THE PHOENIX MILLS LIMITED

Corp. Office : Shree Laxmi Woolen Mills Estate, 2nd Floor,
R.R. Hosiery, Off Dr. E. Moses Rd. Mahalaxmi, Mumbai - 400 011
Tel : (022) 3001 6500 Fax : (022) 3001 6601
CIN No. : L17100MH1905PLC000200

November 20, 2017

The Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001
Fax: 22722037 / 39 / 41 / 61

The Corporate Relationship Department
The National Stock Exchange of India Ltd
Bandra-Kurla Complex, Mumbai.
Fax: 26598237 / 38, 26598347 / 48

Ref: The Phoenix Mills Limited (503100/ PHOENIXLTD)
Sub: Transcripts of Earnings Conference Call held on Tuesday, November 14, 2017

Dear Sir(s),

This is further to our letter dated November 9, 2017, regarding invitation for earnings conference call organized by the Company on November 14, 2017. In this regard, we are enclosing herewith transcripts of the aforesaid conference call for your reference.

We request you to kindly take the same on record.

Regards,

For **The Phoenix Mills Limited**

Company Secretary

THE PHOENIX MILLS LIMITED

The Phoenix Mills Limited
Q2 and H1 FY2018 Results Conference Call
November 14, 2017

Moderator: Ladies and gentlemen, good day and welcome to The Phoenix Mills Limited Earnings Conference Call. As a reminder, all participants' lines will be in listen-only mode and there will be an opportunity for you to ask questions 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 this conference is being recorded. The Management will be represented by Mr. Shishir Shrivastava – Joint Managing Director, Mr. Pradumna Kanodia – Director Finance. At this time, I would like to hand the conference over to Mr. Shrivastava. Thank you and over to you, sir.

Shishir Shrivastava: Good morning, ladies and gentlemen and thank you for participating in the Phoenix Mills Limited Conference Call to discuss the Q2 and H1 FY2018 Results. I will take you through the operational highlights for this quarter before handing the call over to Mr. Pradumna Kanodia for his comments on the financial performance this quarter.

We are pleased to report another quarter of steady growth in the consumption across our retail assets. Retail consumption at our malls in the first half of FY18 came in at Rs. 30,778 million up 11% year-on-year while total rental income from our retail portfolio came in at Rs. 4,175 million up 12% year-on-year. Our retail assets continue to consolidate their position as being the leading mall in the cities in which they operate. Of particular note was the performance at Phoenix market city Bangalore which in its 6th year of operation continues to demonstrate market leading growth across categories and recorded a strong consumption growth of 31% with rental income growth of 21% and an EBITDA growth of 18% for the first half of FY18.

Likewise, Phoenix market city Pune recorded a consumption growth of 19%, rental income grew 22% year-on-year and EBITDA also saw a growth of 21% year-on-year for the six months ending September 2017. Phoenix market city Mumbai continues its sustained uptick in performance with consumption growth of 19% for the six months ended September 2017. Healthy consumption growth has resulted in improved EBITDA performance for the assets. The asset has reported an EBITDA of Rs. 473 million for the six months ending September 2017 which is up 57% year-on-year. At our flagship mall High Street Phoenix and Palladium in Mumbai consumption was flat as almost 12% of the mall area was under fit outs. We are creating a new zone called North Sky Zone where we are replacing the erstwhile large department store with 13 new retail and F&B outlets. We expect North Sky Zone to open in December of the current year and boost our consumption and rental income during the second half of FY2018.

I am pleased to share with you that our new luxury mall Palladium Chennai was launched on 13th October 2017 with the opening of H&M. The mall has a leasable area of approximately 0.22 million square feet and is expected to be fully operational by December 2017. Moving on to the Hotels business, our hospitality portfolio reported strong operating trends for yet another quarter. The St. Regis Mumbai has been doing well consistently and reported 21% year-on-year growth in room revenues for the six months ended September 2017. Occupancy levels have improved from 65% last year to 72% for the first half of fiscal year FY18, while ARRs are up 9% year-on-year to Rs. 10,700 per night. For the first half of fiscal year 2018 income from operations was up 13%

year-on-year to Rs. 1,242 million and operating EBITDA was up 24% at Rs. 430 million.

Coming to Courtyard by Marriott Agra, income from operations was up 20% year-on-year to Rs. 130 million. Room revenues were up 16% year-on-year while F&B and banquet income was up 25%. Average occupancy for the quarter ended September 2017 was 59% in the first half of fiscal year 2018 up from 42% last year while ARRs for the quarter were Rs. 2,812.

A quick update on our commercial portfolio. As on September 30th 2017 we have leased 0.73 million square feet at an average rate of Rs. 97 per square foot across our commercial portfolio in Mumbai. At Art Guild House, 71% of the available leasable area has been leased. Some of the marquee tenants of Art Guild House include Cipla, Nivea, Nippon, Kimberly Clark, amongst others.

I will now handover to Mr. Pradumna Kanodia to comment on the financial performance.

Pradumna Kanodia: Thanks Shishir for the update on the operational side. I will take you through the financial performances now. Good morning to everyone. We reported a consolidated income from operations of Rs. 7,665 million for the H1 2018. We reported a consolidate EBITDA of 3,545 million at a margin of 46% and PAT after minority interest and before other comprehensive income of Rs. 843 million for the first half of the fiscal year 2018.

Consolidated financials for the same period that is H1 of 2018 are not comparable on a like-to-like basis with the H1 results of 2017 primarily for two reasons. Firstly, Classic Mall Development Company, our company which owns and operates the retail assets Phoenix MarketCity, Chennai ceased to be a PML subsidiary effective 31st

March 2017 and hence has been re-classified as an associate of the company. And the second reason is that the H1 of 2017 had revenue recognition from our Kessaku residential project for the first time. So, it was a number which was very significant for that period. The reason for that was the percentage completion had been achieved in that project and we recognized the income for the first time and this is primarily the reason why the impact and the year-on-year comparison for the reported results for the first half of the fiscal year 2018 do not really compare apple-to-apple if I may say so.

Moving forward excluding the performances from the residential portfolio and if we were to assume consolidation of PMC Chennai for just a theoretical comparison, The H1 FY18 income from operations from non-residential portfolio came in at Rs. 8,136 million which is up 7% year-on-year while H1 FY18 PAT after adjusting for minority interest and before adjusting for comprehensive income came in at Rs. 724 million which is also up 11% year-on-year. This is basically just a number to help you understand in terms of how the growth has been.

On the asset side, I am pleased to also share with you that we have completed the merger process of our Gangetic Hotels which is our Agra hotel company with the Palladium Construction which is our Bangalore residential company. We got the approval in October 2017 which is effective from 1st April 2016 this will bring in greater efficiency in terms of holding and improved tax efficiency across these two assets.

Moving on very quickly to the operating cash flows, our annuity business comprising of the residential, hospitality and commercial assets continued to perform strongly. This was visible during the first half of the fiscal year 2018 when we spend about Rs. 2.75 billion for acquiring stakes from the minority investors across the few of the SPVs and also buying residual TDR that was required for our residential project in Bangalore. These spends were almost entirely funded by internal accruals, despite such a large outflow of cash during this period our gross debt since March 2017 has only increased marginally by Rs. 540 million. Further the parent listed entity The Phoenix Mills Ltd. received first time dividend of Rs. 327 million from its subsidiaries namely Vamona and Island in this quarter of 2018 signaling the up streaming of cash surpluses available at some of our SPVs going forward as well.

Before I conclude, small comment on our borrowing cost for the period ended 30th September 2017, our cost on a blended basis stands at around 9.3% which is down from 10.2% as of March 2017. We are also expecting the blended rates to come down further as we look at renegotiating and refinancing some of our loans going forward till March of 2018. Currently the kind of interests that we are being offered on lease rental discounting varying and ranges between 8.5 to 8.7% on a fully floating basis.

With this, I conclude my opening remarks and discussions and if there are any questions we are happy to take that. Thank you once again.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin the question and answer session. We have our first question from the line of Abhishek Bhandari from Macquarie Securities. Please go ahead.

Abhishek Bhandari: I am referring to slide number 18, where you have articulated that is spend close to Rs. 1,350 odd crores over last 4-4.5 years buying out the minority stakes. Now going forward as you said there are not any large minority buy outs left. What do you expect the use of surplus cash to be?

Varun Parwal: So, I think as we have stated in the presentation over the last 4 years our surplus cash flows have largely gone towards minority stake buy outs. Of course Rs. 1,350 crores was spent over the last 4-5 years approximately. Even in FY18 for example between April and September we spent additional Rs. 255 crores which is a part of the Rs. 1,350 crores figure. So, per se that completes our fund outlay for these minority buy outs and I think FY19 onwards you are right I think the cash flow position should improve and at an appropriate time we will come out with guidance on future capital outlay.

Abhishek Bhandari: Why I am harping on this is, is it fair to assume that in your surplus cash generated out of your existing portfolio of malls we will also go into the platform with the Canadian guys or you think that platform has enough leverage available on its own to fund the growth?

Shishir Shrivastava: If I may clarify, that the platform that we have with CPPIB these will be fully funded to the extent of approximately Rs. 1,700 crores of equity and even if we have a little bit of a conservative outlook on the amount of debts that we would like to raise for investment in subsequent projects. I think this will allow us to at least build out projects where the total cost would amount to about Rs. 3,500 crores. That in itself would translate to at least 3 to 4 large centers that will be funded through this platform and it does not require Phoenix Mills to have any further capital outlay into that platform.

Abhishek Bhandari: So, if I recollect correctly you had mentioned that most of your growth going forward at least on mall side will be through the platform and Phoenix Mills on a standalone basis is unlikely to take very large asset development, is that correct or my understanding am I missing something?

Pradumna Kanodia: Abhishek, no I think perhaps I must explain this point again. For the next 4 assets that we develop these will be funded through this platform, subsequent to that we may choose to build out more projects on our own outside of this platform.

Abhishek Bhandari: My second question is on your consumption fall what we saw in HSP and you clarified that 11 odd percent of area was under fit out. Is it fair to assume that on a run rate basis fourth quarter would be similar to the steady quarterly numbers as far as consumption is concerned or they could be a little more push out given that the new tenants might take time to stabilize?

Shishir Shrivastava: Fourth quarter, I would estimate should be a big one for us. We should come back to our steady state on consumption and see a growth there. We are of course aiming to have these new tenants operational by then and I believe that the brands that would be coming in there will drive perhaps higher consumption than what the department store was driving.

Abhishek Bhandari: And my last question is around your residential portfolio, what is the pending construction cost across the projects and same for the commercial 1 million square feet what we have under construction.

Varun Parwal: So, if we go project by project, in One Bangalore West towers 1 to 5 the entire construction has been completed and at this point in time there is no further spend that is expected in towers 1 to 5. Tower 6 which is under construction at this point in time, we have spent over 50% of the cost in that particular tower and we expect only about Rs. 35 crores-Rs. 40 crores of further spend over the next 2 years to complete and handover that particular tower. Now for Tower 7, 8 and 9 we purchased TDR during the quarter. So, we spent about Rs. 25 crores on purchase of TDR and in terms of the balance construction cost for these, once we launch these towers, we come out and provide you more clarity on the construction cost for these towers.

Pradumna Kanodia: The cost of our construction across all our residential portfolio has remained pretty steady there has been not been any increase. The pre-sales that we have achieved in Kessaku and Tower 6 are as on today even without any further sales would be enough to complete our ongoing requirement of construction funding for Tower 6 as well as the Kessaku part of it and as Varun was mentioned, Tower 1 to 5 have already been completed, OC has been received so there is no further CAPEX there. Similarly, for our towers at Crest which is our Chennai property all the OCs have been received there is no further residual CAPEX on that as well. So, even if I were to give a number to the amount that is to be spent that would be lower than my receivables from my existing sales inventory that I have in terms of Kessaku and Tower 6.

Abhishek Bhandari: And any number on the commercial or have we done on the commercial portfolio spending?

Shishir Shrivastava: Yes, commercial also has been completed because the tower is almost 72% leased out and balance 28% we are hoping that in the next 6 months we will lease that out. So, from a cost of construction point of view everything is done there may be a minor amount of some fit out expenses that we may choose to do for certain clients but those are insignificant numbers. Those really will not require any major capital allocation.

Moderator: Thank you. We have the next question from the line of Saurabh Kumar from JP Morgan. Please go ahead.

Saurabh Kumar: Sir, just carrying on Abhishek's point on free cash flows, so the slide 80 of your presentation. So, is it fair to assume that you will at least formalize some sort of dividend policy at least going ahead, the point what I am trying to get here is if you start your CAPEX cycle again then really the benefit of this all malls back to shareholders, I do not know how it translates back if you continue with the current level of dividend payouts?

Pradumna Kanodia: I think we greatly value what you have just stated, and we are yet to conclude the strategy on the utilization of free cash going forward. We would certainly want to have a balanced approach on rationalizing debt levels if required, reconsider perhaps the dividend policy but also we would like to have the ability to participate in some development activates which may not be undertaken under the platform that we have with CPPIB. So, we may choose to have a bit of war chest available to exploit some opportunities that may come our way. So, I think all of these are points that we have to consider and take a final decision on this.

Saurabh Kumar: So, basically if you look at your EBITDA less interest, this year you will generate close to about if I am not wrong close to Rs. 450 crores to Rs. 500 crores and even if you take out the Bangalore and Chennai because those are joint ventures you are still left something like 400 crores across without considering the sales you get from Kessaku. So, this is annual cash flows …

Pradumna Kanodia: Yes, but if may draw your attention to slide 79, we have explained over there that in FY18 we are close to 300 crores of debt repayment and then of course one must consider the tax as well, the income tax that will be payable. So, ...

Saurabh Kumar: At least debt repays out. So, at least the Rs. 1,300 crores which was spent in buying out minority one can hope that at least that much debt reduction can happen?

Pradumna Kanodia: But that was over the period of 5-4 years no?

Saurabh Kumar: Yes, which is fine.

Pradumna Kanodia: So I think slide 79, clearly shows what is the debt maturity over FY18-2019 and 2020. Of course some of these will, to some extent get refinance, etc. But largely one would have to meet these repayment obligations.

Saurabh Kumar: So, you can meet them without any refinancing anyways?

Pradumna Kanodia: Yes, that is true. We can meet this debt repayment obligation without requiring any refinance.

Saurabh Kumar: And second is just on Kessaku, are you really happy with the sales velocity you are achieving? Not in this quarter even for the last one year?

Shishir Shrivastava: See, this is the very unique product and if you had a chance to look at it the positioning is really towards the uber luxury segment and there are people who really value what we are delivering. So, we are not in a rush to sell just for the sake of the numbers that one is to generate. The profitability margins and the current positioning in the market give us that advantage that as we see the civil work is almost nearing completion and the asset should be ready for handover maybe in a years' time from now. So that gives you a very good visibility going forward, yes there have been challenges across real estate especially in terms of the GST, RERA, demonetization and all of it. So one cannot ignore what outlook of that or what is the outcome of that but given the fact that the product will be ready for delivery in a years' time and there are people who are really very happy with the kind of work that we have done. So a limited amount of inventory to be sold gradually at a price point which gives us superior returns. We are happy with the sales velocity, yes overall market has been very sluggish, so one cannot really have a view which is different from that but at this stage we would not want to be selling in the market without really protecting our margins and there without really maintaining our price point and our market leadership there.

Moderator: Thank you. We have a next question from the line of Abhishek Anand from JM Financial. Please go ahead.

Abhishek Anand: So, again continuing with the cash flow part, so have we targeted any net debt to equity or net debt to EBITDA number going forward given the cash flow given the cash generation we are going to get. Are we targeting some ratio there?

Pradumna Kanodia: No, so if you look at their 2 ways of looking at. One, the target for our new projects under the Canadian fund we are pretty much clear in our mind that we would want to keep that as a 1:1 sort of a number. For our existing portfolio and our established assets if you look at the debt service coverage ratio or any other parameter debt equity all those parameters are very comfortable to us. So, we have been always maintaining that we will continue to have a reasonable amount of debt in the balance sheet of each of the company, first that it allows us tax efficiencies because to have an interest expense at the tax deduction also is a very sound sort of a financial prudence also the fact that these companies have started generating significant cash flows parameters are all comfortable. So, there is no rush from our side to reduce the debt there is a life cycle of these debts which allow you to repay so as we were mentioning in the earlier response around Rs. 300 crores is our repayment cycle for each of the next 3 year roughly. Which will mean that if we do not do any changes you would have repaid Rs. 1,000 crores of your existing debts over the next 3 years' time frame. So, from that point of view, we do not really see an increase in our debt on our existing portfolio but there would be their gradual reduction in debt and as Shishir was mentioning that some of our cash flow requirements to keep our war chest ready for growth outside of the platform will be funded from this. So, you may have a situation where assets may need a little bit of funding just for refinancing it and keeping that war chest ready. But clearly no aggressive plans to increase any debt on our existing portfolio. Natural reduction will be there and if required case-to-case we may look at specific debt for refinancing and if top-up is required we may look at it.

Abhishek Anand: And what would be the cost of debt at our St. Regis subsidiary?

Pradumna Kanodia: Well, currently we are in active discussion with our bankers, the reset is likely to happen in December where we are also looking at rate reduction and improved rating there. So, my sense with our existing bankers which is currently at 10% is that we should be moving down at least 50 to 75 basis on the price toward the 15th of December is when we will have a reset on that.

Abhishek Anand: So, basically where I am coming from is that we consolidated Agra with cash generating subsidiary. So, is there any thought around including The St. Regis with one of the subsidiary in order to get better tax benefit, lower the cost of debt is there any thought process on that side?

Pradumna Kanodia: No, I think at 9.5% for a Hotel where 14-year funding is available, it is a very fine price and I do not think so any other asset in the country would be comparable to that. Clearly this asset is of huge value in terms of the market value and otherwise, so for a merger to be considered there is a huge cost that gets associated that is one part and secondly, it is part of our mixed-use Phoenix Mill Developments you really cannot have a situation where you have a thought around the merger with some other entity. We also have a partner here, so I think those things have been evaluated really does not warrant a discussion. The losses in the Hotel are coming down significantly. This year we are hoping that the current 6 months gave us a loss of around 23 crores post depreciation and everything hopefully for the full year because the next 6 months are very exciting from the business point of view. We are hoping that this loss will actually get reduced from 23 crores to may be down to 15 crores-18 crores. So, from that point of view, the worst is behind us and there is and the carry forward losses are anywhere available for us to take advantage as we go forward. So, there is no current discussion around merger but there is a current discussion around improving efficiencies and getting the profitability of the Hotel with the Marriott team.

Abhishek Anand: And lastly on your Chennai Palladium, if you could give us the leasing in that and what is the rental you are getting right now?

Pradumna Kanodia: Leasing as we said, the H&M opened its store with us there and as we are under fit outs with many other retailers almost (+70%) of the area has already been leased out and by December end you would see all of most of these stores becoming operational. The idea is to get some very Marquee brands there and some luxury brands which are probably more suitable for the Palladium kind of development to come in fine place there and we are very happy to share that our current LOIs and the arrangements with the retailers are giving us that comfort not only from a rent point of view but also the quality of retailers that are coming in there. Our average is in excess of 170-175 as of now but as we leased the balance 25%-30% this is likely to be improving and becoming closer to say 180-185.

Moderator: Thank you very much sir. We have a next question from the line of Adhidev Chattopadhyay from ICICI Securities. Please go ahead

Adhidev Chattopadhyay: My question pertains to the Wakad mall, could you just update us what was the current status of the approvals and what costs we have borne and when the mall eventually starts what is the sort of indicative rentals that we hope to achieve keeping in mind that Pune is already existing one is Viman Nagar is already at (+100).

Varun Parwal: As you aware, we announced the acquisition on 14th of August. At that point in time we had bought a 13 acres parcel of land for cost of about 161 crores and in October we bought adjoining 2 acre parcel of land for another 21 crores taking in totality the land size at 15 acres. The development potential of 1.8 million square feet and land cost at 181 crores if we include the stamp duty and registration cost this would roughly come to about 195 odd crores in there. At this point in time, our team is working on the approvals and given the size of this particular development, we have also have to get the environmental approvals for the design, planning and approval processes underway and by next quarter we give you an update on the development status but expect about 6 to 8 months for approvals to come in before we begin excavating. Once we begin construction then it is another 3 years for the construction to be completed and mall to be subsequently operationalized.

Adhidev Chattopadhyay: And second question is on the CPPIB money which has come in. So where is this money if you could break it up sitting on the asset side and on the liability side on the balance sheet on a consol balance sheet debtors?

Varun Parwal: So, in the consol balance sheet if you refer to the cash and cash equivalents item and which also clubs in the investment you see a figure of Rs. 554 crores. Out of that about Rs.493 crores is the balance money that was infuse by CPPIB branch 1. CPPIB has put in Rs. 724 crores, out of which of course, the land cost for Pune acquisition has been funded from there. So, the balance money sitting in liquid mutual funds at this point in time.

Adhidev Chattopadhyay: So, that is on the assets under where is it reflected on other side of the balance sheet, I understand it is part of the Bangalore SPV, so on the liability side where does that corresponding figure lie?

Varun Parwal: It would be in the equity side on the liabilities.

Adhidev Chattopadhyay: But it is not part of our consolidated net worth, right or …

Pradumna Kanodia: From an accounting point of view the premium that we got went into the results and what was the face value went into the equity. So, when we are consolidating line-by-line because it is still 30% holding by the Canadian funds 70% by us. So, we are consolidating based on the accounting principles, so reserves get added to our reserves and equity to equity and then whatever knocking off is required is done. But yes, the money which is come in has got reflected in our net worth but yes 30% of that has become now somebody else is so to that extent minority interest has been adjusted.

Moderator: Thank you. We have a next question from the line of Abhishek Bhandari from Macquarie Securities. Please go ahead

Abhishek Bhandari: One observation we have been having in generally in the real estate sector is that post RERA lot of land owners have been trying to partners with the residential guys for land development because they feel they can get a better value out of it and they cannot do the business on their own. Are you sensing similar amount, similar thing coming on the retail portfolio or do you think as a developer you would prefer to own the land rather than partnering with the landlord?

Varun Parwal: So, Abhishek two parts to that question. First on the JDA-joint venture side for the retails and acquisitions that we are looking at, I think at this point in time the economics for a retail mall development are different from a residential or commercial development and if a landlord were interested in an opportunity to partner with us we would definitely evaluate it. Our preference however, would be to own the asset outright. And have total control over the development rights at this point in time and even in the options that we are evaluating that is the option that we prefer.

Abhishek Bhandari: And has there been any change in the pipeline of distressed asset which would have been coming for auction let's say we did something in Indore but any other similar things we have sensing out there in the market or what we are looking right now is more on the green field side?

Varun Parwal: I think it is more greenfield, Abhishek at this point in time we have not seen an auction for a large size interesting of distress assets come in through. But if something comes through our teams would definitely evaluated.

Moderator: Thank you. We have a next question from the line of Saurabh Kumar from JP Morgan. Please go ahead.

Saurabh Kumar: Sir just trying to figure out what is the addition to rentals because of this Chennai and the 50,000 square feet you are republishing in Lower Parel. So, will it be fair that total number will be something like 50 crores-55 crores between the two of them the additional to your gross rents?

Varun Parwal: So Saurabh, Palladium Chennai opened up on 13th October. So its numbers are not reflected in this quarter. Now and we expect the Mall to be fully operational by December 2017 with several other shops opening up. At this point in time 70% of the area is leased and hypothetically I would say that for 2 lakh square feet, 90% occupancy at Rs. 170 of average rents. One would expect the figure of about 30 crores a year on the gross rental side. That is at that time we can only talk about the minimum guarantee and what really forecast what could happen on the revenue share part of it.

Saurabh Kumar: And Lower Parel?

Varun Parwal: Lower Parel I think at this point in time our expectation would be that similar to what we saw with Big Bazar and H&M. When H&M replaced Big Bazar, we had consumption doubling and we had rental income from there increasing by almost 2.5-3 times. The departmental stores of course, have a different margins and but here again we do expect consumption and rentals to be higher than what this space was currently generating. So, one would expect this to be at least 50% higher if not more.

Saurabh Kumar: Around Rs.200/sq. ft will be EBIT number to assume was the rentals, sir?

Varun Parwal: Higher than that Saurabh, I would say, let's open up in December and then you see the numbers reflecting in the quarter 4 results. So, of course on the Q3 call we can give you better numbers on this.

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

Varun Parwal: Thank you everyone for joining us for the second quarter conference call. We look forward to speaking with you again after our Q3 results. Thank you.