Company: **Ghabbour Auto**

Conference Title: **Fourth Quarter and Full Year 2014 Results Presentation**

Moderator: **Dr. Raouf Ghabbour, Mr. Mostafa El Mahdi**

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Operator: Good morning, afternoon, ladies and gentlemen. Thank you for joining our Fourth Quarter and Full Year 2014 Results Presentation conference call. From GB Auto, we have Dr. Raouf Ghabbour, CEO, and Mr. Mostafa El Mahdi, CFO, presenting fourth quarter and full year 2014 results. I will hand over to Dr. Ghabbour for his presentation then we will have a Q&A session. Dr. Ghabbour.

Dr. Raouf Ghabbour: Thank you. Good afternoon and thank you for joining our fourth quarter 2014 earnings call. Ladies and gentlemen, please allow me to open with a proverb: He who is not satisfied with himself will grow. It's a proverb I've heard many times from my partners in Asia, Korean and Chinese alike, and it is a perfect epitaph for 2014.

On the face of it, the year just ended was outstanding. Our home market of Egypt broke 2008 levels of performance in passenger car sales, suggesting we have at least recovered from the spillover of the global financial crisis into our home market and more critically, the 2011 revolution and its complex aftermath. Heavy spending on infrastructure and renewed corporate appetite showed the return to life of our commercial vehicles and construction equipment after years of agony, validating our steadfast belief in this critical business. The markets for our motorcycles and three-wheelers division is nothing short of brilliant, an adjective that could equally apply to the performance of our financing business. Meanwhile, our tyres, new businesses and aftersales activities all took important strides forward.

And yet, it is hard not to wonder what might have been. Our bottom line was eroded by foreign exchange losses due entirely to challenges created by Egypt's foreign exchange regime. We lost more than a full quarter of three-wheeler sales after a since-aborted import ban. Libya and Iraq, our most promising expansion markets, ran headlong into political and security challenges beyond the control of any market player. The need to navigate opportunities and challenges is fundamentally the greatest balancing act in any business and perhaps nowhere is that more the case than here in the Arab world.

Happy then is the day when you can address existing challenges by seizing clear opportunities. On the challenges side of the ledger, we have internal and external issues to address. The external headwinds are simple: no business owner today can claim to have clarity on where Iraq is heading and the security challenges in Libya are plain as day. Equally clear is our response. Without inventory in Libya fully insured, we remain careful observers of the situation to our west but will not re-enter the market until such a time as our staff can be safely deployed. In Iraq, we continue to plan for the future while maintaining relatively normal operations in both the nation's southern and central provinces.

Equally clear is the domestic challenge where we are calling on the Government of Egypt to take steps that will ensure the continued viability of the local automotive assembly industry and the hundreds of thousands of direct and indirect jobs it supports. As matters presently stand, trade liberalisation under the European Union, Moroccan and Turkish partnership agreements gives imports from those areas an exceptionally unfair advantage over products assembled in Egypt. Indeed, the advantage is sufficiently unfair that it is difficult to envision how a single car will be assembled and sold in Egypt by 2019. Alongside careful planning and execution, we will handle these challenges in the same manner as we have since 2011 – by pursuing geographical and product line diversification now with an up-to-date twist. We continue to see outstanding avenues to create shareholder value by driving a larger part of our revenues outside of Egypt, our core geography; and passenger cars, our core product line. In light of the era of post-revolution re-stability into which Egypt is now passing, we are aiming to capture a larger portion of the opportunities presented by this diversification drive without leaving home. In short, we will export, export and export still more – even as we pursue growth in our current markets and product lines.

This export drive takes two forms. First, we have established a reputation for quality and value for money with the products of GB Polo, our bus manufacturing operation in Suez, which has successfully penetrated the Gulf Cooperation Council and East African markets even as it wins new orders on the back of rising mass transport spending here at home. Finally, we are returning to my roots in this industry with our plan to begin construction this year on a tyre plant that will allow us to start locking in supplies of high-quality tyres across a wide spectrum of sizes and uses, making up for years of short supply from our key OEM partners. By doing so, we will simultaneously add another own brand to our portfolio alongside our financing businesses, giving us more control over pricing and margin.

As part of the financing for this expansion drive where we will capture the upside of new geographies without additional countries, we are now in the midst of an EGP 960 million tradable rights issue. Proceeds will be earmarked for both the motorcycles and three-wheelers facility and the tyre plant as well as to explore other opportunities across our footprint in the Middle East and Africa.

Fellow shareholders, Egypt is a nation endowed not just with the Suez Canal, Mediterranean and Red Sea coastlines, a growing 90 million person consumer market, cultural leadership of 300+ million Arabic speakers and a diversified economy that spans from industry and agriculture to trade and services. Ours is also a nation marked by an entrepreneurial spirit and innate ability to take and mitigate risks. I see vast opportunities in a nation that is the fifteenth largest in the world by population and one of the ten emerging markets – China and India aside – with a population of more than 90 million.

I thank you all once more for your trust and look forward to reporting every quarter this year on the latest chapters we have written in our drive to grow an exceptionally exciting business. With that I will hand the call over to Mostafa El Mahdi, our CFO, for a quick look at our financial performance in the fourth quarter. We will then open the floor to your questions. Thank you. Mostafa, please.

Mr. Mostafa El Mahdi: Thank you, Dr. Raouf. Good morning, good afternoon, ladies and gentlemen. During the full year of 2014, GB Auto revenues increased by 35% over full year 2013, while total gross profits increased by 35.2% resulting in stable gross profit margins at 12.8%. EBITDA margins improved by 48 basis points in the same period as EBITDA reached EGP 1.1 billion. The improvement in the operating margin doesn't trickle down to the bottom line for two main reasons: one, the impact of forex loss netting off EGP 157 million during the year. The majority of this loss results from availing the US dollar from the market which is different from the official market rate. The second reason is the impact of the income tax expenses in 2014 which reached EGP 90 million because of different reasons: one of them increase of tax rates by extra 5% to reach 30% instead of 25%, the improved profitability of the majority of the business lines, a full utilisation of carried forward tax losses in the previous years in addition to the new tax on dividends.

GB Auto total debt climbed to reach EGP 4.8 billion figure. That included the financing business debt which represents about 20% of the total Group debt, reaching EGP 907 million as well as the shareholder loan approved by the General Assembly of the shareholders held on 2 June 2014. GB Auto has concluded two loan agreements with its main shareholders including a US dollar tranche and another in Egyptian pounds. The balance of the shareholder loan as at 31 December 2014 including the accrued interest stood at EGP 516 million. The loan carried an annual interest rate of 10.5% on the Egyptian pound tranche against the company current averaging borrowing rate of almost 12%, and 3.25% on the US dollar portion compared with 4.2% as current average rate for borrowing US dollars from outside.

While the passenger car division was able to decrease its excess inventory during 2014, the demand growth for commercial vehicles and construction equipment lines of business required higher inventory levels, leading to an overall increase in the inventory. This, together with the increase in the receivables from sales to government entities, resulted in a pressure on our operating cash flow.

Looking ahead, as the economy continues to improve and demand continues to grow, management expects to see continued improvement of the key financial indicators, in particular as the company continues to invest in higher margin activities, management foresees an improvement in the net profit margins, noting that we cannot foresee the impact of extraordinary events. The company’s ambitious investment plans are set to start shortly after the capital increase.

That concludes our presentation for today. Ladies and gentlemen, we would now be pleased to take any questions you may have. Thank you.

Operator: Thank you. If you would like to ask a question at this time please press the star or asterisk key followed by the digit 1 on your telephone keypad. Please ensure that the mute function on your telephone is switched off to allow your signal to reach our equipment. Again, please press *1 to ask a question. Our first question comes from Samah Dissi at Beltone. Please go ahead, your line is open.

Samah Dissi: Good afternoon. Thank you for holding the call. I had a question regarding the reforms in Egypt. You have noted several times in the press release of the earnings that you are wary of the agreements with the EU, Turkey and Morocco. I just wanted to ask whether you've taken a look at the project presented to the government, it was released in Al Borsa newspaper on January 29 of this year, in which it's suggested that the sales tax on imported cars is to be higher than locally assembled as well as the development fee. I was wondering, is this a solution for the problem of having more attractive imported cars years down the road?

Dr. Raouf Ghabbour: As a matter of fact, the current customs tax regime applies 40% customs for small cars, which is 1.6 litre and below, and 135% customs on above 1.6 litre engine cars. Currently, the European Community and Turkish cars are paying 50% of the 40% and 50% of the 135%, and during the years '16, '17, '18 and '19, every year there is going to be another 10% reduction which will lead to 0% customs duty for Turkish and European cars imported to our country. This means that according to the current customs structure, the Egyptian Government is giving a privilege to European and Turkish manufacturers or products, a privilege of 40% against all other origins of cars and a privilege of 135% against other origins of cars for luxury or bigger cars, which is definitely not the right thing to do, especially that in Europe and Turkey, the customs duty for cars is 10% across the board. So theoretically, if Egypt is some day going to be trying to export cars made in Egypt to Europe or Turkey, we will be getting a 10% privilege against giving the European or Turkish 135% privilege, which absolutely doesn't make sense and which will definitely handicap the Egyptian manufacturing from escalating from the current fact of life, which is we are doing a complete knock-down assembly operation, moving ahead to manufacturing, so developing the industry from assembly through manufacturing is going to be completely killed by this unfair treatment. I think that the Government of Egypt clearly understands the problem now and they are working on it. What they are going to come up with

I don't know, but I trust that the Government of Egypt is not by any means going to let the industry collapse.

I have to say it here that I have been focused on European and Turkish; I have not mentioned anything about the Moroccan. Funny enough, Moroccan cars or cars made in Morocco are coming to Egypt with zero customs since five years until now, and how can we compete against those imports while we are incurring lots of amortisation and depreciation and in the meantime, we are paying custom duties of 7% while they are paying 0%? So absolutely this doesn't put Egypt into a competitive position and I think we have a fatal or a catastrophic situation which I am confident will be resolved in the very near future.

Samah Dissi: Yes, thank you. I had another question concerning the tyre segment. We've learned from the market that in 2014, the dumping fees on Chinese and Indian imports have been dropped for passenger cars and light trucks. I was wondering what's going to be the impact on the tyre segment here in Egypt and what are your expectations for 2015.

Dr. Raouf Ghabbour: As a matter of fact, the cost of producing tyres in Egypt may be either neck-to-neck with China or slightly cheaper. While we know that the costs, manufacturing costs in China are increasing because they, the labour cost is rapidly increasing in China and especially in the east part of China where the tyre manufacturing is, and in the meantime the government of China was giving export subsidies which have been eroding during the past few years, and I believe that within a year or two – which means before we start our production – those export subsidies will vanish. So I have absolutely no concern about anti-dumping being there or not there. Our economies have not been based on anti-dumping.

Samah Dissi: Perfect, thank you.

Dr. Raouf Ghabbour: Thank you.

Operator: Thank you. As a reminder, to ask a question please press *1. We have a question from Tamim Elyan at Bloomberg News. Please go ahead, your line is open.

Tamim Elyan: Good afternoon, Dr. Raouf. I had two questions. When do you expect the motorcycle and the tyre factories to begin operating? And the other thing with the current pound devaluation and the new measures imposed by the Central Bank, are you finding the dollars you need from banks or there is a problem with that? Thanks.

Dr. Raouf Ghabbour: Okay, motorcycle factory definitely before end of 2016 the company will be fully operating. Regarding the tyre factory, tyre factory would take 2½ years to be completed from day one of starting the construction, and I assume that to get normalised production, you need six months after the launch of production. So we are talking about three years which means the beginning of 2018.

As for the foreign currency availability, I dare say that we do not have any issue regarding our requirements for financing manufacturing operations. We do not have any issue regarding the spare parts. The only issue we have is for the finished products import, which is the CBU car imports or the heavy truck imports which I trust – I'm watching the situation day-by-day and I see that this is going to happen within maximum months from now. So I believe that the collection of US dollar through banks is multiple of what it used to be a month ago. So I believe that it's a matter of time and I would say shortly to see the situation normalise.

Tamim Elyan: Okay, thank you. Thank you very much.

Dr. Raouf Ghabbour: Thank you.

Operator: Thank you. As a reminder, to ask a question at this time please press *1. We do not appear to have any questions at this time. Pardon me, we have another question popping up from Samir Murad from NBK Capital. Please go ahead, your line is open.

Samir Murad: Good afternoon, Dr. Raouf and Mostafa. I have a couple of questions regarding the FX losses. Dr. Ghabbour, you just mentioned that you are seeing the situation easing. Does this mean FX losses should become more under control in 2015 than what we've seen in the last two quarters? And secondly, Mostafa, you mentioned when you were talking about the taxes, you mentioned taxes on dividends – an increase in tax on dividends. Can you please explain to us how GB Auto pays taxes on dividends?

Dr. Raouf Ghabbour: Okay. Regarding the first question, definitely it is to our advantage that foreign exchange or foreign currency be channelled through the official channels, which is the banks, the banking sector because what the practices we have seen during the last four years since after the revolution when the bank channels became kind of replaced by the black market, the practices we have seen from the black market was really not business practice. So they were handling it as a wholesaler would handle in order just to maximise his profits, not having any consideration for the impact it would have on the economy.

So I would say that the moment the flow through the banking sector, the flow of foreign currency through the banking sector, will suffice the requirements of the market, which I have no doubt will happen because we never suffered from a shortage or lack of availability – it was always there but it was there through the black market, not through the banking sector – the moment the channelling will be completely transferred to the banking sector, I expect that we should see complete disappearance of foreign exchange losses. But as we speak today, especially during the last quarter and the month of January, definitely the practice of the black market damaged our profitability tremendously. I dare say that our foreign exchange losses are almost equivalent to our profitability, which means that if we did not incur foreign exchange losses, our profitability of 2014 would have been double what you see today. So I'm very comfortable with the situation. It's a matter of time. We have to be wise and patient and leave the process finalised and I think it's happening within four weeks from now.

Samir Murad: Are you going to change the way you account for it in 2015 or will it still be below the operating profit?

Dr. Raouf Ghabbour: Mostafa will answer you.

Mr. Mostafa El Mahdi: Actually, this is the tax regulation in Egypt now. They need to see the forex loss in a separate line item below the profit so they can control and monitor this kind of forex loss. This is why it's shown like that under line, not as a part of the profits.

Samir Murad: Okay.

Mr. Mostafa El Mahdi: Regarding to the tax – okay? Regarding to the tax of dividends based on the new tax law number 53, the dividends from the subsidiaries to the sub-holding or a holding are subject to 10% tax and this cost us from making dividends from subsidiaries to sub-holding almost EGP 9 million in 2014.

Samir Murad: Okay, so it's basically when your subsidiary gives dividends to the mother company that's when you're taxed this 10%

Mr. Mostafa El Mahdi: Exactly.

Samir Murad: Okay, thank you.

Mr. Mostafa El Mahdi: And this was adopted in 2014.

Samir Murad: Thank you.

Operator: Thank you. As a reminder, to ask a question at this time please press *1. We have another question from Samah Dissi at Beltone again. Please go ahead, your line is open.

Samah Dissi: Hello again. I had a question concerning the financing segment. In the earnings release, you mentioned that you're looking to tap into a new niche. I was wondering what kind of acquisition or company establishment are you looking at. And your growth expectations in the medium term for the financing business.

Dr. Raouf Ghabbour: As a matter of fact, the microfinance law was issued some time in December, early December or late November last year. And as you know, Mashroey, which is a finance business extremely similar or I would say it's the same concept as the microfinance but it is financing very small ticket items the Group sells like the tricycle, motorcycle and three-wheeler, Mashroey has the know-how of the microfinance, although it is not technically – it is not a microfinance business. So we decided to build on our expertise and know-how in the Mashroey business and establish a greenfield real microfinance company which will start hopefully operating in the late second quarter or third quarter, latest third quarter of this year.

As for the growth in the finance businesses, we have seen during the last few years a very exceptional growth in the three lines of businesses. I am very glad to see that during Q4 2014, based on EFSA announcements, Mashroey was the largest – sorry, GB Lease was the largest financial leasing company in Egypt and with a market share of 17 point something percent versus the second was about 14 or 15 percent. Again, Drive during the second operating year, which was 2014 is now, was in 2014 the second largest consumer finance company and it's not only about the size of the business but I talk about even the quality of the business, the collections is phenomenal, we have zero litigations. So we have a very healthy portfolio. I expect we will continue seeing exceptional growth during this year. Mostafa can talk better than me here because he has the numbers.

Mr. Mostafa El Mahdi: Actually, relating to the quality of the portfolio we have over 99% repayments. We have no issue with the remaining 1%; it's a matter of delaying payments rather than to be delinquent accounts. And our expectations for the revenues in 2015 for the financing business sector, that will be increased almost 50% over 2014.

Samah Dissi: Great. As for the commercial vehicles and construction equipment segment, we have seen very strong growth in 2014. Do you expect this to continue at the same pace in 2015 given that we have also the increased government spending and the summit coming up focusing on this segment? So what are your expectations for this segment please?

Dr. Raouf Ghabbour: Continuous growth for a very long period of time. Egypt has not been investing in infrastructure I would say since the early 80s so Egypt, since it was 40 million population, did minimum investment in infrastructure. Now Egypt is 90 million and the 90 million people are extremely demanding and the Government has no other alternative but to invest. So that will create a huge demand for heavy trucks, light trucks, medium trucks, construction equipment, minibuses, microbuses, everything.

Samah Dissi: And my last question regarding the two- and three-wheelers segment, we've learned that Chinese motorcycles are much cheaper than your offering. I was wondering the impact and what are you planning to do in order to tackle this problem?

Dr. Raouf Ghabbour: As a matter of fact, our market share in motorcycles until three years ago was in the range of 10-15%. I am very proud to say that our market share based on the numbers provided to us by Bajaj in India, who track all the exports of China, of motorcycles from China to Egypt, our market share last year was over 40%. And I am not happy with that. I will continue crushing them until our market share reaches at least 60-70%.

Samah Dissi: Great, thank you.

Dr. Raouf Ghabbour: And by the way this is not – I'm not Jesus Christ so I'm not doing miracles. This is just because the Egyptian consumer realised a huge gap in quality between Chinese and Bajaj motorcycles. Chinese motorcycles, the rider of the motorcycle has to wear leather pants because he cannot, I mean the engine gets so hot, he can get his legs burned from the motorcycle. We have no heating problem. We do an advertisement in Egypt showing that the consumer is riding the Bajaj motorcycle, putting a cup of tea behind his feet and the cup of tea doesn't spill over, while it is famous that or it is very well known that the Chinese motorcycle vibrates to the extent of bringing brain concussion to the driver. So at the end of the day, today the resale value of Bajaj motorcycle is two times the resale or three times the resale value of a Chinese motorcycle.

Samah Dissi: And what level of margins are you targeting for motorcycles if you please? On the gross profit level.

Dr. Raouf Ghabbour: We are trying to acquire market share. So we are trying to minimise our margin. We will improve the margins the moment we feel we have satisfied our needs for market share.

Samah Dissi: So they are expected to remain in the 6-7% area?

Dr. Raouf Ghabbour: I don't think it is 6-7%, no. I think it's higher.

Samah Dissi: Okay, thank you.

Dr. Raouf Ghabbour: Thank you.

Operator: Thank you. We will now take our next question from Hatem AlBanna at Acumen Holdings. Please go ahead, your line is open. Hello caller, we cannot hear you.

Hatem AlBanna: Yes, good afternoon. I have two questions, the first regarding the new Central Bank regulations that affected the availability of US dollars. How would it affect your inventory and the sales? The second question is what's your expectations of the possible FX losses in the first quarter 2015? Thank you.

Dr. Raouf Ghabbour: As a matter of fact, I was answering a question a few minutes ago. My personal expectation is that we will get a normalised situation by end of this month. If my assumption proves correct, that means that we will have a hiccup of about eight weeks. Usually we are not working hand-to-mouth exactly so we can compensate four weeks out of those eight weeks and we may have a problem in the CBU business, which is the imported cars business or imported truck business, because those are the two main – and let me put things in perspective here. 50% of our volume in passenger car is CKD. That's in Hyundai. 95% of our volume in GB is CKD. Mazda we have a stock which can carry us forwards in the next 2-3 months. So I do not see a problem in Mazda. All our bus business is CKD. All our two- and three-wheeler is CKD. So where we are hit is strictly the passenger cars of Hyundai in 50% of the volume and the heavy truck and the construction equipment and the tyres. All the rest of the business is, we have no issue for. And in the areas where we have an issue, which is the finished product import, I think that our strategic stock can carry over one month of the two months and we may have some impact in one month, of one month's sales, from those stock. But at the end of the day, even if we have this situation, this is going to create a pent-up demand because it is not GB Auto only who has not been able to import; it is all the market. So probably this will be creating a pent-up demand which will be compensated going after the situation is organised. So if you think on annual business, I don't see you will have any impact.

Hatem AlBanna: Okay, thank you, sir.

Dr. Raouf Ghabbour: Was there any other question?

Hatem AlBanna: No, that's okay. Thank you very much.

Dr. Raouf Ghabbour: Okay, thank you.

Operator: Thank you. We will now take our next question from Lila Hosny at HC. Please go ahead, your line is open.

Lila Hosny: Hello. Can you please provide some guidance for 2015 for the passenger car segment in terms of sales growth and margins?

Dr. Raouf Ghabbour: In terms of?

Lila Hosny: Sales growth and margins.

Dr. Raouf Ghabbour: I don't recall if we have. I think that, yes I mean roughly, at 95% accuracy, I would say that last year we sold about 50,000 cars and next year we're selling about 80,000 cars which means about 30% growth in volume. Profitability will all depend actually on the regulations because if we do not have a change of regulation then we should expect almost the same level of profitability as last year, which I am not happy with. If the regulation changes, we will have a very pleasant surprise.

Lila Hosny: Okay and what about operations in Algeria? When should they start contributing to top line?

Dr. Raouf Ghabbour: As a matter of fact, we are currently, we have completely liquidated those stocks which were imported at the beginning of our venture in Algeria. Now, Algeria has an issue. Algeria has an issue which is very different. The Algerian currency has lost about 20% of its value during the last few months while the euro has lost about 20% of its value during the last few months and Algeria is a market which is very much pro-European. It's very different. So as a matter of fact, we, all the Chinese and the Koreans and the Chinese and Korean players are at a disadvantage in Algeria because today, my Chinese car could be selling at the same price as a Renault or a Peugeot, which is very difficult for us to handle. So we are watching the situation. We are, I would say we are selling because the product perception is improving tremendously, but I think that 2015 is going to be a difficult year in Algeria because of the foreign exchange, either Algerian dinar versus dollar or the Chinese currency pegged to the US dollar against a euro which is collapsing.

Lila Hosny: Okay, thank you.

Dr. Raouf Ghabbour: Thank you.

Operator: Thank you. We will now take our next question from Mohamed Marie of Cairo Financial Holding. Please go ahead, your line is open.

Mohamed Marie: Good afternoon. Sir, kindly give us a hand concerning the EGP 176 million of bad debt provisions seen in the disclosure. I think that we need to understand why that figure is increasing. Thank you.

Dr. Raouf Ghabbour: Mostafa will handle.

Mr. Mostafa El Mahdi: I'm just looking at this quickly, sorry. Give me a second

Regarding to the impairment, provision for impairment of accounts receivable and notes receivable, which is 267, this if you compared with the last year, it's just increased by EGP 4 million, which is a minimum. The rest of that is coming from an old receivable back to 2005.

Dr. Raouf Ghabbour: 2005.

Mr. Mostafa El Mahdi: And why we didn't write off this amount, this is due to we need to make sure that we are fulfilling all the tax requirements. Accordingly, we cannot lose this provision from a tax – to have this provision accepted as expenses from tax authority. So accumulated from 2005.

Dr. Raouf Ghabbour: That was a historical – during the economic recession of Egypt in late 90s, we had a portfolio of EGP 1.5 billion receivables out of which EGP 500+ million was at risk. In 2005, before doing our IPO, two years before doing our IPO, we decided to be extremely conservative and take all the portfolio at risk, take a provision or create a provision for it. So we created the provision, as far as I remember, of EGP 560 million. Out of the EGP 560 million, we could collect about EGP 300 million and this is the number which is remaining. And for tax reasons, we cannot write it off unless we will complete all the litigations or yes, they have some requirements which we are following.

Mohamed Marie: Great, thank you. I have another question. Concerning the capital increase announcement, it was mentioned that a portion of the capital increase would be used for regional expansion. Can you kindly elaborate?

Dr. Raouf Ghabbour: So we didn't say – we mentioned basically the two- and three-wheelers manufacturing project and the tyre manufacturing project. This is basically what the proceeds will be used for.

Mohamed Marie: Okay, thank you.

Operator: Thank you. As a reminder, to ask a question at this time please press *1 on your telephone. We do not appear to have any further questions. I'll pass the microphone back.

Dr Raouf Ghabbour: Thank you very much, ladies and gentlemen, for attending to our call today and hope to give you good news about the first quarter hopefully in a couple of months. Thank you.

Operator: Thank you. That will conclude today's conference call. Thank you for your participation, ladies and gentlemen, you may now disconnect.