ADITYA BIRLA
CENTURY ENKA

10th May, 2025

Listing Department **National Stock Exchange of India Limited** Exchange Plaza, 5th Floor, Plot No. C/1, G-Block Bandra Kurla Complex, Bandra (East), Mumbai - 400051 Symbol: CENTENKA	Listing Department **BSE Limited** 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001 Scrip Code: 500280

Dear Sir/ Madam,

Sub: Transcript of Q4-FY25/FY25 Earnings Conference Call of Century Enka Limited ('the Company')

Ref: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Pursuant to Regulation 30 of the Listing Regulations, please find attached herewith the transcript of Q4-FY25/FY25 Earnings Conference Call conducted on Wednesday, 7th May 2025. The same is also available on the website of the Company i.e., www.centuryenka.com.

This is for your kind information and records.

Thanking You,

Yours faithfully,
For **Century Enka Limited**

RAHUL DUBEY
Digitally signed by RAHUL DUBEY
Date: 2025.05.10 11:33:01 +05'30'

Rahul Dubey
VP Legal and Company Secretary
Membership No: FCS 8145

Encl: as above

"Century Enka Limited Q4 FY '25 Earnings Conference Call"

May 07, 2025

MANAGEMENT: **MR. SURESH SODANI – MANAGING DIRECTOR, CENTURY ENKA LIMITED**
MR. YOGESH SHAH – CHIEF FINANCIAL OFFICER, CENTURY ENKA LIMITED

MODERATOR: **MR. VIKRAM SURYAVANSHI – PHILLIPCAPITAL (INDIA) PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Century Enka Q4 and FY '25 Earnings Conference Call hosted by PhillipCapital.

As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask a question after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*', then '0' on your touchtone phone. Please note that this conference is being recorded.

This conference may contain forward-looking statements about the Company which are based on the beliefs, opinions and expectations of the Company as on the date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict.

I now hand the conference call over to Mr. Vikram Suryavanshi. Thank you and over to you, sir.

Vikram Suryavanshi: Good afternoon and very warm welcome to everyone. Thank you for being on the call of Century Enka Limited.

We are happy to have the Management with us here today for question-and-answer session with the investment community. The Management is represented by Mr. Suresh Sodani - Managing Director and Mr. Yogesh Shah - Chief Financial Officer.

Before we start with the question-and-answer session, we will have opening comments from the management. I will hand over the call to Mr. Suresh Sodani now for opening comments. Over to you, sir.

Suresh Sodani: Good afternoon, everyone, and welcome to our Q4 FY '25 Earnings Call. I would like to thank our host, PhillipCapital for hosting this call.

Now, let me first brief you on the operational highlights for the 4th Quarter FY '25.

For the Tyre Cord segment, demand for NTCF was substituted during the quarter due to poor demand from truck and bus segment while the two and three-wheeler segments and the farm segment remained at similar levels of Q3. Volumes for the year were higher in FY '25 compared to FY '24 driven by strong performance in the first half. Imports increased towards the end of Quarter 4 due to lower prices and uncertainty caused by tariff issues reducing demand from domestic suppliers. Margins remained under pressure due to falling raw material prices and lower sales, particularly in Q4. NTCF demand in FY '26 is expected to depend on Indian GDP growth and geopolitical challenges related to tariff, tyre exports, etc.

Approvals of Polyester Tyre Cord Fabric are currently in progress with multiple customers. We expect commercial supplies to start from Q4 FY '26 after clearing all stages of approval. In the filament yarn segment, sales were affected due to a fire in our one of the plants at Bharuch in February-end leading to sales volume loss in Q4. Despite this, sales volume for FY '25 was higher compared to the previous year, supported by an increased share of value-added products.

Revamping and repairs of affected plant is in full swing, and we expect the plant to be fully operational by the end of June. Falling raw material prices and dumping at low prices from China impacted margins in Q4, although this was partly offset by higher contributions from value-added products. Focus would continue on increasing the share of value-added products and niche products with better margins. Caprolactam prices continued to slide to record low levels, leading to losses on stock and resultant margin pressure. We continue to focus on cost reduction initiatives to remain competitive in a challenging geopolitical environment.

I now hand over to Mr. Yogesh Shah to brief you on financial performance.

Yogesh Shah: Thank you. Good afternoon, everyone.

Let me now brief you on Financial Results for the 4th Quarter of the Financial Year 2025:

For the Quarter 4 Operating Results:

Our operating revenue stood at Rs. 444 crores down by around 5% year-on-year. EBITDA for the quarter stood at around Rs. 9 crores, a decline of 74% year-on-year. EBITDA margins were reported at 1.98%. Profit after tax was around Rs. 7 crores down by around 67% year-on-year. PAT margin stood at 1.53% for the quarter. Total volume for Quarter 4 grew by 1% year-on-year to 18,149 metric ton. Tyre Cord Fabric revenue for Quarter 4 FY '25 decreased by around 6% year-on-year to almost Rs. 203 crores and Filament Yarn revenue for the same period decreased by around 6% year-on-year to almost Rs. 223 crores.

Now coming to Results for the Financial Year 2025:

Operational revenue stood at Rs. 2,002 crores, representing a growth of 15% year-on-year. EBITDA stood at Rs. 115 crores which increased by 39% year-on-year. The EBITDA margin for the period was 5.73%. Net profit was around Rs. 66 crores which grew by 55% year-on-year and the PAT margin stood at 3.32%.

Total volume of Financial Year 25 grew by around 50% year-on-year to 78,425 metric ton. Tyre Cord Fabric sales for FY '25 increased by 15%, that is Rs. 955 crores, while Filament Yarn sales increased by 13% that is Rs. 958 crores.

With this, we open the floor for questions and answers.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Vikram Suryavanshi from PhillipCapital. Please go ahead.

Vikram Suryavanshi: Sir, last time you talked about the operational efficiency gains as well as the power cost savings, so how was this in this quarter if you can highlight an outlook on the same and going forward?

Suresh Sodani: Thank you. Yes. So we continue to focus on operational efficiency, both in terms of purchase rate of the power as well as the power consumption. So this year, we would have gained a significant amount, just to give you a number in terms of per unit, we have about a Rs. 4 differential between the grid rate and our hybrid power rate and that power constitutes about close to 15%-20% depending on the total requirement of our total power demand. So to that extent, we continue to save. Similarly, where we get an opportunity to buy power on open access at a cheaper rate compared to grid power, particularly in Bharuch plant, we have continued to do that. We are also investing in power reduction consumption at our old equipment since some of them are quite old and they are giving good returns of in excess of 25% on the CAPEX that we are making investments on. So we will continue to invest on reducing our power and fuel cost, which is also reflected in the increase of only close to 3% in the total power and fuel cost, whereas the topline has grown by close to 15%. So that itself reflects that we are working on improving our efficiency on power and fuel cost.

Vikram Suryavanshi: There is a significant increase in the other cost also. Is it because of the fire or is there a one-time expenditure we have incurred in this quarter?

Suresh Sodani: Yes. We had a fire as I mentioned my opening comments in end of February, and we started post our survey by the insurance Company to revamp and restart to repair the damaged machinery. So in this quarter, we have spent about Rs. 8 crores which is part of our other expenses and since the claim has been accepted and the insurance company has given go ahead to make the repairs and maintenance, we also accounted for the insurance claim receivable to the extent of about Rs. 6 crores, which is reflected in our other income. So these are the 2 income which are coming in two different line items in our published accounts. Otherwise, compared to last year, we have increased our expenditure particularly on the repairs because last year's financial performance was weak because of multiple factors and whatever was non-essential or non-critical repairs were actually postponed and actually incurred in the current year. And to that extent, our other expenses, particularly on repairs of machinery is higher, but now we don't have anything pending in terms of normal repairs and maintenance and going forward it will be regular repairs and maintenance from FY '26.

Vikram Suryavanshi: Understood. And can you share what was the Caprolactam prices for this quarter and how is the outlook?

Suresh Sodani: So Caprolactam prices have been falling consistently since September. I will give you just quarter-on-quarter number, so that just to give a feel of how fast and the sharp Caprolactam prices are falling. It was 1688 in March end, I am talking in dollars per ton, fell to 1683 in June '24, it was 1623 in September '24. It fell sharply to 1483 in December '24 and again to 1368 in March 25. In fact, it has fallen to about 1278 in April, so it has been falling consistently. Almost \$300-\$400 is the total gap, almost \$400 reduction between March '24 and April '25. And we hope it is close to its bottom, because that is one of the factors which have impacted our financial performance, and such a sharp fall is not conducive to our business model.

Vikram Suryavanshi: And would it be able to quantify the impact of this inventory loss in quarter?

Suresh Sodani: We will not be able to give the exact amount, but I think as we have mentioned and you have the amount of inventory we carry, it will be easy to identify that or calculate that because we value the inventories, particularly the semi-finished as well as the finished goods or even if it is raw material on the current prices, so that loss has already been accounted for, so everything as of March end is equivalent to the prices prevailing either in March or in case of finished goods expected prices in April.

Vikram Suryavanshi: So post March, are prices stabilized or how is the trend?

Suresh Sodani: As I said in April itself, there was a fall of \$90 and due to the geopolitical challenges, particularly in China, we still see there is some fall in Caprolactam prices in China; however, these are unviable levels even for Chinese producers because normally there is a benchmark margin over Benzene, which is one of the key raw materials for Caprolactam and that has fallen to a record level. We have not seen these levels in last 10 or 15 years that I have seen the data and this is completely unviable for producers of Caprolactam. However, there may be some players who are fully integrated up to 2 more or 3 levels of downstream products, so maybe they are able to breakeven because of their integration, but still is very difficult price levels to sustain continued operations with this kind of margin.

Vikram Suryavanshi: Got it. Thank you very much.

Suresh Sodani: Thank you.

Moderator: Thank you. The next question is from the line of Vipul Kumar Anupchand Shah from Sumangal Investment. Please go ahead, sir.

Vipul Shah Sir, I was disconnected from the call for a few minutes. So if my question is repeated to you, please bear with me. So why the other expenses are much higher, although our turnover has fallen sequentially and other expenses are higher even year-over-year also, so is there any one-off there?

Suresh Sodani: Yes. So other expenses, one of the reasons for increase in other expenses is that we had a fire in end of February in one of the NFY plants of Bharuch and we started incurring the repairing cost to that extend. So about Rs. 8 crores was spent on repairs and revamping of the plant and equipment damaged in fire and that is included in this number. Second is, last year, since the financial performance was under stress, some of the non-urgent non-critical repairs were deferred and they were incurred in the current year. That is second reason and third is we had commissioned some of the value-added products during the year which were given on operations to particularly the normal operations on contract basis. So that contract value is not reflected in manpower and employee costs, but comes under other expenses. So these were the three major reasons for increase in both quarterly expenditure as well as the increase compared to the previous year.

Vipul Shah Yes, but so your third reason, then employee cost, then any increase in other expenses should be compensated by equally lower employee cost, sir?

Suresh Sodani: Yes. So if you look at our employee cost, it has gone up by 4.92% only. So only for the operating team, the workman category are outsourced, other people who have to be hired in the staff category or managerial category or supervisory category come under the employee benefits plus because of the increase in volumes of operations of Polyester Tyre Cord at Pune, we have had more people, so overall increase is still well within our control in the employee benefit expenses.

Vipul Shah And the expenses of this damage due to fire must be recoverable to insurance claims, sir?

Suresh Sodani: We are fully covered both for material damage and loss of profit and we expect with. The surveyor has already visited, and we are in constant touch. Our team is constantly interacting with them. So we expect a major part of the insurance claim to come in FY '26 and similarly we will be pushing for getting the loss of profit portion as well in FY '26. However, insurance claims are subject to approvals at multiple levels. So we cannot give a guaranteed timeline, but we will be pushing and making all efforts to get the maximum insurance claim within FY '26.

Vipul Shah And sir, due to falling Caprolactam prices, we will have inventory losses in this quarter also or those are behind us?

Suresh Sodani: I don’t know whether you missed our numbers.

Vipul Shah Yes, I missed it.

Suresh Sodani: Did you get the numbers when I was speaking about the?

Vipul Shah No, I was thrown out of the call. That is why.

Suresh Sodani: So I will just repeat in short, the Caprolactam price in March '24 was $1,688 per ton, it has fallen to $1,278 per ton in April, so it is almost close to $410 fall, which is a very steep fall and particularly the fall has been very steep from September to March, so fallen from $1,623 to March was $1,368. So most of the losses are already built into our financials for the March squarter; however, if the prices fall further, which there has been some fall even in May in the first few days as well, there could be some inventory losses. However, the current economics of Caprolactam even in China at these prices does not seem rival. So either it has to bottom out or the prices have to actually slightly go up because the Benzene has not reduced to the same extent. So we are hopeful that the kind of fall that we saw in FY '25 should not be there and if things do improve, actually the prices should move up in FY '26.

Vipul Shah And lastly, sir, when we commenced the manufacturing of this Polyester Tyre Cord in the latter part of this year, will that product have higher EBITDA margin as compared to Nylon Tyre Cord?

Suresh Sodani: It will have a similar margin. Only difference is that while our Nylon Tyre Cord, we have already established our quality and we are already serving all the major tyre companies in India. This will go through a process of very detailed approval at each of the tyre Company. So how we ramp up the volume is going to be a key factor and we expect that since the whole process is at various stages in the tyre companies that we have already given samples to, we expect that commercial production should start in Q4 and if geopolitical changes happen and it gets expedited, then we could actually have almost similar levels of margins as we are able to realize on our Nylon Tyre Cord Fabric.

Vipul Shah Lastly, is our plant fungible means, can we switch between Nylon Tyre Cord and Polyester Tyre Cord depending on demand of each product?

Suresh Sodani: Only on the downstream side, the spinning is not fungible. The spinning machines and since the properties and the raw materials are different, so the spinning are different and that is why we have invested in the spinning as well as the downstream. But it is fungible to the extent of the post spinning processes up to the dipping of the fabric and in future, it provides us opportunity to just add spinning and make it more fungible in terms of switching between the capacities of NTCF and PTCF.

Vipul Shah Thank you and all the best.

Suresh Sodani: Thank you.

Moderator: Thank you. The next question is from the line of Dhaval Shah from Girik Capital. You may proceed.

Dhaval Shah: Yes. Thank you for the opportunity, sir. Sir, I have one question. Are we planning to get into the manufacturing of forward integrated to making Nylon 66 given the increasing demand trend what we are seeing domestically as well as exports and given this trade wars, India could benefit over the longer term?

Suresh Sodani: Yes. So Nylon 66 is similar to Nylon 6, except that particularly on the conversion, which is to make the fabric and to dip it and spinning is slightly more tricky because the raw materials are different and the properties are different. So we are looking at Nylon 66, but our approach would be not to start with the spinning, but start with the imported yarns and convert it into dipped fabric and supply to the customers. And at a later stage, once we establish the product on this route, we could evaluate looking at spinning as an option to backward integrate, but to start with it will be we would want to first establish the product through import of yarns route.

Dhaval Shah: So is this guarded technology or it can be easily imported, or it can be self-engineered in terms of spinning?

Suresh Sodani: Actually, so Nylon 66 yarn is not as widely produced as Nylon 6 yarn, so which obviously means that there is a technology challenge to and it is more technically difficult to make compared to Nylon 6. But all the same, our technical team has the capability to adjust to requirements of that, and we may not need to add any significant hardware to change that. So it is more of understanding the raw material properties and the yarn properties that are required and do the right changes in both hardware as well as our operating conditions. But we will cross that bridge when we come, but when we do it, when discussed technically, our technical team can actually do that at a later stage.

Dhaval Shah: Great. Thank you, sir. I just had one question. Thank you.

Moderator: Thank you. The next question is from the line of Madhur Rathi from Counter Cyclical Investment. You may proceed.

Madhur Rathi: Thank you for the opportunity. Sir, I wanted to understand, it seems that our value-added products in the yarn segment are improving. Sir, so what percentage of our Rs. 950 odd crore revenue that we did in FY '25 would be from value-added segment and where do we expect this to go over the next 2-3 years and similarly what kind of effect can it have on our margins?

Suresh Sodani: Yes. So actually we have grown our value-added portfolio compared to last year by close to 15% and it is now close to about between 25%-30% value terms of our NFY topline and the margins are also better than our base products. So we will continue to expand or make more of value-added products and reduce our portfolio of baseline products. And this will continue because we also need to make investments in a gradual period and also develop the market in certain cases because as mentioned in our communication multiple times, within the value-added products, also we are looking at niche products so that we can maintain the competitive edge. So it is going to be between 2-3 years period, we will continue to expand and ideally we should take it close to between 50%-60% or even more of our total NFY portfolio.

Madhur Rathi: Then what would be the margin delta between value-added product and our normal commodity product?

Suresh Sodani: It is varying from product to product. I will not be able to share the exact margin that we realize on for competitive reasons, but all these projects that we implement on CAPEX have a good return on investments and they have also given us value even in this severe competition from Chinese market to be able to sustain this kind of topline and also the margins.

Madhur Rathi: Got it. Sir, another question would be, sir, what would be the steady state margin if I consider that raw material prices stabilizing in both our divisions, sir, what could be a steady state margin that we would be able to achieve based on the current value-added mix in both our segments?

Suresh Sodani: So we expect operating EBITDA margin of between 6%-8% in steady state condition. And as I mentioned, volatility is not good for our business model and our performance has been better when there is either a gradual fall or a gradual rise in prices of raw material. So that is the very key base condition to get these kind of margins, especially when there is so much of geopolitical challenges and so much of capacities available in China, which could have a severe impact on the Indian producer’s competitiveness. So in a normalized condition, we should be able to between 6%-8%.

Madhur Rathi: And sir, what would be the frequency in which we are passing on these raw material price hikes or price declines to our customers? It is on a daily or weekly basis or it is longer than that?

Suresh Sodani: So in case of reinforcement, it is on a monthly basis. However, monthly also means that there are variations which happen both in terms of stocks in hand as well as the indices. However, in the case of NFY, it is normally we set the price every month looking at the market situations both from imported material as well as the domestic market conditions. So these are also set on a monthly basis, but there is no guaranteed pass through because these depend on the market conditions as well as the imported price that is landing in the domestic market.

Madhur Rathi: Got it. And sir, just a final question from my end, sir, what would be the volume growth that we expect for FY '26?

Suresh Sodani: So this year was the highest ever volume of 78,000 we have done. And as I said there are so many geopolitical challenges that to really comment on one volume. But yes, we expect between 5%-10% growth in the volume for the current year. In a good case, it can be even more than

10% in an adverse scenario where we are threatened by more imports, it can be close to these levels or about 5%. Yes. Did you get that or?

Madhur Rathi: Sir, what is the PTCF capacity that we are coming up with and what kind of utilization can we expect in FY '27 and what would be the breakeven for that capacity?

Suresh Sodani: So we will be having about 10% of the capacity, 10%-15% of the demand. We do not give breakup of our volumes for the various products that we make. And since it is an approval process, we are currently marketing our yarns in the market in various segments. We are also planning to look at export markets because of the current geopolitical challenges and opportunities. So the breakeven is again a function of how the prices behave both in the domestic market for the Polyester Industrial Yarn as well as the international market. However, on a normalized basis, we should be breakeven at about 60% of our capacity utilization, easily break even at 60%.

Madhur Rathi: Got it. And sir, what is the current demand for domestic for this product as well as export the market that we can cater to in a short period of time, what would be the demand for both of these segments?

Suresh Sodani: For Polyester Tyre Cord, as per our information, the demand is close to 35 KT. It could be lower by 2000-3000 plus minus, 3 KT plus or minus depending on the demand side. Polyester Tyre Cord Fabric has good export opportunities as well, which we will explore only post our approvals and regular sales to the domestic market. However, unlike NTCF, which is not consumed by the Western Company, Polyester Tyre Cord Fabric is a regular consumable item because of the passenger car tyre production in all the advanced economies, so that is an opportunity we will explore post our domestic sales getting stabilized and that also offers an opportunity to do expansion in future.

Madhur Rathi: Got it. Thank you so much and all the best.

Suresh Sodani: Thank you.

Moderator: Thank you. The next question is from the line of Amit Kumar from Determinant Investment. You may proceed.

Amit Kumar: Yes. Thank you so much. Just one point on this PTCF, so our understanding the plant is sort of operational, would you think commercial orders will take a little bit of time? Would it be possible for you to quantify roughly how much of drag in terms of your EBITDA this would be at the present time?

Suresh Sodani: We will not be able to give you an exact value, but.

Amit Kumar: No, roughly and I am not sort of looking for an exact value also?

Suresh Sodani: Let me complete. So as I said, we are not keeping the plant idle. We are producing and marketing Polyester Industrial Yarn in the interim so that we stabilize the spinning and the approval process is going on parallelly. So as I said these are very volatile times. So in a normal, I would say, steady state condition it should almost be a breakeven case even to make Polyester Industrial Yarn and we are in the process of getting approvals and as mentioned in the opening remark, we expect that we should start commercial supplies from Quarter 4 of FY '26. So that would definitely help it to make EBITDA positive for the year as a whole.

Amit Kumar: For FY '26, you are basically saying?

Suresh Sodani: Yes.

Amit Kumar: So I was basically seeing in the current quarter, what would be the drag if any from this place?

Suresh Sodani: Current is you are talking about which quarter?

Amit Kumar: 4th Quarter for what you have reported.

Suresh Sodani: 4th Quarter, as I said, we had a breakeven, we didn't have a drag on our operating costs.

Amit Kumar: At the 4th Quarter itself, you had breakeven, and that breakeven will sort of continue.

Suresh Sodani: Yes.

Amit Kumar: Second point was why is it taking such a long time to get approval for this product because our sense was that you are supposed to order start getting commercial orders from 1Q and now we are talking about 4Q. This is I think just at the end of last year, I don't think the plant was operational, so maybe there might have been some delays out there also, but why does this process sort of take so long if you can just help us understand?

Suresh Sodani: One is, Polyester Tyre Cord Fabric is slightly new to our team, so there is also a learning part, but more importantly, this is the first time we are getting an approval from the Tyre companies and you know that this is mainly used in the passenger car tyre, so it goes through a very stringent process of approval and since we are supplying for the first time it goes through multiple approvals including making of tyres and running it for thousands of kilometers and then giving us it. There is almost four stage approval that we have to go through and it applies to all producers of Tyre Cord, so it is not unique.

Moderator: Ladies and gentlemen, we lost the connection with the management. We will connect. We have the management on the line, so you may proceed.

Suresh Sodani: Sorry, our line got disconnected. So I was just explaining your question was why it is taking so much time for starting commercial supplies of PTCF. So as I said one, it is a new product for us. So our team is also getting used to understanding the nuances related to this product compared to the Nylon. Second is, this is a stringent process because it is going to passenger car tyres and tyre companies follow a very detailed approval process, stage wise process with tyres made from this fabric and then tested in multiple terrains for a very large number of, thousands of kilometers and then only it becomes the commercial supply. So our understanding compared to and because we were into NTCF for a long time, we had estimated that it would take shorter time, but I think this is a learning that any new product, particularly new category, goes through a different process and we are hopeful that now we are on the right track to. We would not have to go beyond Q4 for starting for our commercial supplies, at least to some of the customers.

Amit Kumar: Is there any chance that the approval can come in quicker or I think earlier than 4th is highly unlike?

Suresh Sodani: It could be. Since I said it is an approval process and how satisfied and how because, we are as I mentioned in some of the earlier calls, almost 80% of the Polyester Tyre Cord is currently imported, so the expectation obviously is to match the import quality in all parameters. So if we are right on bank in terms of our quality parameters in comparison to imports, I think I am hopeful that there could be some expeditious approvals as well. But they still will have to go through the process. They do not in any case cut down on the process that is required for approval of a critical product like reinforcement for passenger car tyres.

Amit Kumar: Thank you. Thank you so much for the detailed response.

Suresh Sodani: Thank you.

Moderator: Thank you. Ladies and gentlemen, that was the last question for the day. I would now like to hand the conference over to the management for closing comments. Thank you and over to the management.

Yogesh Shah: So thank you everyone for joining our Earning Call. I hope we were able to give the answer to your query, and I hope those were to your satisfaction. If you have any further questions or would like to know more about the Company, please reach out to our Investor Relations Manager at Valorem Advisors. Thank you.

Moderator: On behalf of PhillipCapital, that concludes this conference. Thank you for joining us and you may now disconnect your lines.