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WIN - Q2 2009 Windstream Communications Earnings Conference Call

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PRESENTATION

Operator

Good morning. My name is Jennifer, and I will be your conference operator today. At this time, I would like to welcome everyone to the second quarter 2009 Windstream Corporation earnings conference call. All lines have been placed on mute to prevent any background noise. After the speaker's remarks, there will be a question and answer session. (Operator Instructions).

I will now turn the call over to Mr. Rob Clancy, SVP and Treasurer of Windstream. You may begin, sir.

Rob Clancy - *Windstream Communications - SVP, Treasurer*

Thank you, Jennifer. Good morning, everyone. We appreciate you joining us this morning. Today's conference call was preceded by our second quarter 2009 earnings release, which has been distributed on the news wires and is available from the investor relations section of our web site. Today's conference call should be considered together with our earnings release and related financial information.

Today's discussion will include certain forward-looking statements, particularly as they pertain to guidance and other outlooks on our business. Please review the Safe Harbor language found in our press release and in our SEC filings which describe factors which could cause actual results to differ materially from those projected by us in our forward-looking statements. Today's

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discussion will also include certain non-GAAP financial measures. Again, we refer to you the IR section of our web site where we have posted our earnings release and supplemental materials, which contain information and reconciliations for any non-GAAP financial measures. We have provided our pro forma results from current businesses, which include CT Communications, while excluding our publishing and wireless business for all periods. We will make reference to these pro forma results from current businesses, including the year-over-year comparisons during our call.

Participating in our call this morning are Jeff Gardner, Windstream President and Chief Executive Officer, and Brent Whittington, Windstream Executive Vice President and Chief Financial Officer. At the end of the call, we will take a few questions. With that, here's Jeff Gardner.

Jeff Gardner - *Windstream Communications - CEO, President*

Thank you, Rob. Good morning, everyone. Let me make a few comments about our second quarter results and provide an update on our strategic initiatives. Brent will then cover our financial results. Overall, I am pleased with Windstream's performance during the second quarter and specifically, our ability to sustain cash flows despite the top line pressures we are experiencing.

The challenging economic environment continues to have some impact on our business but our team is doing an outstanding jobbing managing expenses, and we continue to deliver solid cash flows. In fact, our OIBDA, excluding pension, is right in line with our expectations. This quarter, we added approximately 15,000 broadband customers, bringing our total customer base to almost 1.025 million, an increase of 10% year-over-year. Our overall broadband penetration is now at 35% of total access and residential broadband penetration is approximately 51% of primary residential lines.

Our team continues to focus on selling faster Internet speeds as well as additional broadband products and services, including security suite, tech help, and an online backup service, which have enhanced the value of our broadband service to our customers and contributed to year-over-year broadband ARPU growth. This quarter, we added 16,000 digital TV customers, bringing our are total customer base to approximately 312,000. In June, Windstream introduced a Dish entertainment package, tailored to commercial business customers. This new offering should be an attractive addition to our business bundle and help keep Windstream competitive in the marketplace.

In addition, we are now offering Dish remote access service, which allows broadband customers to program their dvr remotely using a broadband connection. We are continuing to look for innovative new products and services to enhance the attractiveness of our bundled offerings as customers with multiple products have much better retention characteristics. Access lines declined by approximately 41,000 this quarter, resulting in a decline in total access lines of 5.5% year-over-year. In our residential channel, the absolute line loss was the lowest we have seen in three quarters. Driven by fewer disconnects, due to successful retention efforts, fewer competitive voice launches, and a slower housing market, which led to fewer moves.

In the business channel, access line losses increased versus a queer ago as tough economic conditions have driven cost-cutting initiatives and there have been fewer new business start-ups in our markets. In total, nonpaid disconnects also increased year-over-year. Sequentially, access line losses improved by almost 4,000 units, driven by fewer residential voluntary disconnects, offset slightly by an increase in nonpaid disconnect.

We ended the quarter with 1.9 million long distance customers, representing 66 penetration, 66% penetration of total access lines. While we experienced disconnects during the quarter, we continued to increase the penetration of long distance packages, which is now roughly 38% of our residential base versus 30% a year ago. Be with our business channel, from a revenue perspective, we're seeing year-over-year declines in usage sensitive services as well as product sales to customers managing expenses more aggressively and delaying purchasing decisions.

Business revenue did, however, improve sequentially due primarily to data and special access. While we expect the economic environment to continue to affect sales throughout the rest of the year, we believe that business demand will return as the

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economy improves and this channel will represent opportunities going forward, meanwhile, we are making investments during the business channel to enable us to fine tune our focus on enterprise customers.

From a regulatory perspective, Windstream has been working diligently to understand the implications of the broadband stimulus program. When Congress passed the stimulus legislation, we were hopeful that it would result in workable grant programs that meaningfully extended broadband, deeper into the more rural areas of our network. The specific rules governing this process were made public on July 1, and the applications for the first round of funding are due on August 14th. We are sorting through the complex rules which contain a number of conditions and requirements and accordingly, there's a great deal of uncertainty surrounding them. Nonetheless, we will complete our evaluation before the August 14 filing deadline and continue to believe that we are in the best position to execute on the administration's goal of efficiently providing broadband service to unserved rural areas.

Turning to the strategic front. During the quarter, we announced the acquisition of D&E Communication which will add approximately 165,000 voice lines and 44,000 broadband customers in Pennsylvania. We expect to realize synergies of roughly $25 million, which includes both cost savings and capital expenditure reductions. We have received FCC approval for the transaction, and expect to close this transaction in the fourth quarter of 2009. D&E Communications is a well-run company with attractive operating characteristics and a quality network capable of driving incremental revenue going forward. The broadband availability in these markets is an impressive 100%. Importantly, this transaction will be free cash flow accretive in the first year and is relatively low risk.

As we mentioned on our first quarter earnings call, we purchased roughly 1.5 million shares late in the first quarter and early second quarter that settled in the second quarter. At this point, we have $167 million remaining under the current $400 million share repurchase authorization. Given the D&E transaction that we need to finance, the completion of our share repurchase program will depend on a variety of factors, including other strategic opportunities, our overall liquidity needs and the conditions in the credit markets, which have improved considerably since the beginning of the year. Importantly, rather it be through share repurchases or through strategic transactions, we are deploying our cash in a manner that drags accretion to our shareholders.

As we look forward, we remain convinced that consolidation makes sense for this industry, and our focus has been and will continue to be on delivering solid operational metrics and financial results. And pursuing activities that are free cash flow accretive to our shareholders. We continue to exercise financial discipline while evaluating strategic options and pursue opportunities that fit our criteria without significantly increasing the risk profile of our business.

In summary, I am pleased with our performance in the second quarter and the first half of 2009. Our team is doing a nice job transforming this business from a voice model to a broadband and enterprise segment centric model. This ongoing transformation, along with our disciplined rule focused acquisition strategy and exceptional cost management has provided us the opportunity to sustain cash flows over the long term. We will stay keenly focused on positioning Windstream operationally, financially, and strategically for future success to enhance shareholder value over the long term. We clearly understand the importance of the dividend to our investors.

Now let me turn the call over to Brent to discuss the financial results.

Brent Whittington - *Windstream Communications - EVP, CFO*

Thank you, Jeff. Good morning, everyone.

For the second quarter on a GAAP basis, Windstream achieved consolidated revenue of $753 million. Operating income of $244 million and $0.21 of diluted earnings per share. Our GAAP results include the following items, which lowered EPS by roughly $0.05 and affect the year-over-year comparisons. $14 million in after-tax non-cash pension expense, $5 million in after tax non-cash amortization expense of our franchise rights and $1 million in after-tax merger and integration costs.

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Let me turn to our pro forma results from current businesses. From the quarter, Windstream achieved revenues of $753 million, a decrease of 5.9% year-over-year. Specifically, voice revenues declined by $21 million year-over-year. or 7%. driven by fewer access lines and continued declines in A la carte features. Long distance revenues decline by $3 million year-over-year as growth and long distance packages was offset by declines in our usage-based revenue streams. Data and special access revenues increased $17 million or 9% due to continued growth in high-speed Internet customers and next generation data products as well as increases in our special access revenues.

Switched access and USF revenues decline $24 million year-over-year or 16% driven by a number of factors. Within switched access, revenues declined by $12 million year-over-year related to fewer access lines and decreased usage. Within USF, revenues declined $12 million year-over-year. A result of lower state USF receipts, lower USF surcharges associated with the deregulation of broadband revenues last year in our price cap filing, and a $4 million benefit from cost study true ups we received last year.

Miscellaneous revenues declined by $7 million year-over-year. Of which roughly $5 million was related to the termination of certain network management services we provided to Alltel with the remainder resulting from lower fees and service charges. Total product sales was down $9 million year-over-year driven by fewer business sales which appear to be economically driven as businesses postpone buying decisions. Sequentially, revenue declined $2 million. Voice and switched access decreased by approximately $10 million, due primarily to fewer access lines and fewer minutes of use. This was partially offset by $4 million increase in product sales and a $4 million increase in data and special access revenues.

Let me turn to expenses, which exclude depreciation and amortization. This quarter, expenses were lower by $9 million or 2% year-over-year. In fact, excluding the $23 million of incremental non-cash pension expense incurred during the second quarter, cash expenses declined $32 million year-over-year, or 8%, which is a significant accomplishment. Specifically, cost of services decreased by $1 million, driven by the reduction in workforce we announced in the fourth quarter, lower business taxes, and lower usage-related network expenses associated with the revenue reductions I mentioned previously.

These reductions were offset mostly by an incremental $18 million of non-cash pension expense. Cost of products declined $10 million, due primarily to fewer business product sales during the quarter. Within SG&A, expenses increased by $2 million or 2% year-over-year. The result of $5 million in incremental non-cash pension expense, which was partially offset by lower advertising costs.

Sequentially, total expenses excluding depreciation and amortization increased by approximately $3 million, primarily due to an increase in costs of products sold and slightly higher advertising spend. Costs of services declined sequentially largely due to the absence of the storm-related costs that we incurred in the first quarter, which was offset by seasonal increases in both operational expenses and bad debt expense.

For the quarter, OIBDA was $379 million, a decrease in 9% year-over-year. Excluding the non-cash pension expenses, our OIBDA was $402 million, a decline of 3.5% year-over-year, and our OIBDA margin was 53.4% versus 52.1% last year. Operating income for the quarter was $246 million. Year-to-date, we have generated $360 million in free cash flow. During the quarter, we paid off the $150 million revolver balance outstanding to minimize the negative carry. We ended the quarter with $245 million in cash and almost $500 million in revolver capacity, and our net leverage ratio was 3.2 times at the end of the quarter.

In summary, we are pleased with our results from the second quarter. Our team continues to do a fantastic job managing overall expenses and making improvements to our cost structure across the business. With that, we will now take a few of your questions. Operator, please review the instructions, and open the call to questions now, and thank you.

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QUESTIONS AND ANSWERS

Operator

Thank you. (Operator Instructions). We'll pause for just a moment to compile the Q&A roster. Your first question is from David Barden with Banc of America.

Tudor Mustata - *BAS-ML - Analyst*

Good morning, guys. This is Tudor for David. I was wondering if you could talk about the pension expense and about the size of future strategic opportunities please?

Jeff Gardner - *Windstream Communications - CEO, President*

What was the second part?

Tudor Mustata - *BAS-ML - Analyst*

The size of future strategic opportunities?

Jeff Gardner - *Windstream Communications - CEO, President*

I'll talk about strategic opportunities and ask Brent to talk about the pension expense. Terms of our acquisition policy, we continue to stay focused on what we have been from the beginning. In terms of focusing on markets that are rural on deals that are free cash flow accretive in year one, in markets where we can generate significant synergies, I think that fits the profiles of our business in terms of being less risky acquisitions. We still think there is, although there's been quite a bit of consolidation obviously this year, we think we're going to have opportunities in the coming months and years to continue to grow our business through acquisition. And I think the D&E transaction is a great example of the kind of deals that we really like. 100% broadband penetration, very straightforward synergies, a very well run business. That should integrate into Windstream very nicely.

Brent Whittington - *Windstream Communications - EVP, CFO*

With regard to pension, really it's the same thing this quarter as you saw last quarter. We've got accelerated pension recognition because of large losses in our pension assets in 2008. We've got quite a bit of detail on that in both our K and our Q, but it's a similar issue than you saw last quarter.

Tudor Mustata - *BAS-ML - Analyst*

Thank you.

Brent Whittington - *Windstream Communications - EVP, CFO*

You're welcome.

Operator

Your next question is from Chris King with Stifel Nicolaus.

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Chris King - *Stifel Nicolaus - Analyst*

Good morning. Two quick questions for you. One, just wanted to get your broader sense to follow up on the M&A question of your outlook for the RLEC industry going forward over the next couple of years. I know there's been some speculation out there certainly that there aren't a whole lot of publicly traded RLECs of any size that would really fit your profile that would move the needle from a consolidated standpoint. Just wanted to get your impression on that argument, I guess.

Secondly, just a follow-up on the broadband stimulus question. Frontier was, I guess, fairly straightforward in their comments on their call that they see a lot of issues, particularly with respect to the reporting of requirements and the mandates that would be associated in taking some of the stimulus money and that if anything, they were learning towards shying away from at least applying for a large amount of stimulus money. Just was wondering if you were kind of leaning in that direction or if you could give us some sense of what your initial kind of read of that process is at this point?

Jeff Gardner - *Windstream Communications - CEO, President*

Okay. Thanks, Chris. This is Jeff Gardner. First on the M&A side, obviously there's been, I'll say again, there's been consolidation on our space that may in the short run limit opportunities for larger rural transactions, but again, we are focused not necessarily on becoming the biggest, but becoming a company consistent with the way we thought about acquisitions from the beginning, which is focused on markets that will allow us to improve our scale without measurably changing our risk profile. I think we've done a good job today.

We've been very disciplined, and there's going to be good opportunities for us over the future in terms of both publicly traded RLECs and others that are out there that will realize that scale is important in this space, but in our opinion, scale also has to come with the fact that these are well-run competitive markets that we can drive accretion to really support our strategy here, which is to maintain our cash flows over a very long period of time. With respect to the stimulus plan, we share everyone's concerns about the complexities and bureaucracies around the filing process. I'm not going to give you an indication as to when we're going to file or not, but we're going to do everything we can to put ourselves in a position to take advantage of this opportunity if we can live with the conditions.

The fact of the matter is, that's no one better to extend the rule broadband footprint than companies like Windstream. We've already got 88% penetration in our base. We've got a very well-run broadband network. I think we have the best opportunity to accomplish what the administration wants to, which is get the most bang for the buck in terms of extending that network. So more to come, and we're working towards that August 14th deadline.

Chris King - *Stifel Nicolaus - Analyst*

Thank you, Jeff.

Jeff Gardner - *Windstream Communications - CEO, President*

You're welcome.

Operator

Your next question is from Daniel Gaviria with Morgan Stanley.

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Daniel Gaviria - *Morgan Stanley - Analyst*

Hello. This is Daniel Gaviria . In the past it's been very detailed with your guidance. I just wanted to hear an update last quarter the increase or the better out look for the payout ratio was pretty detailed within your statement. I just want to hear my comment on the outlook right

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Brent Whittington - *Windstream Communications - EVP, CFO*

Daniel, this is Brent. We really don't give quarterly guidance. We updated that last quarter predominantly because of the stimulus package on the taxes that just passed, and that had an impact on free cash flow, and that's why we provided an update at that time. Aside from that, we generally just give annual guidance which is fairly detailed but then just talk about our results on a quarterly basis as opposed to giving updated guidance. That's going to continue to be our approach.

Daniel Gaviria - *Morgan Stanley - Analyst*

So I mean, everything stands as last quarter?

Brent Whittington - *Windstream Communications - EVP, CFO*

No updated guidance, that's correct.

Daniel Gaviria - *Morgan Stanley - Analyst*

Perfect. Thank you very much.

Brent Whittington - *Windstream Communications - EVP, CFO*

You're welcome.

Operator

Your next question is from Michael Rollins with Citi Investment.

Michael Rollins - *Citigroup - Analyst*

Good morning. I was wondering if you could help us think through the access line trends. As you look at the impact of maturing cable competition in your region, as you look at when's happening in terms of cable RGU's not being as strong right now, if you look at your competitive responses, look at wireless substitution, how would you rank with starting to bend the curve on the access line side and do you think that there's some economic impact, you know, could there be an influence from move-related churn and things of that nature where depending on how the economy moves, it could affect, you know, that access line trend line one way or another? Thanks.

Jeff Gardner - *Windstream Communications - CEO, President*

Yes. Thanks, Michael. Yeah, there's a lot of moving parts on the access line side, and I'm still pretty pleased with our number, 5.5%. We don't like the fact that it trended up a little bit sequentially. We continue to be really focused on it. And I think you have it exactly right. There's been very little competition in the marketplace.

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I think the economy has done two things. One, it's accelerated a little bit in terms of wireless substitution so that's been a challenge as households look to kind of manage their telecom spend. We've tried to combat that with our Greenstreet product and have done quite well with that. We've got to continue to work there. Then on the business side where we've seen pressure, not necessarily from losing customers, but from the fact that businesses are trimming lines. They're laying off people which causes them to need fewer lines. We think that will come back. Those are definite economic inputs into this equation.

And then I think it's important to emphasize that when you step back from all of that, we had the best residential access line loss numbers in absolute terms in the last thee quarters. And so that's something to keep in mind. When I talked earlier in the script, that's what Y. we're really looking forward to recovery here and seeing strengthening on the business side. I think we'll be in very good shape.

Michael Rollins - *Citigroup - Analyst*

Thanks very much.

Jeff Gardner - *Windstream Communications - CEO, President*

You're welcome.

Operator

Your next question is from Mike McCormack with JPMorgan.

Scott Goldman - *JPMorgan - Analyst*

Good morning. It's Scott Goldman on for Mike. Extend Mike's questions onto access lines, maybe onto the broadband side. We haven't really seen cable do all that well this quarter. At the same time, I think the sequential drop in adds from first to second for Windstream was a little bit more than we've seen in the past. Just wondering if you can dig a little deeper as to what's going on there, maybe some of the trends on whether it's churn or gross edge. And then on the D&E side, got FCC approval. Just wondering what the process is going forward as far as how many states need to approve the DO, where we are in that process, perhaps a little premature but D&E also released earnings, and wondering what your thoughts were on the results, versus your expectations?

Brent Whittington - *Windstream Communications - EVP, CFO*

Scott this is Brent. I'll take the broadband question. Really couple things going on in the quarter. One, we did see slightly lower gross ads and Jeff kind of referenced that. I mean, economic conditions as much as anything in our market's slowed down some consumer buying in the quarter. That had an impact on our broadband number.

Secondly, Q2 for us seasonally is a lot lower than Q1 so we had some of that expectations built into our own internal forecast as well. And then NPDs, bad debt and nonpaid disconnects for those trended up slightly. I'll tell you during the quarter that had a bigger than usual impact on our broad band customer base. Nothing really concerning at this point. Those are really factors that impacted our broadband number. D&E really for us, that's in one state that's Pennsylvania. We announced in our press release that that transaction, we expect the mail to proxy, except that here in the next couple weeks with the shareholder meeting scheduled really now for late September.

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Scott Goldman - *JPMorgan - Analyst*

Great. Just one quick follow-up on the broadband side. What are you guys seeing as far as interest in the higher tiers? Jeff mentioned in his comments that ARPU actually grew on the broadband side. Are you still seeing more interest in the higher speed tiers and maybe some of the disconnects and that type of stuff on the lower end?

Brent Whittington - *Windstream Communications - EVP, CFO*

A ton of interest, I mean if we've done anything really successfully in our business this past year, we've had a significant shift on our base to higher speed tiers. Now in the quarter really even this quarter over 75% of our gross ads were at the 3 meg and above speeds. Much of that centering around the 3 meg product. Our focus this past 18 months has been around speed, and it's worked. We expect that to pay dividends in the future.

Scott Goldman - *JPMorgan - Analyst*

Thanks, guys.

Brent Whittington - *Windstream Communications - EVP, CFO*

You're welcome.

Operator

Your next question is from Dave Coleman with RBC Capital Markets.

David Coleman - *RBC Capital Markets - Analyst*

Could you just remind me what the density of the D&E footprint is versus legacy Windstream? Secondly, just on the access line loss rate, can you separate what that is, I guess, during the second quarter was for the -- resi and then finally, the reported SG&A number, I'm just trying to figure out,that inclusive of non-cash comp and therefore need to add that back in to get EBITDA?

Jeff Gardner - *Windstream Communications - CEO, President*

Hey, Dave, the second part of your question cut off. Could you represent that?

David Coleman - *RBC Capital Markets - Analyst*

Just on the access line loss rate for residential versus commercial.

Brent Whittington - *Windstream Communications - EVP, CFO*

Okay. On the SG&A that is inclusive of non-cash incentive compensation, so we do break that out in some of our disclosures. So do you have to kind of find that and at it back. D&E the density is just over 100 lines per square mile. It is a little more urban than some of our markets, but as Jeff mentioned, it's in a state where we already have a significant presence today. They've got an outstanding network with 100% broadband addressability. It's a market we're real excited about.

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Jeff Gardner - *Windstream Communications - CEO, President*

I think when I think of D&E, it's a lot like CT where their density was a bit higher than ours. When you go out and visit those markets, they just have concentrated pockets of people. Importantly, as Brent said good broadband penetration and availability. So again, we expect to do very well in those markets.

David Coleman - *RBC Capital Markets - Analyst*

And on the access line loss rate for, I guess, Windstream.

Jeff Gardner - *Windstream Communications - CEO, President*

Residential.

Brent Whittington - *Windstream Communications - EVP, CFO*

I'd say there's no major changes for us. I mean, our business line loss as we indicated has ticked up a little bit from where we were trending last year. Our overall numbers of about 5.5% favors the residential side by about 150 bases points on the business side. And the business acceleration, not as much really due to you know, what we see as increased competition, but a big factor of that has been just reduced business start-ups in our market. That's definitely been a driver for us this year.

David Coleman - *RBC Capital Markets - Analyst*

Great. Thanks a lot.

Operator

Your next question is from Chris Larson from Piper Jaffray.

Chris Larson - *Piper Jaffray - Analyst*

Hey, thanks for taking the question. I know you talked about how you felt the dividend policy was important to your shareholders, but assuming that there's a change in dividend taxation, what are your thoughts on shifting to using a free cash flow to buy back shares? And then secondly, if you could talk a little bit about your thoughts on leverage ratios given what happened last year and a number of your compatriots have indicated they want to have lower, longer-term leverage ratios. What are your thoughts there? Thanks.

Jeff Gardner - *Windstream Communications - CEO, President*

I'll start that on the leverage ratio. We've been comfortable still right at 3.2 times as opposed it a specific leverage ratio. We remain focused on the rating, a solid DD rating. Certainly at times that can create challenges with access to credit.

I think on the whole when you look back over a long period of time, we believe we can access the capital markets at reasonable rates, and we've seen the markets improve substantially from where they were in the early part of the year. So no major change in posture there. The only thing we have hinted at is our willingness to take leverage up certainly is much, much less than it was a year ago. Aside from that, no change many policy there.

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Brent Whittington - *Windstream Communications - EVP, CFO*

As it relates to the dividend, again, I think that we've been real consistent since we've been a public company in terms of paying out that dividend $1 per share. It really is perfect for a business like ours that has sustained cash flows for a long period of time. And we don't have any intention on changing that strategy in the near term, so we're just focused on continuing to generate cash flows in our business, and when you look at our business, compared to our peer group, I think we're very well positioned for to generate strong free cash flow for a very long time. That's exactly the kind of business model we've tried to build here at Windstream. And we are concerned about many things going on in Washington right now, but we don't want to predict precisely what is going to happen there.

Chris Larson - *Piper Jaffray - Analyst*

Thanks. Terrific. I appreciate it.

Brent Whittington - *Windstream Communications - EVP, CFO*

Okay.

Rob Clancy - *Windstream Communications - SVP, Treasurer*

Hey, Jennifer, we have time for one more question.

Operator

Your final question will come from Donna Jaegers from DA Davidson.

Donna Jaegers - *DA Davidson - Analyst*

Thanks for taking me on the questions. I'm curious if you're seeing your cable competitors increasing speeds on their high-speed data products and as a response you are testing pair bonding or any other technologies that would increase your speeds?

Jeff Gardner - *Windstream Communications - CEO, President*

I think rate now, Donna, we are very well positioned competitively against our cable competitors in the marketplace. We are always trying to push the envelope to move the speeds up, especially in our most competitive markets, but we haven't seen a specific area of emphasis by the cable companies in the last quarter. So I think we're very well positioned.

Donna Jaegers - *DA Davidson - Analyst*

Thank you.

Rob Clancy - *Windstream Communications - SVP, Treasurer*

Okay? We'd like to thank you folks for joining us this morning. We appreciate your interest and support. Gary Michaels and I will be available for additional questions throughout the day.

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Operator

Thank you, ladies and gentlemen. This does conclude today's conference call. You may now disconnect.

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