn (13-17% cc growth). Free cash flow c. €10bn	Expect total revenue growth to accelerate in 2027. Total operating expenses are expected to grow at 80 to 90% of total revenue growth in 2027.
Temenos	ARR growth of c. 12% Subscription and SaaS growth of c. 9% EBIT growth c. 9% FCF growth c. 16% (reported)	**Mid-term (FY28):** ARR to reach >$1.23bn Non-IFRS EBIT of at least c.$480m FCF of at least $410m
Tieto	Organic growth of -5% to -3% and Adj. EBITA margins of 14.8 to 15.8%	Revenue growth of over 5% CAGR in 2027-2028 EBITA margins of over 16% by 2028
Wolters Kluwer	Good organic revenue growth Adj. EBIT margin: c. 28% Diluted adj. EPS growth (%, cc): High single digit growth Adj. FCF (EUR, cc): €1,300m to €1,350m	*None*

Source: Company data, compiled by Morgan Stanley Research

Appendix: MS European Software & Services Coverage

Exhibit 21: Coverage Summary

Company	Analyst	Rating	Price Target	
Amadeus	George Webb	Overweight	EUR	65.00
Capgemini	George Webb	Equal-weight	EUR	117.00
Dassault Systemes	George Webb	Equal-weight	EUR	22.00
HBX Group International	Mark Hyatt	Equal-weight	EUR	8.10
Hexagon AB	George Webb	N/A	N/A	N/A
Informa	George Webb	Overweight	GBp	1,085
IONOS Group	George Webb	Overweight	EUR	38.75
Nemetschek Group	George Webb	Equal-weight	EUR	74.25
Netcompany	George Webb	Underweight	DKK	334.00
RELX	George Webb	Equal-weight	GBp	2,990.00
Sage Group	George Webb	Overweight	GBp	1,140.00
SAP	Adam Wood	Overweight	EUR	190.00
Temenos	Mark Hyatt	Underweight	CHF	59.00
Tieto	Mark Hyatt	Underweight	EUR	15.80
Wolters Kluwer	George Webb	Equal-weight	EUR	80.50

Software & Services

Source: Morgan Stanley Research

Disclosure Section

The information and opinions in Morgan Stanley Research were prepared or are disseminated by Morgan Stanley Europe S.E., regulated by Bundesanstalt fuer Finanzdienstleistungsaufsicht (BaFin) and/or Morgan Stanley & Co. International plc, authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Morgan Stanley & Co. International plc disseminates in the UK research that it has prepared, and which has been prepared by any of its affiliates, only to persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"); (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended) may otherwise lawfully be communicated or caused to be communicated. As used in this disclosure section, Morgan Stanley includes RMB Morgan Stanley Proprietary Limited, Morgan Stanley Europe S.E., Morgan Stanley & Co International plc and its affiliates.

For important disclosures, stock price charts and equity rating histories regarding companies that are the subject of this report, please see the Morgan Stanley Research Disclosure Website at www.morganstanley.com/eqr/disclosures/webapp/generalresearch, or contact your investment representative or Morgan Stanley Research at 1585 Broadway, (Attention: Research Management), New York, NY, 10036 USA.

For valuation methodology and risks associated with any recommendation, rating or price target referenced in this research report, please contact the Client Support Team as follows: US/Canada +1 800 303-2495; Hong Kong +852 2848-5999; Latin America +1 718 754-5444 (U.S.); London +44 (0)20-7425-8169; Singapore +65 6834-6860; Sydney +61 (0)2-9770-1505; Tokyo +81 (0)3-6836-9000. Alternatively you may contact your investment representative or Morgan Stanley Research at 1585 Broadway, (Attention: Research Management), New York, NY 10036 USA.

Analyst Certification

The following analysts hereby certify that their views about the companies and their securities discussed in this report are accurately expressed and that they have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report: Mark Hyatt; William Richards; George W Webb.

.

Global Research Conflict Management Policy

Morgan Stanley Research has been published in accordance with our conflict management policy, which is available at www.morganstanley.com/institutional/research/conflictpolicies. A Portuguese version of the policy can be found at www.morganstanley.com.br

Important Regulatory Disclosures on Subject Companies

As of June 30, 2026, Morgan Stanley beneficially owned 1% or more of a class of common equity securities of the following companies covered in Morgan Stanley Research: Amadeus IT Holdings S.A., Capgemini, Indra, Informa, Nemetschek SE, RELX, Sage, SAP SE, Temenos Group AG, Wolters Kluwer.

Within the last 12 months, Morgan Stanley managed or co-managed a public offering (or 144A offering) of securities of Capgemini, Informa, SAP SE.

Within the last 12 months, Morgan Stanley has received compensation for investment banking services from Capgemini, Dassault Systemes SA, Hexagon AB, Indra, Informa, SAP SE.

In the next 3 months, Morgan Stanley expects to receive or intends to seek compensation for investment banking services from Amadeus IT Holdings S.A., Capgemini, Dassault Systemes SA, Hexagon AB, Indra, Informa, IONOS Group SE, Nemetschek SE, Netcompany Group A/S, RELX, Sage, SAP SE, Temenos Group AG, Tieto Oyj, Wolters Kluwer.

Within the last 12 months, Morgan Stanley has received compensation for products and services other than investment banking services from Amadeus IT Holdings S.A., Capgemini, Dassault Systemes SA, HBX Group International PLC, Hexagon AB, Informa, RELX, SAP SE, Tieto Oyj.

Within the last 12 months, Morgan Stanley has provided or is providing investment banking services to, or has an investment banking client relationship with, the following company: Amadeus IT Holdings S.A., Capgemini, Dassault Systemes SA, Hexagon AB, Indra, Informa, IONOS Group SE, Nemetschek SE, Netcompany Group A/S, RELX, Sage, SAP SE, Temenos Group AG, Tieto Oyj, Wolters Kluwer.

Within the last 12 months, Morgan Stanley has either provided or is providing non-investment banking, securities-related services to and/or in the past has entered into an agreement to provide services or has a client relationship with the following company: Amadeus IT Holdings S.A., Capgemini, Dassault Systemes SA, HBX Group International PLC, Hexagon AB, Informa, RELX, Sage, SAP SE, Tieto Oyj, Wolters Kluwer.

Morgan Stanley & Co. International plc is a corporate broker to Informa, Sage.

The equity research analysts or strategists principally responsible for the preparation of Morgan Stanley Research have received compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors, firm revenues and overall investment banking revenues. Equity Research analysts' or strategists' compensation is not linked to investment banking or capital markets transactions performed by Morgan Stanley or the profitability or revenues of particular trading desks.

Morgan Stanley and its affiliates do business that relates to companies/instruments covered in Morgan Stanley Research, including market making, providing liquidity, fund management, commercial banking, extension of credit, investment services and investment banking. Morgan Stanley sells to and buys from customers the securities/instruments of companies covered in Morgan Stanley Research on a principal basis. Morgan Stanley may have a position in the debt of the Company or instruments discussed in this report. Morgan Stanley trades or may trade as principal in the debt securities (or in related derivatives) that are the subject of the debt research report.

Certain disclosures listed above are also for compliance with applicable regulations in non-US jurisdictions.

STOCK RATINGS

Morgan Stanley uses a relative rating system using terms such as Overweight, Equal-weight, Not-Rated or Underweight (see definitions below). Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold and sell. Investors should carefully read the definitions of all ratings used in Morgan Stanley Research. In addition, since Morgan Stanley Research contains more complete information concerning the analyst's views, investors should carefully read Morgan Stanley Research, in its entirety, and not infer the contents from the rating alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations.

Global Stock Ratings Distribution

(as of July 31, 2026)

The Stock Ratings described below apply to Morgan Stanley's Fundamental Equity Research and do not apply to Debt Research produced by the Firm.

For disclosure purposes only (in accordance with FINRA requirements), we include the category headings of Buy, Hold, and Sell alongside our ratings of Overweight, Equal-weight, Not-Rated and Underweight. Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold, and sell but represent recommended relative weightings (see definitions below). To satisfy regulatory requirements, we correspond Overweight, our most positive stock rating, with a buy recommendation; we correspond Equal-weight and Not-Rated to hold and Underweight to sell recommendations, respectively.

	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
Stock Rating Category	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1529	42%	442	47%	29%	750	43%
Equal-weight/Hold	1582	43%	396	42%	25%	773	44%
Not-Rated/Hold	3	0%	1	0%	33%	1	0%
Underweight/Sell	560	15%	97	10%	17%	217	12%
Total	3,674		936			1741	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

Analyst Stock Ratings

Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Underweight (U). The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

Analyst Industry Views

Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.

In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.

Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.

Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

Important Disclosures for Morgan Stanley Smith Barney LLC Customers

Important disclosures regarding any material conflict of interest that can reasonably be expected to have influenced Morgan Stanley Smith Barney LLC's choice of a third-party research provider or the subject company of a third-party research report, are available on the Morgan Stanley Wealth Management disclosure website at www.morganstanley.com/online/researchdisclosures.

For Morgan Stanley specific disclosures, you may refer to https://www.morganstanley.com/eqr/disclosures/webapp/generalresearch.

Each Morgan Stanley research report is reviewed and approved on behalf of Morgan Stanley Smith Barney LLC. This review and approval is conducted by the same person who reviews the research report on behalf of Morgan Stanley. This could create a conflict of interest.

Other Important Disclosures

Morgan Stanley Research policy is to update research reports as and when the Research Analyst and Research Management deem appropriate, based on developments with the issuer, the sector, or the market that may have a material impact on the research views or opinions stated therein. In addition, certain Research publications are intended to be updated on a regular periodic basis (weekly/monthly/quarterly/annual) and will ordinarily be updated with that frequency, unless the Research Analyst and Research Management determine that a different publication schedule is appropriate based on current conditions.

Morgan Stanley is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Morgan Stanley produces an equity research product called a "Tactical Idea." Views contained in a "Tactical Idea" on a particular stock may be contrary to the recommendations or views expressed in research on the same stock. This may be the result of differing time horizons, methodologies, market events, or other factors. For all research available on a particular stock, please contact your sales representative or go to Matrix at http://www.morganstanley.com/matrix.

Morgan Stanley Research is provided to our clients through our proprietary research portal on Matrix and also distributed electronically by Morgan Stanley to clients. Certain, but not all, Morgan Stanley Research products are also made available to clients through third-party vendors or redistributed to clients through alternate electronic means as a convenience. For access to all available Morgan Stanley Research, please contact your sales representative or go to Matrix at http://www.morganstanley.com/matrix.

Any access and/or use of Morgan Stanley Research is subject to Morgan Stanley's Terms of Use (http://www.morganstanley.com/terms.html). By accessing and/or using Morgan Stanley Research, you are indicating that you have read and agree to be bound by our Terms of Use (http://www.morganstanley.com/terms.html). In addition you consent to Morgan Stanley processing your personal data and using cookies in accordance with our Privacy Policy and our Global Cookies Policy (http://www.morganstanley.com/privacy_pledge.html), including for the purposes of setting your preferences and to collect readership data so that we can deliver better and more personalized service and products to you. To find out more information about how Morgan Stanley processes personal data, how we use cookies and how to reject cookies see our Privacy Policy and our Global Cookies Policy (http://www.morganstanley.com/privacy_pledge.html). Please use the provided link to review the Terms and Conditions and Most Important Terms and Conditions for Morgan Stanley India Company Private Limited (https://www.morganstanley.com/assets/pdfs/about-us-global-offices/india/Terms_and_conditions.pdf) and the following link to review the audit report (https://ny.matrix.ms.com/eqr/research/webapp/researchdocs/

MSICPL_Morgan_Stanley_Research_Audit_Report.pdf).

If you do not agree to our Terms of Use and/or if you do not wish to provide your consent to Morgan Stanley processing your personal data or using cookies please do not access our research. Morgan Stanley Research does not provide individually tailored investment advice. Morgan Stanley Research has been prepared without regard to the circumstances and objectives of those who receive it. Morgan Stanley recommends that investors independently evaluate particular investments and strategies, and encourages investors to seek the advice of a financial adviser. The appropriateness of an investment or strategy will depend on an investor's circumstances and objectives. The securities, instruments, or strategies discussed in Morgan Stanley Research may not be suitable for all investors, and certain investors may not be eligible to purchase or participate in some or all of them. Morgan Stanley Research is not an offer to buy or sell or the solicitation of an offer to buy or sell any security/instrument or to participate in any particular trading strategy. The value of and income from your investments may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions of companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. If provided, and unless otherwise stated, the closing price on the cover page is that of the primary exchange for the subject company's securities/instruments.

The fixed income research analysts, strategists or economists principally responsible for the preparation of Morgan Stanley Research have received compensation based upon various factors, including quality, accuracy and value of research, firm profitability or revenues (which include fixed income trading and capital markets profitability or revenues), client feedback and competitive factors. Fixed Income Research analysts', strategists' or economists' compensation is not linked to investment banking or capital markets transactions performed by Morgan Stanley or the profitability or revenues of particular trading desks.

The "Important Regulatory Disclosures on Subject Companies" section in Morgan Stanley Research lists all companies mentioned where Morgan Stanley owns 1% or more of a class of common equity securities of the companies. For all other companies mentioned in Morgan Stanley Research, Morgan Stanley may have an investment of less than 1% in securities/instruments or derivatives of securities/instruments of companies and may trade them in ways different from those discussed in Morgan Stanley Research. Employees of Morgan Stanley not involved in the preparation of Morgan Stanley Research may have investments in securities/instruments or derivatives of securities/instruments of companies mentioned and may trade them in ways different from those discussed in Morgan Stanley Research. Derivatives may be issued by Morgan Stanley or associated persons.

With the exception of information regarding Morgan Stanley, Morgan Stanley Research is based on public information. Morgan Stanley makes every effort to use reliable, comprehensive information, but we make no representation that it is accurate or complete. We have no obligation to tell you when opinions or information in Morgan Stanley Research change apart from when we intend to discontinue equity research coverage of a subject company. Facts and views presented in Morgan Stanley Research have not been reviewed by, and may not reflect information known to, professionals in other Morgan Stanley business areas, including investment banking personnel.

Morgan Stanley Research personnel may participate in company events such as site visits and are generally prohibited from accepting payment by the company of associated expenses unless pre-approved by authorized members of Research management.

Morgan Stanley may make investment decisions that are inconsistent with the recommendations or views in this report.

To our readers based in Taiwan or trading in Taiwan securities/instruments: Information on securities/instruments that trade in Taiwan is distributed by Morgan Stanley Taiwan Limited ("MSTL"). Such information is for your reference only. The reader should independently evaluate the investment risks and is solely responsible for their investment decisions. Morgan Stanley Research may not be distributed to the public media or quoted or used by the public media without the express written consent of Morgan Stanley. Any non-customer reader within the scope of Article 7-1 of the Taiwan Stock Exchange Recommendation Regulations accessing and/or receiving Morgan Stanley Research is not permitted to provide Morgan Stanley Research to any third party (including but not limited to related parties, affiliated companies and any other third parties) or engage in any activities regarding Morgan Stanley Research which may create or give the appearance of creating a conflict of interest. Information on securities/instruments that do not trade in Taiwan is for informational purposes only and is not to be construed as a recommendation or a solicitation to trade in such securities/instruments. MSTL may not execute transactions for clients in these securities/instruments.

Morgan Stanley is not incorporated under PRC law and the research in relation to this report is conducted outside the PRC. Morgan Stanley Research does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. PRC investors shall have the relevant qualifications to invest in such securities and shall be responsible for obtaining all relevant approvals, licenses, verifications and/or registrations from the relevant governmental authorities themselves. Neither this report nor any part of it is intended as, or shall constitute, provision of any consultancy or advisory service of securities investment as defined under PRC law. Such information is provided for your reference only.

Morgan Stanley Research is disseminated in Brazil by Morgan Stanley C.T.V.M. S.A. located at Av. Brigadeiro Faria Lima, 3600, 6th floor, São Paulo - SP, Brazil; and is regulated by the Comissão de Valores Mobiliários; in Mexico by Morgan Stanley México, Casa de Bolsa, S.A. de C.V which is regulated by Comision Nacional Bancaria y de Valores. Paseo de los Tamarindos 90, Torre 1, Col. Bosques de las Lomas Floor 29, 05120 Mexico City; in Japan by Morgan Stanley MUFG Securities Co., Ltd. and, for Commodities related research reports only, Morgan Stanley Capital Group Japan Co., Ltd; in Hong Kong by Morgan Stanley Asia Limited (which accepts responsibility for its contents) and by Morgan Stanley Bank Asia Limited; in Singapore by Morgan Stanley Asia (Singapore) Pte. (Registration number 199206298Z) and/or Morgan Stanley Asia (Singapore) Securities Pte Ltd (Registration number 200008434H), regulated by the Monetary Authority of Singapore (which accepts legal responsibility for its contents and should be contacted with respect to any matters arising from, or in connection with, Morgan Stanley Research) and by Morgan Stanley Bank Asia Limited, Singapore Branch (Registration number T14FC0118J); in Australia to "wholesale clients" within the meaning of the Australian Corporations Act by Morgan Stanley Australia Limited A.B.N. 67 003 734 576, holder of Australian financial services license No. 233742, which accepts responsibility for its contents; in Australia to "wholesale clients" and "retail clients" within the meaning of the Australian Corporations Act by Morgan Stanley Wealth Management Australia Pty Ltd (A.B.N. 19 009 145 555, holder of Australian financial services license No. 240813, which accepts responsibility for its contents; in Korea by Morgan Stanley & Co International plc, Seoul Branch; in India by Morgan Stanley India Company Private Limited having Corporate Identification No (CIN) U22990MH1998PTC115305, regulated by the Securities and Exchange Board of India ("SEBI") and holder of licenses as a Research Analyst (SEBI Registration No. INH000001105); Stock Broker (SEBI Stock Broker Registration No. INZ000244438), Merchant Banker (SEBI Registration No. INM000011203), and depository participant with National Securities Depository Limited (SEBI Registration No. IN-DP-NSDL-567-2021) having registered office at Altimus, Level 39 & 40, Pandurang Budhkar Marg, Worli, Mumbai 400018, India; Telephone no. +91-22-61181000; Compliance Officer Details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: tejarshi.hardas@morganstanley.com; Grievance officer details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: msic-compliance@morganstanley.com. Morgan Stanley India Company Private Limited (MSICPL) may use AI tools in providing research services. All recommendations contained herein are made by the duly qualified research analysts; in Canada by Morgan Stanley Canada Limited; in Germany and the European Economic Area where required by Morgan Stanley Europe S.E., authorised and regulated by Bundesanstalt fuer Finanzdienstleistungsaufsicht (BaFin) under the reference number 149169; in the US by Morgan Stanley & Co. LLC, which accepts responsibility for its contents. Morgan Stanley & Co. International plc, authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, disseminates in the UK research that it has prepared, and research which has been prepared by any of its affiliates, only to persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"); (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended) may otherwise lawfully be communicated or caused to be communicated. RMB Morgan Stanley Proprietary Limited is a member of the JSE Limited and A2X (Pty) Ltd. RMB Morgan Stanley Proprietary Limited is a joint venture owned equally by Morgan Stanley International Holdings Inc. and RMB Investment Advisory

INDUSTRY COVERAGE: Technology - Software & Services

COMPANY (TICKER)	RATING (AS OF)	PRICE* (08/06/2026)
Adam Wood		
SAP SE (SAP.N)	O (02/20/2026)	US$199.46
SAP SE (SAPG.DE)	O (03/20/2020)	€170.98
George W Webb		
Amadeus IT Holdings S.A. (AMA.MC)	O (04/10/2026)	€56.48
Capgemini (CAPP.PA)	E (02/19/2026)	€109.25
Dassault Systemes SA (DAST.PA)	E (03/17/2026)	€21.73
Hexagon AB (HEXAb.ST)		SKr 96.56
IONOS Group SE (IOSn.DE)	O (08/07/2026)	€30.20
Nemetschek SE (NEKG.DE)	E (07/13/2022)	€56.65
Netcompany Group A/S (NETCG.CO)	U (01/12/2026)	DKr 325.00
Sage (SGE.L)	O (12/08/2021)	1,028p
Marie-Ange Riggio		
Indra (IDR.MC)	O (07/14/2026)	€61.36
Mark Hyatt		
HBX Group International PLC (HBX.MC)	E (04/17/2026)	€7.84
Temenos Group AG (TEMN.S)	U (12/15/2017)	SFr 69.50
Tieto Oyj (TIETO.HE)	U (01/12/2026)	€18.72

Stock Ratings are subject to change. Please see latest research for each company.
* Historical prices are not split adjusted.