Operator: Good day, everyone. And welcome to the Just Energy second quarter fiscal 2018 conference call and webcast. [Operator Instructions]. Please do note that today's event is being recorded.

I would now like to turn the conference over to Deb Merril, Co-CEO. Please go ahead.

Deb Merril: Thank you very much. Good morning, everyone, and thank you for joining us for our fiscal 2018 second quarter earnings conference call. My name is Deb Merril, I'm the Co-CEO of Just Energy. And I have with me today our Executive Chair, Rebecca MacDonald; my Co-CEO, James Lewis; as well as Pat McCullough, our CFO. Pat and I will discuss the results of the quarter, as well as our expectations for the future. We will then open the call to questions.

Before we begin, let me preface the call by telling you that our earnings release and potentially our answers to your questions will contain forward-looking financial information. This information may eventually prove to be inaccurate, so please read the disclaimer regarding such information at the bottom of our press release.

I'll start today's discussion by first providing some perspective on the near-term results in operations before I conclude the call with an update on some of the exciting longer-term activities that tie into our growth strategy.

Our second quarter results reflect mostly nonrecurring headwinds that impacted our financial results and the industry at large. Pat and I will take you through the details behind these results. But we're also going to highlight some very positive trends we saw in the core business.

The EBITDA was below our expectations due to the impact of abnormally mild summer weather in North America and hurricane and tropical storm patterns, including disruptions caused by Hurricane Harvey. These weather patterns yielded lower consumptions, usage reductions as high as 25% worse than 1 year ago. The impact to consumption was not just felt in directly affected areas but across the continent, impacting the Midwest, East and Canadian regions.
Competitive market conditions also resulted in a one-time reduction in Texas renewal margins. The lower EBITDA in the quarter was also attributable to the company's investments in strategic sales growth initiatives that are already showing positive results in our customer base.

Our financial results depicted $22 million year-over-year impact to the second quarter due to mild weather and Hurricane Harvey. I would also like to point out that Q2 fiscal 2017 was an exceptional quarter due to the higher consumption where Texas electricity prices stayed in check.

The company spent $8 million more in new markets and channel development in the period versus last year, as we expand retail sales and deploy our loyalty reward program. There are obvious benefits to these investments that I will detail in a moment. The remaining $6 million is a combination of nonrecurring Texas renewal margin softness and a smaller customer base from a year ago. Due to the first-half financial results, management has revised guidance for fiscal 2018 to $175 million to $190 million, while maintaining our dividend at present levels.

Despite these near-term challenges, we also had some very promising results during the quarter as well. We achieved a record-low 11% attrition rate for trailing 12 months, with improvements in both consumer and commercial attrition, while maintaining a consistent renewal rate.

Our ability to add new RCEs is strengthening, and we posted positive net additions for the first time in the last 2 years. We have significant sequential and year-over-year gross addition growth in both divisions, and net RCE additions also increased.

We continue to receive great customer reception and feedback around our growing suite of value-add products and long-term loyalty programs. And we remain confident we can build on this momentum.

In line with our expanding product offering, we are beginning to shift our focus to a total customer count metric. Our total customer count has increased 7% to nearly 1.6 million total customers since fiscal 2017 year-end, a trend we're confident will continue. This positive trend is a testament to the fact that our customers see us as a valued partner in their energy needs and not just another vendor.

We are also aggressively pursuing the milestone of reaching 1-million customer threshold for enrollment in our customer loyalty program, Just Energy Perks. We see clear evidence that our loyalty reward program leads to more customer lifetime value for the company.

We are also seeing steady improvement and internally track Net Promoter Score, which is a leading customer loyalty metric. Overall, our more profitable consumer base is turning the corner toward sustained growth. As a leader in the retail energy space, our strategic initiative to further our international operations, expand our retail sales channel and continue to invest in product and geographic growth opportunities are our top priority.

As we look to overseas markets -- the U.K. continues to perform well. This now represents 11% of our total RCEs, having grown net additions by nearly 23% year-to-date, with strong growth in both the consumer and the commercial business. The company successfully launched its selling operations in Ireland and are currently signing up new customers every day. We're selling through multiple sales channels, and our products are truly differentiated from the competition, as well as business development activities continuing in Germany and Japan as well.

Our retail channel expansion efforts also continued to exceed expectations. We've expanded to 237 new stores across 11 retail partners. And we plan to be in 500 stores by the end of fiscal 2018. At the 237-stores level we currently have, the company is selling at an annual rate of 140,000 RCEs a year in new
additions. We are ahead of our internal plan for store deployment, and we're confident that we will achieve our 500-store target by the year-end.

Pat will now take us through some of the financial highlights.

Pat McCullough: Thank you, Deb.

As Deb mentioned, this quarter's financial results were challenged by mostly nonrecurring headwinds. First I'll cover some of the highlights of the second quarter and then provide some added color in certain areas.

Our second quarter base EBITDA declined 64% to $21 million due to the mild summer weather, Hurricanes Harvey and Irma, and investments in strategic growth. The decrease in base EBITDA was partially offset by savings from cost-improvement initiatives we took during the quarter.

We updated our disclosures in our MD&A and press release in order to provide greater transparency into the results this quarter, given the moving pieces. As you'll see, the decline in our second quarter base EBITDA was driven by approximately $16.5 million due to mild weather, another $5.6 million due to Hurricane Harvey, and the remaining $14.3 million due to performance, which is mostly investments and strategic growth.

The remainder can be described by more competitive market conditions. We believe most of this performance explanation is nonrecurring, as we have fully implemented Just Energy Perks in the Texas market, which helps us differentiate versus competitors and combat margin compression.

During the quarter, gross margin climbed 22% to $143 million as a result of lower sales due to mild summer weather usage associated with hurricane and tropical storm patterns in North America. The Consumer division gross margin decreased 18% as a result of both the extreme weather conditions and the competitive market conditions, while the Commercial division gross margin declined 33%.

Average realized gross margin over the trailing 12 months ending September 30, 2017 was $253 per RCE in the Consumer division, representing a 3% decrease from the prior year period; and $88 per RCE in the Commercial division, which represents an 11% improvement from the prior year period. We believe that clear opportunities exist for ongoing margin for customer improvement and have been more selective in our marketing strategy to secure additional commercial customers.

During the quarter, we drove customer attrition improvement of 4 percentage points year-over-year for the trailing 12 months. Our improving combined attrition rate was a result of our focus on becoming our customers' trusted advisor and providing a variety of energy management solutions to our customer base to drive customer loyalty.

This is evident within each division as well. Consumer attrition of 22% improved 4 percentage points year-over-year and increased 1 percentage point sequentially. Commercial attrition of 5% improved 3 percentage points from the year-ago period and improved 2 percentage points sequentially. The renewal rate was 61% for the trailing 12 months, consistent with the weighted average renewal rate reported 1 year ago.

Consumer renewal rates decreased by 5 percentage points to 73%, while the commercial renewal rate decreased by 1 percentage point to 52%. While both segments declined, the renewal opportunities grew in the higher-converting Consumer segment, while the opportunities shrunk in the Commercial segment, creating a flat year-over-year condition.
Moving back to the income statement -- general and administrative expenses for the second quarter remained relatively flat with the year-ago period at $47 million, as cost-containment efforts offset the higher costs we incurred to support customer growth, additional international expansion and new strategic initiatives.

Selling and marketing expenses decreased 1% year-over-year to $59 million despite gross additions being almost 50% higher than 1 year ago. The majority of the year-over-year increase in customer additions came from channels that are expensed as residual commissions.

Now I'll review some of our other key financial metrics and balance sheet items. Base funds from operations of $8 million decreased 85% from the prior year. The decrease was largely driven by lower sales resulting from cooler summer weather and customer disruption due to the late summer hurricanes.

The payout ratio on base funds from operations was 279% for the quarter and 153% for the first 6 months of the fiscal year. On a trailing 12-month basis, the payout ratio is currently 106%. Because we experienced a nonrecurring profit pressure in this period, the trailing 12-month payout will step up to roughly 100% until the abnormal quarter rolls off next year. We expect to move back to a 60% trailing 12-month payout ratio when this quarter rolls off the calculation next year.

Cash and cash equivalents of $56 million were down 53% year-over-year as a result of our lower gross margin in the fiscal quarter. But that was offset by a $49 million withdrawal on our credit facility.

Managing our balance sheet has been a priority for several quarters. Our long-term debt increased 8.5% to $540 million from March 31, 2017 due to the credit facility withdrawal. This resulted in Just Energy's book value net debt increasing to 2.6x on a trailing 12-month basis, which is higher than we reported last quarter but roughly in line with the 2.4x reported 1 year ago. We remain committed to improving our debt ratios.

Turning to our outlook -- we now expect to deliver fiscal 2018 base EBITDA in the range of $175 million to $190 million, compared to previously issued guidance of $210 million to $220 million. This change reflects the impact of our first half financial results on the fully year.

With that, I would turn it back over to Deb.

Deb Merril: Thanks, Pat.

We spent the last year refining and innovating a new differentiating value-driven product which is showing positive results in our customer base. We are happy with our progress and sales channel expansion and will continue to add new channels and partners to further ensure that we are able to grow our business.

In summary -- while we are not satisfied with the current-quarter financial results due to the one-time nature of most of the headwinds, we feel confident that our customer growth and efficiencies in operations will lead to a stronger overall company, enabling us to deliver strong results. We want to thank our loyal shareholders for the support of our strategy.

And really quickly, before I go on to the Q&A section, I want to touch on the devastating weather events that affected our community in Houston. As Houstonians, we witnessed firsthand the devastation our city endured from Hurricane Harvey. We also saw our employees, our friends and our neighbors unite
together to begin the healing and rebuilding process to help bring Houston back. We've never been more proud to call Houston home, and we're proud to be an active member of the community there.

And now we will open it up for questions.

Questions and Answers


Carter Driscoll: First question is, I understand hurricane effects, I understand the investments and growth initiatives. I'm a little confused as to why your hedging strategy didn't kick in a little bit. I mean, that was across multiple territories, so it's not just the East that was cooler than expected in the summer, in prime AC territory. But you talk Midwest, Ontario -- I mean, is this effect more from really low volatility, and therefore the hedging would've been effective? But it just seems like the [ outsize ] weather effect was even beyond what I would've expected this quarter. So I was hoping you could address that first, then I have a couple follow-ups. Thank you.

James Lewis: Yes, Carter, Jay Lewis here.

[Indiscernible] to follow up the weather year-over-year. So there are a couple things in our weather hedging strategy. In the summer, we're usually looking for extreme temperatures on the high end. So that's where our weather strategy hedges more. On the cool sides, while we looked at weather hedges, let's say, for the weather not showing up or the heat not showing up, it really hasn't been cost-effective. In the [ past ], we've tried to look for those options. So our strategy focus is more on the extreme weather event pricing going to $9,000 or so.

Carter Driscoll: Okay. So you're basically saying it just wasn't cost-effective, or you didn't anticipate it to be a cool summer?

James Lewis: We hedge to normal. So when you look at [indiscernible] weather, and that's what our hedging strategy looks toward; and then we put on weather hedgings for the extreme weather on the hot side in the summer. On the cool side, we didn't expect it to be as cool -- that's for sure -- across the board for year-over-year.

Deb Merrill: And Carter, I think -- just add a little bit there -- I think we've said, as we talk about our hedging strategy, we say we're always refining it, and we're always looking for cost-effective ways to manage the risk. And we have looked at, especially for Texas, cool summer hedges, as Jay mentioned. But we haven't been able to find the right structure at the right cost to be able to do that. So we focus on the extreme high end, not the low end so far. But we'll continue to look to refine that and see if there are options that are available that will be cost-effective in the future. But as of now, we didn't have any cost-effective options available to us.

Carter Driscoll: All right. So then, let's extrapolate that to the current quarter, where we're over a month into the current quarter. It's been a warmer-than-expected winter so far, or at least a fall period through October. What is your -- has you're hedging strategy been modified in response to 3Q, 4Q? What are [indiscernible]?

Deb Merrill: Yes. So for winter, we actually do have cost-effective strategies for mild winters on the extreme side, on the high side and the low side. So that is already in place, and we've had that -- we've been doing that the last several years. Because we do find products that work for us there. It's just, it's
the summer that isn't managed. We haven't been able to find structures to manage it on the mild side. Does that make sense?

Carter Driscoll: Yes. No, it does.

The next question is -- so you talked about, I guess, being in 200 and, I believe you said, 53 stores. I don't remember whether that was the end of the quarter or end of October. And you still want --

Deb Merril: Two hundred thirty-seven. Yes.

Carter Driscoll: Two hundred thirty-seven, excuse me. And you're basically on track in your estimate to more than double that by the end of fiscal '18. Is there -- before, you were talking about pilot kind of trial somewhere between three quarters and maybe as high as two people per day being signed up. Can you talk about where that average has ranged over the past 90 days or so?

Deb Merril: Yes, sure. We target, we want to be over 1.5 [ within ] that 1 to 1.5 range. But we are seeing things, we're seeing conversions in customer count per day over 2 still. But all of our economics for the sales channel are assuming lower. But we're still seeing a better customer contract per day than what our base assumption is.

Carter Driscoll: Okay.

Pat McCullough: This is Pat, Carter. When Deb talked about the $140,000 on an annual sales rate basis, that's assuming two sales per store per day. You can back into that math pretty easy from 200-plus stores. When we get ourselves to 500, you'll see that annual sales rate improve to $300,000.

Carter Driscoll: Okay. And that's a little bit above what you were expecting, if I remember correctly?

Pat McCullough: Yes, it is better than we had budgeted in [ point ].

Deb Merril: We are a bit ahead on our strategy on the retail sale channel.

Carter Driscoll: Okay.

Maybe shifting gears a little bit -- you talk about, certainly seems from an EBITDA, M&A, [ NOI ], seems like multiples are fairly elevated, obviously in Europe but also in the U.S. So like a lot of, I think, your competitors chosen to do smaller targeted investments abroad. Can you talk about maybe Germany and give us an update there of progress? Are you still expecting contribution in the latter part of calendar '18?

Deb Merril: Yes, so we are -- in Germany right now, we're running three really targeted pilots to go after customers that are on high utility rates, and via various sale channels as well. So we're kind of in that discovery, understanding how to best approach the market base and testing various things, and see how we can best get at that market. So we're still actively pursuing that.

Japan we are looking at potentially starting to sell in the next 30 days, 30 to 60 days, to start testing that. And as with every single one of these new countries, we know that it takes us a little bit of time to get our feet underneath us. Because we know it's not going to -- doesn't act exactly as North America does. There are cultural differences and everything. So we're definitely in the testing phase.
Ireland, however, has been a much faster startup for us. It's probably mostly because it's very -- I hope I don't offend any Irish people, but it's very similar to the U.K. as it relates to culture and language. And so we're managing from there. So we've had a pretty quick startup phase there. So that one has actually leapfrogged some of our other efforts that have been going on a little bit longer.

Carter Driscoll: Okay. Maybe just last one for me. So if you take the bracket of where you have taken a new guidance at the low end, if you hit $175 million, do you still feel comfortable you've got enough of a payout coverage that the dividend is safe, at least through fiscal '18?

Pat McCullough: Yes, we do at that level.

Carter Driscoll: Okay. I'll turn it over to others. Thank you.

Operator: Sameer Joshi with H.C. Wainwright. Please go ahead.

Sameer Joshi: As it relates to the new restrictions that you mentioned in your write-up of marketing to consumers in Canada, are you making any adjustments to your sales strategy there or the sales organization there?

Deb Merril: Yes, so the renewal rates in our Canadian markets have gone down because of new regulations that make it very prohibitive for us to try to connect with customers. So we are looking at ways that we can combat that. Your question, I'm sorry, Sameer, was how are we combating that? Or what was your --

Sameer Joshi: Yes, are you making any adjustments to how you market and how you sell?

James Lewis: Yes, at least one of the things we're looking at is retail as well in Canada. So we're doing more, we've done first outreach, which has been very well received. So we'll continue that. We find customers in Canada just as receptive as we've done in the U.S. through our Perks program, which has helped us on the attrition side.

The difficulty on the new regulation is we can only contact the customer once every 30 days. And so that's not the contact, that's just making an attempt. So if you don't get in contact with a customer on one day, you can't make another attempt for 30 more days. So that's the regulation there.

Pat McCullough: One thing to add, Sameer, we've actually adjusted the products we sell as well. Since the commodity products are highly regulated, we have been looking at bundling energy-efficiency conservation bundles and taking those to market. So we've been doing those types of adverts in the Canadian markets as well.

Sameer Joshi: Okay. So that's a good segue into my next question, which was about the value-added products and services. Why hasn't -- or how come that you didn't see an impact of that in a better gross margin for RCE? I know you had trouble in the various geographies. But why didn't these value-added products with higher gross margins offset that?

James Lewis: I think the answer to your question is we have seen merchant improvement over the last 2 years. And that is partially attributed to superior bundles and value of, let's say, differentiated products.

One of the challenges with changing our business is with multiyear contracts, where we've largely sold commodity-based products. So to get real penetration with a different type of product will take time.
And I don't think you'll ever see majority penetration of the book buying non-commodity or bundled products with energy efficiency devices, et cetera.

Having said that, pilots on selling smart home and energy-efficiency integrated products are going very well. Flat-build structures are doing very well, getting great reception in Ireland and the U.K. And fundamentally putting water conservation, energy-efficiency devices in our products is a priority. It just takes time.

Sameer Joshi: Got it.

And just to follow up on Carter's question previously about hedging strategies or weather patterns, do you also have some hedges against utility prices in general, for example rising oil prices and energy prices that may affect your business going forward?

Deb Merrill: Sameer, we hedge out all of our requirements to our customers in the forward market. So we hedged at [what] we expect our customers to use on normal weather, and later, in the wintertime, hedges for extreme up and down weather hedges. So as oil prices move that correlate with natural gas, we've already locked in what we expect our customers to use for the term of the contract we're obligated to sell it to them for. So it shouldn't impact us.

Pat McCullough: If you took an extreme example, Sameer, like a 5-year contract, we are pricing back-to-back. So we're locking in 5 years of expected volume, as Deb said, at a price, we're marking that up on the pure commodity products, and we're locking in that [design] margin, and normal weather. And then we'll put weather structures around that.

Sameer Joshi: Sounds good. Thanks a lot for taking my questions.

Deb Merrill: Thanks, Sameer.

Rebecca MacDonald: And Sameer, I just want to add something, it's Rebecca. We're not very happy with our financial results, that's given. But we are here on the local brands. And we can control a lot of stuff. But to control temperatures that are cooler than normal in the summer is very difficult. And when you've seen 25% contraction in customers' needs throughout your section, it's something, A, that we could not expect these to price absolutely. But we have never seen that happen in this sector for a very, very long time. We've never seen anything like it. So it's almost like a perfect storm.

Deb said something earlier, and I would like to emphasize -- seeing what this can do to our margin, we will work very long and hard for the next year weather, we can find something that works, hedge-wise. We have not seen it so far, because I don't really think anyone thought about it too much. But we are going to be very, very careful of how we hedge next year in the summer.

Sameer Joshi: Understood. Thanks.

Operator: And our next questioner today will be Sophie Karp with Guggenheim. Please go ahead.

Sophie Karp: I was wondering, how does the economics for the customers that you sign in the new retail channel compare to the ones in other channels before? Thank you.

Pat McCullough: Thanks, Sophie, this is Pat responding.
So we are targeting over $250 of annual margin, very consistent with what we're experiencing in the consumer space. And there's three models that we have piloted around the retail channel. One is to sell through a partner that operates kiosks in places like Sam's Club, Costco, Walmart. Another is to do it on our own, and there's two derivatives of doing it on our own.

If you look at the worst case economics, you see a 3.5 quarter payback on the combination of various salaries, gift cards, commissions that are paid for those sales agents. Where we operate the kiosks ourselves, it's a better return than that. That $250, $260 of margin will pay back in as little as 2.5 quarters. And in summary, that's very similar to the door-to-door model that we've -- it's actually a bit better than the door-to-door model we've experienced in the past. So we think it will fit very well with the expectations of our Consumer business from a return standpoint.

Sophie Karp: Thank you. That's all for me.

Operator: And our next questioner today will be [ Ravil Asval ] with Canaccord. Please go ahead.

Ravil Asval: So I'm thinking back to 2014, when we had that [ weather vortex ] condition. At that time, it was pretty negative for the energy retailers in the short term. But then the bigger energy retailers benefitted from it, because the smaller retailers couldn't bear the volatility. And we saw the competitive environment kind of improvement later 2014 as a result of that. I'm wondering, given what we saw in this quarter, do you see some of the smaller competitors going out of business or suffering financially, and as a result acquisition opportunities or the competitive environment improving for you going forward?

James Lewis: I'll take the first half.

Yes, we see some of the smaller competitors getting hurt. So that does open up opportunities for us, and as we [indiscernible] look at them. One of the things that we also think is going to happen, we're going to see some tightness in the Texas markets with some of the generations retirements there, which we think can be a positive as well.

One of the things that we should see going forward is maybe some volatility back in that market. And that's another thing that tends to weed out some of the smaller competitors or some of the folks who don't hedge.

Ravil Asval: Perfect. And that was my only question, thank you.

Deb Merril: Thanks, Ravil.

Operator: [Operator Instructions]. And our next question will be Damir Gunja with TD Securities. Please go ahead.

Damir Gunja: Previously, you'd expressed the hope to return to double-digit growth next year in 2019, fiscal 2019. If we adjust for the $22 million weather impact, would a return to double-digit growth still be potentially on the table?

Pat McCullough: Damir, we hope so, but we're not prepared to give guidance for next year at this point. What we've seen about this first half is really this nonrecurring delta versus prior year. But remember, prior year was a better-than-normal condition. So we'll be making adjustments on that as well as looking at our gross additions on sales plans in factoring in a step-up in retail business, et cetera. And pretty hopeful that there's going to be a nice earnings step-forward next year. But unclear if we can answer your question directly at this point.
Damir Gunja: Okay. That's fair.

You did make a nice, I guess, inflection point to positive net adds in the quarter. Given the success you're seeing in the retail channel, would it be fair to say you could maintain positive adds for the foreseeable future?

Deb Merril: It really is heavily dependent on our Commercial portfolio. What I find interesting about our customer base, Damir, is that, as I said earlier, we're now showing RCEs and customer counts. And you can see our customer count has increased, because we're losing some of the larger customers. But we're keeping some of the smaller Commercial customers. And it really depends on how -- it might ebb and flow a little bit, because the Commercial renewal tranches that come up each quarter are very different. But as our retail and our -- I'm sorry, the Consumer business continues to gain more traction, that will start to overcome that, even maybe some of those larger renewal quarters, where you have some challenges on the Commercial side.

So I think that eventually, it will absolutely overcome it.

Pat McCullough: And I think if you were to think about the more profitable Consumer segment, we agree with the bullish idea behind your question, that we should be seeing positive net adds with that retail surge that's happening. It's the renewal period on Commercial that we're watching.

James Lewis: Yes. And I think, just to add one last point here, when we talk about Ontario or the Canadian markets on the renewal rate, if it wasn't for that change in regulation there, you would've seen a greater net add story. So the headwind there is more on the Canadian side, that renewal rate there, as we look to continue to improve it. But with that regulation, that does put a little bit of headwinds there that we're overcoming.

Damir Gunja: Okay, thanks.

And maybe just bigger-picture -- are there any strategic moves that you're thinking about, either on the product side or new markets? Is Japan going to factor in at some point? Is that a major potential catalyst? Just anything you can add sort of bigger-picture that could potentially swing things your way?

Pat McCullough: I think the core strategy that we've spoken about quite a bit over the last 2 years is pursue growth through superior products, product expansion through expansion of channels, getting into new channel [ in the ] new geographies. And nothing's changed. One-time nonrecurring top weather condition isn't going to change the truth north for the company. So you'll continue to hear us talk about new superior, broader products, more channel expansion and efforts do develop businesses in those new places.

Damir Gunja: Okay. And does Japan factor into your plans, or is that too early to discuss?

James Lewis: No. Deb's saying we expect to start signing customers up the next 30 to 60 days here. And we will take the same approach as we always have. We'll do some pilots there, see what's successful and make modifications as we move forward.

Damir Gunja: Okay.
And just a final one for me -- perhaps, Pat, I might be a little early on this one, but I guess you do have that convert coming due next year, in September. Any thoughts on that, and how you might approach that?

Pat McCullough: Yes. The $100 million convert that matures in 2018, which we have an early call option on, we do intend to exercise that early call option and retire that. And probably happen in the next 3- to 9-month period, but comfortably ahead of the maturity.

Damir Gunja: Okay. Thanks for that.

Operator: And ladies and gentlemen, this will conclude our question-and-answer session. I would now like to turn the conference back over to Deb Merrill for any closing remarks.

Deb Merrill: Thank you very much, everybody. We really appreciate your questions and your support.

Also want to make sure -- in every quarter, we make sure we point out our employees and how hard they're working, and everybody that's working hard to build our sales channels to get our customers taken care of. And we just want to send a big thank-you to everybody. And we'll see you again in February.

Thank you very much.

Operator: And the conference is now concluded. Thank you all for attending today's presentation. You may now disconnect your lines.