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Operator: Good morning, and welcome to the Halfords Q3 call. Throughout the call, all participants will be in a listen-only mode and afterwards there will be a question and answer session. Just to remind you, this conference call is being recorded. Today, I'm pleased to present Jill McDonald, the CEO. Please begin your meeting.

Jill McDonald: Good morning everyone, and thanks for joining the call today. So I'm Jill McDonald and with me is Jonny Mason, who's our CFO. So I'm going to start by giving you a brief overview of this morning's statement, and then we'll be happy to take any questions.

So overall, group like-for-like revenues were up 0.3% in the period, with retail like-for-like flat. This was lower than we expected at the start of the quarter but represented good performance, given the exceptional weather conditions. We managed well through record peak volumes around Black Friday and Christmas, with IT and logistics infrastructure resilient and customer service measures continuing to improve in both retail and autocentres.

So looking at the retail performance in a bit more detail, and the motoring side of the business first. You'll notice that we have disclosed a motoring like-for-like, and we'll be doing this from now onwards in order to make it easier for you to compare performance to the market growth forecasts that we gave in November for each of the motoring and cycling parts of the business. Motoring sales, which comprise the aggregate of car maintenance, car enhancement and travel solutions, were down 0.6% in the quarter. Now, December was the warmest and also the second wettest since records began. And as you'd expect, there is a clear correlation between temperature and sales of winter-related products, such as de-icer, screen wash and batteries. So we have seen a significant year-on year decline in winter-related products.

But the impact was partially offset by good growth in sales of wiper blades and bulbs on the back of innovation in the category and the strength of our 'We Fit' proposition. Pleasingly, our 3B fitting services saw growth of 6.5%. Along with a strong performance in hand tools and storage units, this resulted in a small like-for-like decline of 0.1% in car maintenance. Car enhancement sales were flat in the quarter, with very strong growth in sales of dash cams and in-car connectivity equipment offsetting with decline in sat-nav sales. Q3 is low season for the travel solutions category, with it contributing less than 10% of retail sales. Sales of child safety seats continued in strong growth, but this was more than offset by reduced demand of cycle carriers and roof bars.

Looking ahead within motoring, we have some great new products on the way, including an exciting new range of dash cams. We're extending our range of motorcycling products in larger stores this month, and also launching We Fit bulbs and batteries for motorbikes and scooters in the spring. The calendar year 2015 was a record year for new car registrations, with the number exceeding 2.6 million for the first time ever. Now, this combines with the increase in miles being driven, helped by lower oil prices, increasing complexity of car parts and the trend away from 'do it yourself' to 'do it for me', meaning we continue to expect the motoring market to remain strong.

Now, turning to cycling: cycling like-for-like sales were up 1.1% year on year, reflecting a return to growth following the 8% decline in Q2. Pack sales declined by 2.6%. However, the performance was much improved on Q2 and reflects tactical changes to our offering, including an enhanced range of children's accessories, as well as improved bike sales. As I explained in November, the growth plan for packs is a medium-term development. The bike market appeared to stabilise compared to the decline seen over the summer, and we believe that we continue to grow market share. The cycle repair sales continued to grow very strongly, up 25% this quarter, even though we are now starting to annualise the investments we made in people and equipment.

Looking ahead, we launched the new Boardman performance range in Halfords and Cycle Republic at the end of this month, and we remain on track to launch this summer the new range of kids' bikes under collaboration with Sir Bradley Wiggins, as well as the new Orla Kiely cycling and leisure range and new ranges of women's bikes under our Apollo and Carrera brands.

Turning to Cycle Republic, we opened two stores in the quarter; one in Battersea in October, and then most recently our flagship store just off Fenchurch Street in the city of London. This takes the total to nine so far, and we expect to have one more by the end of this financial year. We have secured additional third-party brands to Cycle Republic, including Basso, Haibike and Gocycle, and have entered an agreement with Cyclescheme to enable their customers to redeem vouchers in our Cycle Republic stores, alongside our own Cycle2Work programme.

Our online retail sales grew by 0.9%. This is modest growth but Halfords is somewhat unique in that the vast majority of customers want some form of service or advice with their purchase, which means that our stores and online channel are closely integrated. This is demonstrated by our well-developed Click & Collect proposition, which remains very high at 87% of online sales.

Turning to autocentres, like-for-like sales were up 1.9% and represented the ninth consecutive quarter of like-for-like growth. Sales of service, maintenance and repair work were in good growth, partially offset by the impact of tyre pricing deflation and the warm winter weather. Excluding tyres, autocentres like-for-like sales were up 3.9%. The customer service metrics continued to consistently improve, but there's plenty more to do. We opened three new centres in the period, taking the year to date total to seven and overall total to 310. All openings this year have been in the new concept design style, and we're encouraged by the performance.

So just to summarise: a good quarter, given the unhelpful weather conditions. We managed very well through record peak periods, including the highest ever online day over Cyber Weekend and the highest ever day for total retail sales on 23rd December, whilst at the same time improving customer service metrics. In response to the lower motoring sales in the quarter, costs were well managed and there was no change to our profit expectations for the full year. And we expect full Group profit before tax to be in the range of £78–82 million. The implementation of the 'Moving Up a Gear' initiatives are on target, and we remain on track to update you in a few months on the debt target, the new 'Store of the Future' concept, a new customer measure and the output from the long-term supply chain review.

Thanks for listening, and Jonny and I will now be happy to take your questions.

Operator: Thank you. Ladies and gentlemen, if you do wish to ask a question please press 01 on your telephone keypad. If you wish to withdraw your question, you may do so by pressing 02 to cancel. There will now be a brief pause while questions are being registered.

And we have the first question here from Charlie Muir-Sands from Deutsche Bank. Please go ahead, your line is now open.

Charlie Muir-Sands: Yes, good morning, thank you. I've got two questions. The first one is on the Cyclescheme which you've now signed up for. Can you give us any indication on the size of their scheme versus your own Cycle2Work scheme? And whether this is just for the Cycle Republic stores or whether this is also for the main store estate?

Jill McDonald: Sure, yeah. Cyclescheme is the biggest in the UK, so it is bigger than our Cycle2Work programme. But we are in the top three in terms of cycle schemes, and Cyclescheme is just in Cycle Republic.

Charlie Muir-Sands: Fantastic. And the second question -- and I apologise in advance for the puns here – but in tyres, are you seeing margin pressure and is it just deflation going on?

Jonny Mason: Well, it's – margin in tyres isn't very high anyway, Charlie, so this is mostly about price deflation. The interesting thing, as you may remember from the half year, is that the tyre piece of autocentres is the thinnest margin. And so as those tyre sales go down, there is a positive mix effect on margin overall.

Charlie Muir-Sands: Great, thank you very much.

Jill McDonald: Yeah, thanks.

Operator: Thank you. And the next question comes from David Jeary from Canaccord. Please go ahead, your line is now open.

David Jeary: Yes, thank you. Good morning and happy New Year everyone.

Jill McDonald: Morning.

Jonny Mason: Morning, David.

David Jeary: Hi, I've got a couple of questions if I may. One, I wonder if you'd give a bit more colour into the various moving parts within the bike ranges? Which elements did well.

Jill McDonald: Sure.

David Jeary: You're obviously relaunching some of the kids' ranges, for example. And secondly, probably one for Jonny I suspect: on cost guidance, the new cost guidance. Particularly at the lower end of your full-year range now, Jonny, I mean the implications for cost in H2 implies sort of some very substantial savings. And I was just wondering where broadly those savings have come from on the – within that new guidance?

Jill McDonald: Right. So I'll start with the answer to the bikes piece, just to give you a flavour. Within cycling, packs did decline just over 2% in the quarter, which was significantly better than the trend that we'd seen in quarter two. This was offset by particularly strong growth in premium bikes, right across the range. We had particularly strong sales in Voodoo, as an example, and also our extended range of premium women's bikes. We also successfully traded some customers up from mainstream. Within kids' bikes, we saw very strong growth in the younger kids' bikes. Overall we were pleased with our kids' bikes' performance. But it was premium that was the strongest performer.

David Jeary: Okay, thank you.

Jonny Mason: Yeah. And then on the cost, David, there's two main pieces to this. First of all, there's the variable costs. Obviously the winter-related product volumes were down, and we managed to keep a tight rein on the distribution costs and store labour costs commensurate with those lower volumes. And then the second piece, sadly for us, is the incentive part, because these sales in Q3 were lower than we had hoped they would be at the beginning of the quarter. We had planned on average winter weather that didn't come through. And so that has a knock-on impact on the bonuses for the team. Those are the two main pieces, so there's nothing in the reduction in cost guidance that has any impact on future years.

David Jeary: Okay. Thanks Jonny, loud and clear.

Jill McDonald: Thanks.

Operator: Thank you. And the next question comes from Matthew McEachran from Singer. Please go ahead, your line is now open.

Matthew McEachran: Yeah, hi, morning guys, I've just got a couple of questions. If we just go back to customer service, could you provide a little more flavour as to the KPIs that were really the ones that moved forward in the quarter, year on year? Maybe just a little bit of emphasis around some of the work that you're doing in that area; should – is there already some improvements from some of the projects that you've led since you've arrived?

Jill McDonald: Well, the key metrics that we look at around customer service improvements are net promoter score, which is at a record high actually on the retail side of the business, and it's continuing to grow on the auto side of the business. So I think that is really reflecting the continued focus on training. So we continue to invest in our Gears training programme. And one thing that we've implemented in the autumn of this year was a Gear 3 auto training programme. So I think we are seeing some benefit from that coming through. That's also reflected in the strong growth that we've seen this quarter in service-related sales. So we saw 6.5% growth in service-related sales on the motoring side of the business, which I think further backs up that those investments in training and expertise are benefiting both sales and how customers are viewing our service. So it's something that I'm pleased – and particularly because we were dealing with record volumes in that – so particularly that run-up, that week before Christmas, which was actually a record week for kids' bikes. We certainly saw that we managed to continue to grow those NPS scores, which is good.

Matthew McEachran: Yeah, that's interesting. Well done on that. And then the next question I've got ties in I guess with scheduling and staffing levels. I mean, at what point do you think you start to get some productivity gains at a store level out of the workforce?

Jill McDonald: Well, we are looking to improve expertise. So the real focus is around improving those levels of value added sales, which as I said we started to see coming through, as well as encouraging increased customer loyalty through providing higher service measures. So we are looking at productivity improvements through a programme called 'We Operate 4 Less'. So for example, that is around optimising and having the Halfords way of building a bike, which actually shaves eight minutes off a bike build; which does not sound very much when you think of all the millions of bikes we build, but actually does generate some productivity. We've also, for example, had a programme that's gone live over the last couple of weeks around cash handling to make that more efficient. So kind of the training piece is around about improving value added sales and our service to customers. At the same time, in parallel we're putting in place the sort of lean thinking, or 'We Operate 4 Less' programme, which is yielding good results.

Matthew McEachran: Indeed, okay. And then just one final one, if it's okay, just in terms of the very abnormal conditions. I mean, you've mentioned the weakness that occurred in winter products within the motoring and car maintenance segment, but do you believe that, as an indirect result, there was also a knock-on effect into some of the other kind of non-winter products?

Jill McDonald: Well, yeah. So weather has flipsides. We did see a very wet December, which meant that we saw really strong growth in sales of wiper blades and the We Fit part of wiper blades as well. We do think there was possibly a slightly lower footfall due to some of the weather conditions, but I think there are always some pros as well as cons with weather, so you have to call them out both ways.

Matthew McEachran: Yeah, indeed. Okay, alright, that's great. Well done, thanks very much.

Jill McDonald: Thank you.

Matthew McEachran: Thanks.

Operator: And the next question comes from Michelle Wilson from Berenberg. Please go ahead, your line is now open.

Michelle Wilson: Morning, thanks for taking my question. Just a follow-up on the cost questions that have been asked: in terms of staff costs, could you give us an indication of how you expect staff hours to trend in your year-end guidance, and within that how you expect staff costs to trend? In terms of cost per hour for staff.

And then just on the distribution side of things as well, if you could give an indication of how you expect that to trend as a percentage of sales for the full year?

Jonny Mason: Well, the changes that we made in Q3 – you know, Q3 involves peak demand for staff and in the distribution centre, which means that our colleagues work overtime to satisfy those peaks. And as volumes disappointed in the winter-related product areas, we just took less overtime. But what we're planning for in Q4 is an average winter weather of Q4. So the impact on the annual guidance – I haven't got a percentage on the top of my head.

What – the important thing is that the distribution centre will be pretty flat in the second half, year on year, because you'll remember that we were, in the first half, annualising the five-day delivery model over the one-day, so there were very significant increases in W&D[?] cost in the first half. That will be roughly flat in the second half, year on year.

The staff cost will be a bit lower in terms of increases than it was in the first half; maybe a percentage point.

Michelle Wilson: Okay. So in terms of year-on-year, DC down, staff costs a little bit up?

Jonny Mason: Well I suppose what I was giving you there was the second – I think for the second half we'd expect W&D, whereas it was over 20% in the first half, it would be about flat in the second. And staff cost, whereas it was about 5% in the first half, it will be a bit less in the second.

Michelle Wilson: Okay, that's really helpful, thank you. And then just a quick question on the autocentres; you said you were at a roll-out of seven so far. I think the full-year guidance is 10 to 15; are we still on track for 10 to 15? Can you narrow that down at this point?

Jonny Mason: Yeah, so 10 to 15 – we're still in that range. It'll be towards the bottom end of that range. So we've done seven now, we'll do some more in Q4.

Jill McDonald: 10 to 12-ish.

Jonny Mason: Yeah, it'll be at the bottom end of the range; the reality of finding and delivering the best sites. The programme still continues.

Michelle Wilson: Great, thank you.

Operator: Thank you. And the next question comes from Ben Hunt from Haitong. Please go ahead, your line is now open.

Ben Hunt: Morning there. A few questions. Firstly, how much of dollars have you bought for next year, and how are you averaging in versus this year?

Also, I was wondering what the performance of the actual bike market was? I know it's quite hard to get readings on that, but where you feel you performed relative to the market, particularly in the premium and adult mainstream bikes.

And then maybe if you have a number on the 3Bs penetration; what it was this year versus last year?

Jill McDonald: Okay. I'll take the bike market and 3Bs piece. So, you know, market data is a bit sketchy to get hold of, but I think what we see is a stabilisation of the overall market following the declines we saw over the summer. We believe that we have continued to grow market share from the data that we've managed to pull together, so that is obviously a pleasing place to be.

In terms of 3Bs penetration, penetration is over 40%; just over 40% for 3Bs, and this has grown year on year. So again, we're pleased with how the service-related sales and penetration are performing.

So do you want to talk about the dollars?

Jonny Mason: Yeah, so for the dollars, we operate a layered hedge going forward from now, hedging less and less out to 18 months actually. For next year we've got approximately half hedged, and obviously if the US dollar rate stays where it is now then our hedged rate will gradually go down to approach that.

Ben Hunt: Okay, so what are you roughly averaging in at the moment then?

Jonny Mason: Well, what we've got at the moment is roughly about 150.

Ben Hunt: And this financial year it was – or 2016, what did you average?

Jonny Mason: For this year, it's about 153.

Ben Hunt: Okay, great. Alright, thanks.

Jill McDonald: Thanks.

Operator: Thank you. And the next question comes from Jonathan Pritchard from Peel Hunt. Please go ahead, your line is now open.

Jonathan Pritchard: Thanks, morning all. Three quick ones from me. On packs, a degree of progress there. Can you just put some skin on the bones of how you've done that? Specifically merchandising; any progress there?

Probably for Jonny: guidance for next year and the year after? I think the feeling I got from the interims was sort of flattish profit performance into 2017, and then away to the races in 2018.

And then just to follow up on Matthew's question, and you cut out a bit on my line: did you put a number on the weather impact? I know it's not an exact science, but could you just give a feel for how much the weather took off your like for like?

Jill McDonald: I'll start with the packs piece, and then Jonny can follow on. So yeah, we made some tactical improvements to the packs offering for Q3. So we introduced a new range of children's accessories, to coincide with the launch of our new range of kids' bikes, and those did very well. Lighting also did well, and components; so we also put together some bundle deals around helmets, bells and bottles, and put those into some really nice packaging, which made them very easy to pick up and buy for Christmas. We also did work on the merchandising in stores, to really draw 'newness' to customers' attentions. So I think some better merchandising came into play as well.

You know, we obviously – as we've talked about – want to turn that packs trend-line positive, but we have, we feel, made good progress in quarter three. And we plan, in terms of our medium term, to introduce – as again, we spoke about in November – a Cycle Republic website, which will more directly the sort of upper-end cyclists and also the commuter cyclists, so we remain on track with our medium-term plans as well.

Jonny Mason: Yeah. And in terms of future years: yeah, you're absolutely right. We said for next year that we thought profits would be broadly flat on this year, and this year our expectations haven't changed as we've confirmed in the notes.

I don't think we said 'away to the races'; I don't think that was our exact wording for the years after that! But what we did say is that we expect our markets to increase in sales, and we target to grow share in those markets. And for the years just after 2017, we think our EBITDA margin will be broadly flat as we continue to invest to drive the sustainable growth. So obviously, the implications of that are that there is a pick-up beyond 2017.

Ben Hunt: Okay.

Jonny Mason: And then in terms of weather: we don't put a precise number on it. You know, you could get into all sorts of interesting definitional things. Clearly we suffered from the lack of low temperatures on the winter-related products, and that was a sort of double-digit decline in those temperature-related areas. You know, we would acknowledge though that the heavy rain will have helped our blade sales to some extent. So we don't put a fixed number on the weather, I'm afraid.

Ben Hunt: Fair enough, okay. Thanks a lot.

Jill McDonald: Thanks.

Operator: Thank you. Just as a reminder, if you do have a question for the speakers please press 01 on your telephone keypad.

We have a further question from Mike Dennis from Cantor Fitzgerald. Please go ahead, your line is now open.

Mike Dennis: Yes, good morning.

Jill McDonald: Morning, Mike.

Jonny Mason: Morning, Mike.

Mike Dennis: Just going back to market share, I just wanted to get a better idea in the premium bike market. I mean, I'm assuming that volumes in that market for men's and women's premium bikes are growing, but there's obviously a lot of price deflation. So could you give us some more colour between the volume and the pricing, and the overall growth on that area?

And also, in car maintenance: is that overall market – obviously taking into consideration what you said about warm, wet winters – how is that market actually growing overall, in terms of your overall motoring figure? Or not?

Jill McDonald: Okay, so in terms of premium, we think that the market is beginning to stabilise in terms of price. We didn't put in place any particular new promotions over – or additional promotions over that Christmas, Black Friday period. So we saw value growth as well as volume growth in terms of premium bikes. We are about to move into a new range of Boardman bikes actually next week, at the end of next week, so we were clearing through some of those Boardman premium bikes. But we did see growth, both in terms of volume and value, across all our premium bikes, so that was very encouraging.

Looking at the motoring outlook, we think that that market is going to be growing between 2–3%, and we think that the number of cars on the road growing is obviously positive. Cars need more maintenance the older they get, and they're being driven more, which is all good news. The other piece I think that's important around motoring is this trend away from 'do it yourself' to 'do it for me', and that really is where we're seeing some really strong growth and some uniqueness for the business, which I think is really good.

Mike Dennis: Okay, thank you very much.

Jill McDonald: Thanks.

Operator: Thank you. And the next question comes from Adam Cochrane from UBS. Please go ahead, your line is open.

Adam Cochrane: Good morning. When you think about the footfall that you saw in the stores over the period, have you seen an increase in either converging of the footfall you did see and average basket size, and is any of that being driven by an improvement in the – I'll call it 'gifting', but the offer where you're selling non-motoring or cycling products to some of those customers? Thanks.

Jill McDonald: Yeah, so we did see average transaction value improve year on year in the quarter, which helped to offset the slightly flatter footfall. You know, we do see that there is a slight difference between high street and retail parks; retail parks perform slightly better than high streets, which I think is in line with probably other retailers as well. So you know, the basket size was about the same, but the service-related sales, the penetration of those grew over the period. So we think we managed to improve our average transaction value, and obviously increase the amount of attachment; not just with the 3Bs fitting, but also importantly around bike care plans and cycle repair.

Adam Cochrane: In terms of gifting products, is that something that you've worked hard on over this period?

Jill McDonald: Yeah, I think it was really last year that we got into gifting in a bigger way, so we continue to focus on gifting. There's lots of connectivity: products and little spanner sets, which sold well. So we continue to see an opportunity in that, going forward.

Adam Cochrane: Okay, thanks.

Operator: Thank you. And our next question comes from Adam Tomlinson from Liberum. Please go ahead, your line is now open.

Jill McDonald: Hi, Adam.

Jonny Mason: Hello? Adam, have we lost you?

Adam Tomlinson: Hello? Can you hear me?

Jonny Mason: We can hear you now thank you, yeah.

Adam Tomlinson: Hi, thanks guys. Just two questions please. The first one around – any comments you have around the competitive environments across the different categories, both Christmas and more generally. Thinking there about pricing competition, and any promotional activity over Christmas.

And secondly, with regards to online: looks like a good performance there, particularly over Black Friday, so any further details you can give around that in terms of categories that did particularly well, and how your infrastructure held up.

Jill McDonald: Yeah, sure. So in terms of competitive environment, we operate in so many different markets and sectors that we'd be here all day. So just to keep it top-line, we saw broadly similar levels of promotional activity year on year. Some competitors might have spent a bit more in terms of TV advertising year on year, but we didn't see that deeper and earlier discounting in the bike market that we saw over the summer period. So dash cams, a number of competitors were promoting those; we did very well on dash cams, so we think that we continue to grow share there.

In terms of online and Black Friday, the standout performer on Black Friday was our 200-piece toolkit, which did absolutely gangbusters over the whole weekend. It was obviously very profitable as well. So we did an awful lot of planning and testing for Black Friday and Cyber Weekend, and website traffic over the weekend was really significantly up year on year. And our website support systems held up, running throughout, so we were very pleased with both the distribution side and the website robustness that we saw over that Black Friday period.

Adam Tomlinson: Okay, thanks very much.

Jill McDonald: Thanks.

Operator: Thank you. Our next question comes from Alistair Davies from Investec. Please go ahead, your line is now open.

Alistair Davies: Morning.

Jill McDonald: Hi, Alistair.

Alistair Davies: Hi. Just a quick question, following up on the FX piece. Obviously a little bit of a headwind; is there other deflation in the supply chain which you think can offset that?

Jonny Mason: You're right, there is a – if US dollars stay where they are now, then there is a headwind. When we talked about flat profits going into FY2017 we talked about cost headwinds, and one of the ones that we were talking about was the US dollar. So it's not a surprise; to some extent, we've taken that into account. Obviously, it depends where the rate goes now. So we'll just have to deal with that as it goes. You know, clearly there are some commodities that are coming down – energy bills: energy bills will be helping us – but not to the extent of the US dollar negative. So there is a headwind there for us, but we've taken that into account.

Alistair Davies: Okay, but just thinking in the end market where the products are made, is there deflation there so that kind of passes through the FX piece?

Jonny Mason: We aren't seeing that at the moment, but clearly what is the reality is that in the markets that we're selling into, all of the suppliers are facing the same headwinds. So to some extent they'll be priced to customers, which have to be adjusted as well.

Alistair Davies: Okay, thanks Jonny.

Jonny Mason: Thank you.

Operator: Thank you. And the next question comes from Matthew McEachran from Singer. Please go ahead, your line is now open.

Matthew McEachran: Sorry, it's going to sound very much like the same question that's just been asked. But let me ask it a slightly different way, in terms of the ability to pass price increases on, particularly in the cycling category. Presumably the entire industry is facing exactly the same dynamic, and this presumably would have been the case in past experiences where that dollar rate has strengthened versus sterling. So I wondered if you could just cast your minds back internally to recall how much of the input price increase was actually able to be passed on last time round; whether or not the market does absorb the price reasonably well?

Jonny Mason: You know, we haven't got a number on that I'm afraid, Matthew. We have got some assumptions in our plans for next year, which assume that some of the price can be passed on but not all of it. We hope that is a prudent estimate; we certainly think it is sensible for the industry, and essential frankly for the industry to be passing on some of those prices.

Remember, we have a better capacity, certainly in the cycle market, to absorb these things than most of the competitors. You know, the independent bike shops have got nowhere to go; we've got better buying terms on our largely own-brand product, and to that extent are more masters of our own destiny than the competitors are.

Matthew McEachran: Indeed, yeah. Okay.

Jonny Mason: So in other words, we think it is inevitable that some of the price is passed on to the customers, but we don't want to get into a precise number on that at the moment.

Matthew McEachran: No, sure. No, that's nonetheless interesting. Thanks very much.

Operator: Thank you. That was our last question, so I'll hand the conference back to the speakers. Thank you.

Jill McDonald: Great, thank you very much everyone for joining the call today. And through the course of today, if you do have any further questions that please contact our Head of Investor Relations, Adam Phillips. Thanks very much, and have a good day.

Jonny Mason: Bye bye.

Jill McDonald: Bye.

Operator: This now concludes our conference call. Thank you all for attending, you may now disconnect your lines.