Ebix, Inc. Q3 2010 Earnings Conference Call

November 09, 2010 11:00 am ET

Operator

Good day ladies and gentlemen, and welcome to the Ebix third quarter 2010 conference call. At this time all participants are in a listen-only mode. Later we will conduct a question-and-answer session, and instructions will follow at that time. (Operator Instructions) As a reminder this conference call is being recorded. I would now like to turn the call over to your host Neil van Helden, Corporate Manager of Marketing. Please go ahead.

Neil van Helden

Welcome everyone to Ebix Inc. third quarter 2010 earnings conference call. Joining me to discuss the quarter is Ebix's Chairman, President and CEO, Robin Raina. Following Robin's remarks, we will open up the call for your questions to be addressed by Robin and Ebix CFO, Robert Kerris. Let me take this time to remind you that the primary purpose of today's call is to provide you with information regarding our third quarter fiscal year 2010 performance.

However, some of our discussion or responses to your questions may contain forward-looking statements. These statements are subject to risks, uncertainties and assumptions. Should any of these risks or uncertainties materialize, or should our assumptions prove incorrect, actual company results could differ materially from these forward-looking statements.

All these risks, uncertainties, and assumptions, as well as other information on potential factors that could affect our financial results, are included in our reports filed with the SEC including our Form 10-K for the year ended 31st of December 2009, particularly under the heading risk factors.

At times in our prepared remarks or in response to your questions today, we may offer certain additional metrics to provide a greater understanding of our business or quarterly results. Please be advised that we may or may not update these additional metrics on future calls.

Our press release announcing the third quarter results was issued a few hours back. The audio of this investor call is also being webcast live on the web at www.ebix.com/webcast. You can look at Ebix's financials beyond what has been provided in the release on our website www.ebix.com. The audio and the end text transcript of this call will be available also on the investor homepage of the Ebix website after 2:00 PM Eastern Time. Robin with open today's call with a few prepared remarks and then we'll open things up to your questions.

Because we want to address as many of you as possible, I do ask that you limit yourself to a single question today. Now let me turn you over to Robin Raina.

Robin Raina

Thank you Neil. Good morning gentlemen. Our third quarter 2010 results were record results again for Ebix in terms of diluted EPS, net income and revenues. We reported today the strongest quarter in Ebix's history. I'm going to take this opportunity to discuss these results on the financial and qualitative fronts, while giving you an insight into where Ebix would like to go from a future vision perspective.

A comparison of the third quarter 2010 numbers to the third quarter 2009 numbers reveals that all four areas namely revenue, income, EBITDA and diluted EPS grew in this quarter as compared to third quarter of 2009. Revenues in the third quarter of 2010 were $33.3 million as compared to $23.3 million in the third quarter of 2009, a 43% increase. Nine month cumulative revenues at the end of September 2010, increased by 46% to $97.1 million as compared to $66.4 million in the same period a year ago.

Our exchange business grew 66% year-over-year to become 71% of our total revenue this quarter. Net income after taxes in the third quarter of 2010 was $16.7 million as compared to $9.4 million in the third quarter of 2009, a 77% increase. EBITDA for the current quarter was $19.1 million, a 57% EBITDA margin which is a 75% improvement over the $10.9 million EBITDA, a 46% EBITDA margin in the third quarter of 2009.

The company's operating expenses for the quarter grew by 50% to $20.2 million as compared to $13.5 million for the third quarter of 2009. Results for the third quarter of 2010 were based on 39 million weighted average diluted shares outstanding as compared to 37.8 million in the third quarter of 2009. Diluted EPS in the third quarter of 2010 rose 77% to $0.43 as compared to $0.25 in the third quarter of 2009. Our net margins after taxes grew to 50% in the third quarter of 2010 as compared to 41% in the third quarter of 2009 primarily because of the non-cash operating income of $3.9 million associated with the decrease in the fair value of the put option issued to former shareholders of E-Z Data.

Ebix business is broken into four channels, Carrier channel, Exchanges, Broker channel and the BPO channel. To look at the performance of these channels, I have a few numbers for you. Exchanges this quarter was 71% up for revenues, BPO 12%, Broker systems 10% and Carrier systems 7%. Exchanges, Broker and BPO channel grew this quarter in comparison to third quarter of 2009, while the Carrier system sales continued to be affected by delayed decisions, tight budgets and implications of the major downturn in property and casualty insurance industry.

The Exchange channel grew 66% year-over-year to $23.5 million or 71% of the third quarter revenues. The BPO channel grew 13% year-over-year to $4.1 million or 12% of third quarter revenues. The Broker channel grew 18% year-over-year to $3.5 million or 10% of third quarter revenues. The Carrier channel dropped 14% year-over-year to $2.2 million or 7% of third quarter revenues.

Let me run through a few balance sheet metrics now. One, cash flows. As regards of cash flows, we continue to generate strong cash flows that are bound to continue to grow even more with our recent acquisitions. During the nine months ended September 30, 2010 the company generated $33.8 million of net cash flow from ongoing operations as compared to $22.1 million for the same nine month period in 2009. This represents a 93% realization of our cash based net income as defined in our press release for the nine month period.

So how have we continued to use your cash flows? Let us look at our performance on that front. Overall debt, the company's overall debt both long and short-term is down to $42.5 million as of 30th of September 2010 as compared to $63.7 million as of 30th of September 2009. This is in spite of the fact that since 30th of September 2009, the company has spent $48.41 million in cash for making acquisitions and additional $10.65 million for share repurchases and an additional $2.8 million for making on our payments.

Use of cash flow for acquisitions, we spent $14.88 million of cash was invested in acquisition of MCN, Trades Monitor, Connective, E-Trek, and USIX. Use of cash flow for reducing convertible debt, $12.02

million was remitted during the third quarter with respect to the settlement of conversion elections made by Whitebox in regards to their August 09 convertible promissory notes.

Convertible debt balance stood at $15.5 million as of 30th of September 2010 and now stands at $5 million as of today. During third quarter of 2010, Whitebox and IAM Mini-Fund elected to convert $9.5 million of their August 2009 convertible promissory notes. The company settled these conversion elections by paying $9.5 million in cash with respect to the principal component, paying $2.5 million in cash for a portion of the conversion spread and issuing 58,357 shares of Ebix common stock for the remainder of the conversion spread. Accordingly, the company's total convertible debt as of 30th of September 2010 was reduced to $15.5 million.

As of November 9, 2010 the company's convertible debt was further reduced to a total of $5 million, as we settled all remaining conversion elections made by Whitebox and IAM Mini-Fund since the end of Q3 2010 by paying an additional $10.5 million in cash with respect to the principal component and issuing 225,000 shares of Ebix common stock for the conversion spread. The $5 million of convertible debt that remains is with the Rennes Foundation.

Use of cash flow for the share repurchases. The company spent $10.65 million year-to-date during 2010 for repurchases of 669,978 shares of the company's common stock. Commercial bank debt, commercial bank revolving line of credit balance stood at $21 million and the term loan balance was at $6.25 million as at September 30, 2010. Receivables over 12 months, despite our rapid growth as of 30th September 2010, only $408,000 of receivable was outstanding for more than a year, implying that virtually all our operating revenues are realized in the form of cash inflows within our annual reporting cycle.

Besides these, let me now talk about a few other events. Few other important events that happened in third quarter of 2010. One, acquisition of USIX, the Brazilian Exchange. We consider this acquisition an important step forward in the direction of establishing ourselves as a powerful player in the insurance software industry in Latin America. With this acquisition our portfolio of exchange solutions in Brazil now includes pricing, multi-quoting for brokers, underwriting, contract binding, broker system solutions etcetera in the Motor, Property and Life both individual and group life sectors of the insurance industry.

These solutions are already utilized by some of the largest insurance companies in Brazil including the largest insurance carrier in Latin America, Bradesco Seguros and the second largest carrier SulAmerica. We now can cross-sell our Ebix exchange fleet of services to their existing customers like Bancobras, Banrisul, Porto Seguro, Brasilveiculos Seguros, HDI Seguros, HSBC, MAPFRE Seguros, and Liberty Seguros, in addition to Bradesco and SulAmerica. With this acquisition, we now also provide internet based On-Demand solutions to purchase two-wheeler insurance at dealerships of Honda, Yamaha and Sundown Motors across Brazil.

What excites me most about this acquisition besides the cross-selling opportunities is existing deal to deploy an On-Demand exchange-based broker system solution for the thousands of brokers of Bradesco Seguros. The solution is targeted to be deployed across 30,000 brokers of Bradesco. The fact remains that every time one can provide a solution, to brokers on a mass scale in any market, it leads to many new opportunities as providing a broking system could make us the gate keeper to their data. That is a good position to be in, since our goal is to interface our other services like CRM, encryption tools, health exchanges etcetera to this system.

The second important event that happened in third quarter of 2010 is the signing – is a normal signing of new contracts. In the third quarter, we were able to sign many validated deals in the area of Exchanges, BPO and Carrier channel. The Company signed new contracts with named accounts like Zurich Data Exchange, Transamerica, Fidelity, Security Mutual, AEGON Canada, ING North America, Arrowpoint, CBIZ Special Risk Insurance, Symetra Life Insurance, NFP, Principal Financial Group, Marsh, Mutual of Omaha, National Capital, Consolidated Health Plans, United Medical Alliance, and it's a long list of other names which are all included in the press release and some of the other names that I would like to mention are Ace Life, Chartis, Bradesco and Allianca da Bahai. This list of names is just a sample representation of contracts signed by the company in this period with large accounts easily recognizable to the investor community and by no means it represents a comprehensive list of contracts signed by Ebix in the third quarter of 2010.

The third important event that happened in the third quarter of 2010 was the Fortune Magazine recognition. In the September issue of Fortune Magazine, Ebix was ranked third on the 2010, 100 Fastest-Growing Companies List. Ebix was also ranked first on the 2010 list of 100 Fastest-Growing Technology Companies by the magazine. This was the second consecutive year that Ebix was named in the top five fastest growing companies by the magazine. We value this recognize, since it provides us tremendous marketing exposure and credibility in the insurance industry worldwide.

The fourth important event from our perspective was the signing of our first utilities based Carrier systems deal in Brazil. In the third quarter of 2010, we signed a contract with the Brazilian carrier Allianca da Bahai to provide them a back-end insurance company system delivered over a cloud to them on a utilities basis. I mentioned this deal since it spells the successful customization of our Ebix Advantage Carrier system in Portuguese and also Ebix becoming the only vendor to provide a back-end policy administration system on a utilities basis to its clients.

The fifth important event that happened – the fifth issue that I'd like to talk about with respect to Q3 is operating margins. As our exchanges grow in volumes, our margins are likely to grow. As each new deal beyond the threshold volumes on exchange comes with incremental margins.

We believe that we still have scope to grow our margins substantially. I would request our investors to not pay much attention to plus minus 2% changes in margin beyond 40% operating margins for the next few quarters as we are consciously making an attempt to reinvest our incremental margins back into the business towards developing new exchanges at our services as also carving out an ambitious sales and marketing plan. We are presently focused on a number of key initiatives designed to expand Ebix growth opportunities worldwide and accordingly have consciously accepted the premise of operating margins at the 40% level approximately for the next 12 months are so.

We basically intent to invest the remaining margins as below amongst other things. One, investing in doubling our sales force. We are planning to double our sales force over the next 12 months in many key channel areas across the world. Two, we intent investing the margins to expand our services portfolio. We are presently designing many new key services that will expand our portfolio services considerably in all channel areas for competitive reasons, we prefer that we do not talk about them at present.

We intent to reinvest our margins in developing, our incremental margin – in developing end-to-end services in all channel areas. We also intent to launch a comprehensive mobile computing plan for the insurance industry encompassing iPad, Droid, Blackberry, iPhone, Windows phone, etcetera. I am often asked about providing future guidance on our results. While we have always preferred to stay away from providing guidance and letting up past numbers speak for us, yet our attempt to discuss the future at a qualitative level.

The first point I would like to emphasize is that the best – that from our perspective, the best years are ahead of us. We believe that we are just getting started and our best years in terms of topline growth and margin growth are ahead of us, while there are no guarantee for increased success, we believe that with each passing day our ability to land up larger multimillion recurring revenue deals is increasing, as we gain in size and respect in the eyes of the worldwide insurance company community.

Two, we are bidding on larger deals today. Today we are in the race for many deals that involves tens of millions of dollars, while our success in any of these deals cannot be taken for guaranteed, yet the fact that Ebix is in the race for such large deals is product development from our perspective. Any of these deals has the potential of changing the financial landscape of Ebix quite positively. Three, our ability to use our aggregation, with the aggregation that we have built, we have strong pricing power that we take very seriously in terms of not misusing it, however the aggregation allows us opportunities to provide new services in a volume manner by bundling these services in our On-Demand system. For example, we carry an aggregation of 100,000 plus advisors on our CRM systems.

If we decided to bundle our service for say data security logs into our CRM system by increasing our monthly subscription free from each advisor by $5 per month, we would generate $6 million additional revenue per year from just this one new addition to one of our services. Our long-term vision is to provide small utilities at low recurring monthly prices on a similar basis as Apple [ph] for the insurance industry, the idea is to gain from the aggregation volumes. Four, our ability to define industry trends. With the strong aggregation that we have created, we have the unique ability to provide the industry with trends, by data mining transactions.

We can for example at a qualitative level, tell the carriers what sells, what is not working and so on, that has immense value for the industry. We intent to convert this service into an on-demand recurring revenue stream. As I reminded all of you in the last quarter investor call, Ebix has delivered these results at a time when the insurance industry is still reeling from the after effects of the economic crisis in the United States and in spite of the headwind on many fronts. For those you who were not present in that call, let me repeat a few specific headwind examples for you, with consumer confidence being rather low, annuity production industry wide is down 20% year-over-year.

The property and casualty sector has had one of the worst years in a decade. The health insurance industry is still dealing with the uncertainty created by the Health Reform Bill package and now the new elections. The construction industry that accounts for approximately 40% of insurance risk case in the US continues to struggle. In addition, we continue to believe that the economic recovery still tenures. A number of legislative initiatives in the US and worldwide continue to create uncertainty and a mindset of risk aversion in the insurance industry for our clients. In spite of all of that, Ebix has continued to move forward with record revenues, earnings, cash flows and net income.

We have continued to substituted production drops in the industry through organic growth means by bringing new clients to our exchanges. We have always believed that a company's true strength is tested when the times are bad for the industry. A company that can produce record results in an economy like this has a much better chance of producing spectacular results as a tailwind gets behind us and times become better for the industry as a whole. At Ebix, we have continuously kept evolving and learning from both our failures and successes.

How does the company handle headwind at any time in today's world? Any company that wants continued success needs to adopt change in the mantra, by that I imply that in the fast changing world today, any company needs to adopt continuously to the times to face the headwinds and keep discovering this to still grow. We continue to be bullish about our business prospects both in the short and long-term. How have we managed to do that? For those of you who are new to the Ebix story, let me say that there are few terms that define Ebix today. One custom convergence, our vision to converge all processes in insurance, across all entities so that data can move seamlessly through.

Second term, change. Our readiness to keep adapting to the changing technology trends and regulations in the insurance industry. Three, discipline. Our desire and ability to run the company in a highly discipline mode both on the financial and business fronts. For example, for every acquisition we do, we walk away from many that might be highly lucrative in terms of profitability, but are volatile or seasonal or license oriented in nature.

Four, simplicity. Our desire to keep the business economics simple ensuring that we generate consistently high margin each time rather than get carried away by mega business plans. Five, centralize. Our focus on centralizing HR, marketing, finance, administration, IT, legal, etcetera while deploying internal CRM systems to facilitate that. Six, airport. Our focus is on being on airport, an infrastructure-based service rather than being an airline. Recurring revenues. Our focus remains recurring revenue streams at all times which are 75% plus at present. Eight, On-Demand. Our focus is 100% on deploying On-Demand services across the world. Nine, Exchanges. They comprise 71% of our business today. Ten, technology agnostic. We prefer to be technology agnostic and build open architecture services to ensure maximum adoption across the world. Eleven, offshore. We prefer to build our Carnegie Mellon Level 5 Offshore facilities as learning centers being at the nucleus of our international technology efforts.

Twelve, retention. We do not lose a client in five or more years who accounts for more than 1% of our business. Thirteen re-crock [ph], our belief in re-crock successful building our McDonald, while ensuring for example their French fries tasted the same say in Russia or the Middle East. We follow the same disciplined quality approach across the world by deploying common code based systems across the world. Fourteen, cash. We prefer to deploy our services in a manner where clients pay as they use our system, while the ownership of the IP space with Ebix, this has been key to our ability to have an example record on receivables. For example, we had only $408,000 of receivables pending for more than a year as of 30th of September 2010. Last but not the least, integrity. We prefer to do business at our terms with at most integrity, sincerity and purpose with whomsoever we're doing business with.

In my eyes, focus on these key attributes has been at the center of our efforts to keep the company growing. With that I'm going to finish my talk. I look forward to describing our future progress when we release our 2010 annual results next year. Let me turn the call back to the operator so we can take your questions. Thank you.

Operator

Thank you sir. (Operator Instructions) We have a question from Walter Ramsley with Walrus Partners.

Walter Ramsley – Walrus Partners

Thank you. Question I have has to do with the company's tax rate. You're up to $51 million in retained earnings now but you're still paying a pretty low tax rate. Are you going to begin to pay a more normal one in the near future and what do you think that would be?

Robin Raina

Well I think we've already issued guidance on taxes in the past and we have basically said that over the next two years we expect accelerate to growth somewhere close to a 10% number and part of it is that our tax rates are low because most of our IP is based up broad and we also get worldwide lower tax rate on account of having lower a tax rates in some of the other foreign jurisdictions and most of our income lies there.

Walter Ramsley – Walrus Partners

Okay. These are the ongoing rates, I mean there is no carry forwards that are currently reducing it?

Robin Raina

Pardon, I didn't hear you.

Walter Ramsley – Walrus Partners

The 10% doesn't include any tax carry forwards, I mean this is the actual ongoing normal business tax rate of 10%.

Robin Raina

Well I think at this point, I think we would like to give you a general guidance with respect to the 10% rate. Having said that I'm not sure I really understand your question, but this is overall number – a worldwide effective tax rate number that we have referenced in the past.

Walter Ramsley – Walrus Partners

Okay, thank you very much.

Robin Raina

Thank you. I'm going to request everybody to limit their questions to one question, so that we can address questions from other shareholders.

Operator

Thank you. (Operator Instructions) Our next question comes from Mike Latimore with Northland Capital.

Mike Latimore – Northland Capital

Yes, good morning. Nice quarter there Robin.

Robin Raina

Good morning.

Mike Latimore – Northland Capital

Just on, you mentioned a little bit about doing some reinvestments and I think you said that over the next 12 months you would expect, and I think you said a 40% operating margin, just wanted to clarify that was right and is there a change from the long-term guidance you gave, I think in your Analyst Day or maybe 42% by the end of '011.

Robin Raina

Well I think I did not first of all like to thank you for your question, I did not issue any guidance related to a 42%, I think what I said at that time was that we would like to be at a $200 million kind of a run rate by Q4 of 2011 with an operating income of around $80 million plus and having said that I don't think that has changed, that's our goal but that already was not our guidance, had no guarantees to that goal. Having said that, what we have said – what I have said in today's call is a fact that you're absolutely correct, I'm saying that we would like to keep for the next 12 months, we would like to keep our operating margins in the plus minus 2% range of 40%.

And we would like to reinvest the remaining margins back into the business incidentally meaning frankly, even at this point if our key focus was simply margins, we could have probably produced much better results, even in the third quarter of 2009 for example. We have consciously made these decisions in one of the last few quarters where we decided for one, we've decided to double our sales force over the next 12 months. That's a pretty ambitious exercise first of all. We're increasing our marketing budgets. We're focusing a lot more on product management. We are focusing a lot more on our research and development just to give you an example, just in the life area alone – in the life exchange area alone we plan to launch six different services in the year 2011.

Now we are not in liberty today to give you more details of what those services are simply for competitive reasons, we don't want to trave-on [ph] our competition about what we're going to launch. And in each this initiative is not ongoing in all the areas. Be it life exchanges, annuity exchanges, health areas, CRM, we've for example we take in CRM systems from life into PMC, we've already been – we have done a lot of work already. We are customizing all these platforms into multiple languages to be able to sell them for example in Portuguese or in Chinese and so on. So all that effort has already been on and our goal is to ensure that we do that while still maintaining our operating margins somewhere close to 40% like I said plus minus 2%.

Mike Latimore – Northland Capital

Thank you.

Operator

Thank you. Our next question comes from Mark Rye with Singular Research.

Mark Rye – Singular Research

Hi good morning Robin and Robert. Congratulations on your quarter. I wonder if you could expand a little bit more on your plans to double the sales force and talk us to a little bit on how you're structuring your sales and marketing organization worldwide to sell these four lines of business and as you acquire companies how you go about integrating their sales forces?

Robin Raina

Well Mark, good question. Our main focus remains exchanges. And if we can grow our exchanges, there is a meaning services that sell by themselves, because we'll be able to interface them into our exchanges and we'll be able to cross-sell those services. Today what is happening is I'll give you, I can't name clients but it's like a who's who financial institution in the US, who we first find them for one exchange service and then we got them hooked on to another exchange service and got them hooked onto another service, another CRM service and so on. And we kept bundling in these services and kept getting them to be continuing sign.

We've got them to continue signing on to our services. Now having said that, our goal is to double our sales force across all channels. Our approach has first of all on a shared approach on a worldwide basis, we have multiple initiatives on it. One is the Multinational Account Program we call it, the MAP program. And what we mean by that is, if you have a large fleet, a multinational insurance company that multinational insurance company should have one key account manager whatever the level, that person's level might be even as high as a Vice President or General Manager but that person would be a sole in-charge of that multinational account even if we sold six different Exchanges to them in 20 different countries let's say. But that person would be the main point of contact and from there onwards this gentlemen would have multiple people reporting to him or her across the globe handing that account.

Clearly larger accounts, larger multinational accounts require a single-window very coordinated approach and that's what we're trying to do to give them that special edge in terms of service from Ebix, both in terms of sales and support and implementation. Having said that, all of in our schema of things, all sales people need to be focused on cross-selling. We are not in the mode of – if we have a sales person selling an exchange, we expect that person to be able to sell multiple exchanges to the same large carrier or a large account or a large bank and so on. So our people need to be cross trained on all these exchanges.

So that's another key initiative that we have in place. In terms of how we compensate these people. We have a slightly different philosophy from other players. One of our big sense is we don't really lose clients and because we are providing infrastructure based services, we are in a vertical industry, where the stickiness is very high. The customer stickiness is very high. So having said that we provide – we basically compensate our sales people mainly on the first year of sales that they made based on cash collected. This is in addition to obviously there – our sales people are highly paid senior sales people from especially people who sell exchanges to large accounts.

These are senior managers and in addition to their base, they basically have an incentive structure. A lot of companies pay their sales people for multiple years in terms of commissions whereas our plan have always been to continue paying them for the first one year and primarily because of the stickiness, because our implementation groups takes on from there and the sales person is expected to sell newer services to the same client and make commissions, increase commissions from there. And so having said that, those are some of the initiatives that we have in place. And as we make any acquisition we completely integrated the sales group. We don't like keeping sales group separate if that acquisition fell into the category of an exchange.

For example, I would give you a real example, in October last year, we made the acquisition of E-Z Data. The sales groups were completely integrated into our exchange sales group. So everybody sells everything on exchanges today, across retail and across enterprise sector. Thank you.

Mark Rye – Singular Research

Well great, thank you for that answer Robin.

Operator

Thank you. Our next question comes from Walter Ramsley with Walrus Partners.

Walter Ramsley – Walrus Partners

Hello, thank you. I was wondering about A.D.A.M. acquisition. Can you talk about what you plan to do with those product lines once that deal is completed?

Robin Raina

Well I think we've already talked about A.D.A.M in pretty much detail. I think it provides of the health sign plan and it provides us the benefit portal solutions and the content portal solutions and so on. And we expect to completely integrate it into our health offering. And basically it provides an end-to-end offering from a perspective of integrating the back-end systems into the front-end systems and so on. And idea is to be able to take our transaction to take a data at the front-end and be able to take it through all the way to the back-end.

Primarily when you look at any large carrier, who uses a back-end system, they work with thousands of businesses and each of those businesses is a possible customer for A.D.A.M services as also for their – for all their services. And any of their prospective customer is a – any of their customer is a prospect for our back-end services and so on. So it's a perfect compliment. And I couldn't talk more than that as of now as it regards to that A.D.A.M. primarily because we've already made our SEC filings and we are in a quiet period for now.

Walter Ramsley – Walrus Partners

And do you have an idea when that deal might be completed?

Robin Raina

I think it all depends on their CC [ph] so I couldn't comment on it as of now.

Walter Ramsley – Walrus Partners

Thanks.

Operator

Thank you. I am showing no further questions at this time.

Robin Raina

Thank you very much. I think there are no further questions at this time so I'm going to close the call for now and thank you very much, and we look forward to speaking to you again at the end of the year.

Operator

Thank you. Ladies and gentlemen, this does conclude the conference for today. Thank you for your participation. You may all disconnect.