Question and Answer

Jill Craig

Okay. Press asks the questions pretty much as usual. If you can wait for a microphone and we'll do Sydney first. We've got John.

John Mark

Thanks, Jill. John Mark [ph] from the US. Actually, I'm going to start with a question for Peter and something he just talked about a minute ago. But I just wanted to get a bit more detail on it. And it's, the burden that (inaudible) and the outlook over not just the next half, but over the next year or so. If you look at slide 21, one of the factors you can see there is in that CP charge, the risk profile is now negative for the first time in some years. And you also have the cycle concentration coming down materially. So unless you see a big reacceleration in credit growth, I would have thought it would be pretty fair to assume that the CP charge, if anything, would start to unwind and go negative for some time. Unless you see a big reacceleration in credit.

And secondly, if you go back one page to page 20 with the IPs, again, if we do see the economy continue to recover, which should, in theory, see that continue to go back down towards where it was previously to the financial crisis. So if you add those two together, is it fair to assume that at some stage over the next couple of years, we should see very low charges below the expected loss that you highlighted, I think about 31, 32 basis points. And what will we actually need to see before we get to those levels.

Peter Marriott

Yes. A good set of question in there. I think what you'll see, on page 28, we said that what is the current expected loss for this portfolio and it's running at around about \$1.6, \$1.7 billion on the current profile. So we are still running above average credit losses. But obviously, at some point, we're going to have to go below average because typically you spend more time below average than you do above in the credit cycle.

Going through your questions individually, first off, from a collective provision point of view, I think we've said before that we wouldn't envisage any substantial wind of those overlays in the current year. You'd really want to see a more sustained period of reduction in individual provisions. Now some of those overlays are earmarked against some specific risks and so, if there is to be some developments in those, you may have some release of that. But as a general principle we like to see some more sustained period of low level of IPs.

Recognizing the comments that Michael's making at the outset, it's a multi-speed economy out there. There are still pockets of stress. The (inaudible) thing is accidentally improving and therefore we've gone away from needing to top up these provisions. We're not yet calling the position where we side against unwinding them although that would definitely come.

Mike, do you want to add any further thing?

Mike Smith

Yes, John. Two comments I'd add to that is that you're not going to see a return to pre-crisis credit cost levels for some time. You know that was, if you think, at the very end of the cycle. So we'll have to run through that. So in the medium term, you are going to see - it won't be as significant as it is now but it's going to still be a higher credit cost than we were used to in pre-crisis.

The other thing is that there will be growth in the balance sheet. We're beginning to see a pick up in demand from the top-end of town, from institutional businesses. A lot in the pipeline, but it just hasn't yet come to fruition, you know. The people are still waiting. So there is a lot of potential stuff just waiting for that confidence to fully recover. So I do think we will actually see an increase in lending in the institutional world.

Jill Craig

Thanks, John. Jared?

Jared Martin
Credit Suisse

Jared Martin from Credit Suisse. A question for you, Mike. In your Asian strategy, I think you articulated these number of phases. Associated with the first phase, predominantly looking to fill out the strategic hubs. And then phase two, to actually go into the different geographies within the region. So two questions around that. Does the obvious asset acquisition fulfill filling out the strategic hubs. And then secondly, with phase two, and without specifically mentioning Korea Exchange Bank, to what extent does an opportunity within Korea represent something that you'd look at.

Mike Smith

Yes, I think obvious - has obviously given us a leg up in terms of building a core competence in a number of those hubs. We still have to do more. We still have to build better outs and that will be a mix of organic or, indeed, opportunistic acquisition as and when it comes.

Countries like Japan, Korea, India are also going to be incredibly important - and China, obviously, because they are major trading partners of Australia. And therefore, it figures that there's going to be customer flow. And in fact, if we take Korea - I mean, Korea's results were - last year were 70% up on history. We are building up our business there. But those areas are quite difficult in terms of opportunity. They're a little bit more - they are not emerging markets, you know. They are much more material markets and opportunity for assets rarely comes up so you just have to be opportunistic.

And again, I would go back to our acquisition strategy, which is very, very clear. It has to be within our strategic - our overall strategic template. It has to represent good value in terms of what we could do organically. And three, we have to be able to execute. I have the resources and people to execute. And if we cannot tick those three boxes, we won't do it. And I think we've proved that on a couple of occasions.

Jill Craig

James?

James Freeman
Deutsche Bank

James Freeman from Deutsche Bank. Just want to actually ask a question around the deposits. Your customer deposit growth has actually been negative in Australia - Australian region and also the New Zealand region, just a bit of an explanation as to why and it's on page 44 of the result pack. And secondly, Mike, you just mentioned there's a pick up in the top-end of town or expecting a pick-up in the top-end of town. I just wanted to confirm whether the margins on that new business are expected to be similar to those that you've shown on slide 16, which shows the institutional margins up around 3%. Would that be where new business is being priced at the moment?

Mike Smith

Yes, that's where new business is coming in at the moment. There has been a re-pricing of global credit, so that would be the case. How long that lasts, of course, is another issue. But in terms of the overall customer deposit numbers, that is a rescue to the loss of institutional deposit, which is all part of the de-leveraging effect that has happened over the last year. That debt has been replaced or been repaid, basically, from cash that companies - or indeed from new equity raisings. In terms of retail and small business, deposits have actually increased.

Jill Craig

(inaudible). Did you get everything? I thought there was a question on New Zealand in there as well? No?

James Freeman

Deutsche Bank

(inaudible)

Peter Marriott

Okay

Mike Smith

Yes, you would expect that.

Jill Craig

Richard?

Rich Wiles
Morgan Stanley

It's Rich Wiles from Morgan Stanley. Just a question relating to the Asia-Pacific, Europe and America region, on page 52 you have the US dollars amounts. Asia, profit went from to $143 million to $145 million half on half, so that's pretty flat. I'm just wondering if we can get an explanation as to what drove the flat profit outcome in the Asian region. And some expectations for whether you can reinvigorate profit growth in the next half. And how much RBS business you're actually at.

Peter Marriot

In terms of the Asian profit results, it really gets back to what's happened within the market's earnings. There was also, within Asia, a slight increase in provisions half on half. And so I think we've been saying within the Asian business that they're - they had exceptional growth last year. And so it's a little hard to get the same rates of growth this year.

Rich Wiles
Morgan Stanley

So it's the second half (inaudible). Because in the first half of last year, the profit was actually lower than it is now.

Peter Marriot

Yes, I remember their first half was extremely strong market's earnings then it came down in the second half and then basically continued. And so if you look on page 53, you see that the Asia PAT growth there is 1% and the credit has been up by 9%. And then a couple of accounts have required some additional provisions and an income growth which has been running at a very strong double digit came back to 12%. Particularly, from run down income on the market side. And then continue to invest at 20% prime, that's (inaudible) at the half, on the spending side. Because even though the volatility in the markets has happened, we haven't held back on the investment. And so, we ended up with only 2% PPP growth.

It's fair to say as well here that Alex here manages this as a total portfolio business. He'll try to fund some of his investment in Asia by some other parts of the Pacific or from Europe and Americas. And so you see, Europe and Americas was stronger. It was up 79% so he used some of that to fund what was happening in Asia.

Mike Smith

And that will be customer flow business from Asia Pacific.

Rich Wiles
Morgan Stanley

Are you expecting a reinvigoration of growth from Asia in the next half?

Mike Smith

Yes, I think we'll see some of the - in terms of the market income, I think we'll see some of that volatility returning, particularly coming out of some of the sovereign issues that we're seeing in Europe. I think credit markets will become a bit more volatile, which should provide an opportunity.

Jill Craig

Tom?

Tom

Thanks, Jill. Mike, can you talk broadly about your appetite for credit risk? If I can make a couple of small observations to lead in to that question or follow-up on it, in institutional, obviously, margin's going up, which would seem to imply you're taking more risk and pricing for it, but you're taking more risk. You're thoughts on the Australian housing market? And especially in light of your view last year around first time buyers. And then, I guess, finally, if we look at credit card volumes, very strong in Australia, very strong in Asia, probably two of the strongest growing segments in the book, just your overall appetite for credit risk at the moment.

Mike Smith

In terms of institutional risk, I wouldn't say we're going up the risk curve. In fact, I would say quite the opposite. We're actually going down it. I think what we are doing is actually pricing for this correctly, which I don't think we have been doing - I don't think the markets have been doing. I wouldn't single-answer that.

The issue is how long will that cycle last? Bankers have short memories, as we all know. I think in terms of the housing market, I reckon our portfolio is pretty good, it's pretty robust, but there has been an increase in default rights, in the mortgage book. And that has predominantly been in the parts of the portfolio, which relate it to low-doc and higher LVRs, which we actually turned off in 2008.

So that's part of that portfolio, is running through and we're beginning to get problems there. But frankly, I think we recognized it in time. And you're quite right; I think the first home buyer market may come under a bit of stress as rates goes up. But again, I think we kept our credit policy pretty sound there with lower LVRs.

I think it is absolutely critical that we maintain a responsible lending policy and I feel that we have that right now. But I would share the concern, in terms of affordability of housing, that the RBA has enunciated. I think it is an issue and we do have to be aware of it.

In terms of cards, the advantage I think we have in cards is that we have a very mature portfolio in most of our businesses. And as a result, we seem to have a lower default rate than the market, and you'd expect that with a more mature portfolio. And actually, we're seeing default rates there actually come off, which is sort of counter-intuitive. But that's what's happening; I think maybe we're improving our collections there. But I think it's probably quite a good quality portfolio.

Jill Craig

Brian?

Brian Johnson
CLSA

Brian Johnson, CLSA. Congratulations on a great result, Mike. Mike, a question for you and then one very quick one for Peter. If you look at the Bell Resources case, which goes back twenty years ago. There's this concept of perfection of security where the banks, given a little bit more credit, let live for another six months and then puts it in receivership. And all of a sudden, you've gone from being unsecured to secured. Without putting specific names on it, if you look at things like ABC Learning, Timbercorp, Great Southern, every one of them seems to have exactly the same characteristics. When you talk about that some of the economic overlay is against specific risks, is that the risk we're talking about?

Mike Smith

Yes, that is. Yes. Let's be quite frank. We've got a few heavy names in there, heavy in terms of the losses not heavy in terms of the capability of the company. But I think that we have got some way to run through this - these restructures take a long time and gradually you can work them through. But I think we have to be realistic that they can go pear shaped at any time and you need to have sufficient coverage to deal with that.

Brian Johnson
CLSA

I'm not kidding that that it goes back twenty years, can you be confident that 555 main goals [ph] is enough.

Mike Smith

It's my best estimate right now, Brian. But I think, obviously, if things - if we can see things actually moving against us then, obviously, we would have to top up. If it improves, then we can reduce. But they're not all going to go. So I think that what we've got there is probably prudent.

Brian Johnson
CLSA

(inaudible). A question for Peter, if I may. Peter, when you have a look at the EPS calc, and I apologize if this is a really nerdy spreadsheet-driven question. ANZ have never had treasury shares before. In your underlying earnings, quite correctly, you take out the movement. But when I looked at the EPS calc, you seem to have left the reduced number of shares in there in a way that average share count. Do you know what I mean? So you've reduced the share count by the treasury shares. Whereas, the shares that exist, and it inflates EPS by about 1%, is that … ?

Peter Marriot

No, no. You'll find mentioned back in the beginning. There are two average numbers of shared numbers that we've used in the documents. If you go to page eight…

Brian Johnson
CLSA

That's about six, normally. But, yes.

Peter Marriot

Yes. Okay. Well, alright. We'll look to outperform next year, then, with about seven. But there's one that's been used for statutory which includes the effect of the trades shares on the number of shares and a high number has been used for underlying.

Brian Johnson
CLSA

So the 95.1 is stuck on the high.

Peter Marriot

It's stuck on the high.

Brian

Okay. Thank you.

Jill Craig

TS?

TS Lim
Southern Cross Equities

TS from Southern Cross Equities. In terms of your Asian Pacific experience, who are the major competitors up there? Would they be Standard Chartered or HSBC, or the homegrown banks within each country?

Mike Smith

Predominantly, in the institutional states, it will be the international banks, so the HSBC, the Citis, the SCBs. In terms of in wealth and retail, it's all of those plus the locals. And in the middle market, of course, we are not - in the commercial market, we're not really very big there at the moment. It will be, again, predominantly be the locals, together with those major banks that are in that market, HSBC, Citi, so it's all of them.

Jill Craig

Brett.

Brett Le Mesurier
Axiome Equities

Brett Le Mesurier from Axiome Equities. A question for you, Peter, you showed that the new impaired assets on slides 19, (inaudible) September '09. But in your review in 4D, you showed that they bottomed in second half '09. It's about a $600 million difference. So can you just tell us what (inaudible)?

Peter Marriot

No, those are two different numbers. You're looking at - the chart is looking at impaired assets. And I think the numbers - the other numbers you were looking at into 4D are impaired loans. So if you've had something which has gone for a non-productive facility into a loan, that doesn't change your impaired assets. It just migrated from a facility to actually have been grown down. And likewise, we had around $10 million or $1 million account that was restructured last half that now became an impaired loan. So it just moved from one impaired category to another. So 4D is loans. The other numbers we had on the slide are the total loans plus unproductive facilities and plus the restructured items, which is the better measure to look at because it's looking in all of the - your accounts that have defaulted.

Jill Craig

Craig [ph].

Craig

Thanks. It's a bit like Brian's, stretchy questions to some extent. But I’m just trying to reconcile - and further to James, there's the early question about deposit growth rates on slide 17. The Australian division shows 2% (inaudible) deposit growth half-on-half. Page 47 of the result did show the Australian division with a 1% contraction in deposits. So is the difference there institutional costumers that sit within the Australian business?

Peter Marriot

Yes. Welcome to our internal nightmare. This is the difference between the geographic view and the divisional view. But the business had growth, but the institutional was down 5%. So you see on page 47, retail, commercial, and wealth comprised the Australian division, which is - and Phil's principal responsibility. And when you add on institutional to get the whole geography, you go from what was positive growth in deposits to minus one. And that was the de-leveraging effect, what Mike was referring to, before affecting the institutional deposits.

Craig

And notwithstanding the said runoff in deposits that's occurring. It seems to be a bit of a different dynamic in your commercial book between your loan growth and your deposit growth. Can you pass and comment there?

Peter Marriott

There might be something, if you're to ask (inaudible).

Jill Craig

I'll just grab the microphone for you, Phil, just a second.

Phil Chronican

Yes, sure. There's obviously a lot of data underneath that. But the commercial dynamic is that we've had quite good growth in small business. But the further up is actually going into the commercial accounts, the more they look like the corporates instead of being de-leveragings. So you had quite a mix (inaudible) roughly 10% or 4% growth and lending to small business. But the overall outcome was pretty clever on the asset growth book commercial generally.

The deposit story is really dominated by the ascent, the runoff of the debenture book. So that does under-sale what has been quite stronger in the bank's share of household deposits. So I think that (inaudible) answer that the geographic issues is the correct one, which is if you look at it at the macro level, it looks like its falling. You can start breaking it down. These usual categories fell. Their centerpiece was in runoff from last year. And we've had recently stronger and higher system growth in the asset deposit territories.

Peter Marriott

It’s commercial deposits (inaudible).

Phil Chronican

Yes.

Jill Craig

Scott? Just at the back there then.

Scott Manning
J.P. Morgan

Hi. It's Scott Manning from J.P. Morgan. Just a question on the domestic mortgage market, we've seen very strong growth in health, and also funding requirements from CBA and Westpac. This indicated that they probably had enough, and they're looking to slow down the growth rates in those portfolios. I just wanted to see what you were doing on your risk metrics and your level of appetite in those markets to say where you might push towards above system growth as they might look to slow down?

Mike Smith

We’re actually already experiencing above system growth in our mortgage - in the mortgage portfolio. But as I said earlier, we are maintaining our credit quality and the credit policy of slightly lower LVR than perhaps some of the competitors, so we continue to do that.

Jill Craig

We've got a couple of question on the phone. So I’ll go to those before we go to some more questions in the room. You could put the first one through. Thanks.

Operator

Your first question comes from the line of Stewart Oldfield from Baillieu. Please ask your question.

Stewart Oldfield
Baillieu

Good day. One, Mike, you're having a fair share of issues from the integration of RBS. Do you want to elaborate on that a bit, please?

Mike Smith

No, I think the fair share of issues was all the other legacy of stuff that we had within the businesses, which we - I know we're working through. I think in terms of RBS, what I said there was that was a very complex transaction. And the reason it was a complex transaction is that was only in three countries. We actually transferred the whole of the RBS business to this. In the other three countries, it's meant transferring part of the business, the retail and wealth, and commercial business. Actually, it's the funding, which is great. Perhaps it means that you have to split the branch business. And that is never an easy thing to do. So of course, the systems issues, the customer agreement, the regulatory issues were all quite complex. I think we've made incredibly good progress on that and things are tracking exactly on plan.

Stewart Oldfield
Baillieu

The other day you were (inaudible) the bank could consider a transformational deal within 5 to 10 years or so. I do want to - but could that include principally the new premium merger?

Mike Smith

I think when I was talking about 5 or 10 years out, then that's what I mean. I think these things have to be incredibly opportunistic. The stars have to align to do that sort of thing. And that will just happen when it happens.

Stewart Oldfield
Baillieu

Okay. Thanks.

Jill Craig

Thanks. Can you put through the next question on the phone?

Operator

Your next question comes from the line of Matthew Davison from Merrill Lynch. Please ask your question.

Matthew Davison
Merrill Lynch

Thanks and good morning. My question was on the markets business and I guess capital allocation going forward. Just looking at the half, the assets in the markets business were up about $9 billion, I'd imagine 12% down. And the first part of my question was just whether that increase was a runoff or we should expect to see that balance sheet growth going forward. And with the margins, whether that just relates to credit spreads tightening in. Then I guess there's a broader question for Mike just on capital allocation. You're sitting on a 10.7% Tier 1. I'm just interested in the priorities - these ex-acquisitions for that capital. We forgot to grow the markets for growing offshore lending, domestic lending, or potentially returning any to shareholders post the regulatory band.

Mike Smith

Okay. Well if I answer that second question first, once I acknowledged that we are at the high end of the Tier 1 capital band, I still feel that we're in an environment, which is uncertain. And in terms of the regulatory environment, it's still very unclear as to what will happen. And I feel that we do have to be genuinely careful with what we utilize our capital for. It does give us, as you say, some potential to grow the business both organically or by acquisition.

And in terms of the mix organically, I would like to see that fairly evenly spread in due course. I'd like to see the business split at least between institutional and commercial, and wealth and retail as being more or less the same. But in the nearer term, that is probably going to be hard to achieve, particularly as we build up the Asia Pacific business, which will be predominantly slightly skewed to the institutional side. So everybody can bid for the balance sheet in terms of our businesses. And I think we have to look where the opportunities are best.

Peter Marriot

And Matthew, in terms of your question on the institutional, the growth in asset within markets we - particularly, you're looking at the average assets. And there was a spread here, which was being used during the half and (inaudible) those have in fact narrow runoff. So that's been nonetheless in terms of the averages that affected the balance. It was sovereign securities that were purchased as part of the business. Let me remind you that the comments I made earlier, the strategy for this business is increasing, like money from sales, not from trading or from balance sheet. And to the extent - it’s easy to balance sheet to be relatively a short term, not - and this was the - as was the strategy that caused the average into turning the assets to growth during this half. It's looking to make money from customer flow, and not from churning - not from using the balance sheet.

Mike Smith

And it was primarily using the commercial surplus that we're generating in Asia as we try to work out our funding to actually bring that money back into Australia, so short term.

Jill Craig

James, thanks.

James Freeman
Deutsche Bank

James Freeman from Deutsche Bank. I just actually - I wanted to follow-up on that question, non-capital. I mean you generated 40 basis points at half at the moment of organic capital, which - if we keep going at this rate, one would argue over the next couple of years that should continue to accelerate as the bad debt is also reduced. You don't end up with a very big capital position as we (inaudible) or we go through a change to actually come and get some certainty around that issue. At what point do you turn around their insides? "Okay. I’m a little too high now. And I’m not going to stop to review, (inaudible) surplus above the (inaudible)." At what point do we get to that? And just the other for Peter-

Mike Smith

Sometime in the future.

James Freeman
Deutsche Bank

I was hoping to get a little bit more detail than that. Peter, just also your 'sticky' funding ratio, I noticed that it's been absent from this presentation. Has there been any change in this or why this is missed in the 200 pages of data we're going to get through?

Mike Smith

To answer your question, obviously, I don't want to hold on to more capital than our need in the long term. But I do think there is sufficient uncertainty out there that we're relatively comfortable. And as I say, there is quite a lot in the pipeline right now in terms of loan demand. And I guess it hasn’t actually been executed yet. People are still waiting. We have got quite significant approvals just waiting to go within the pipe. And it’s just that confidence has not yet come back completely into the market. And I think when it does there may be quite a big growth. So I'm comfortable where we sit, but I take your point. I'm not going to be sitting on excess capsule for too long.

James Freeman
Deutsche Bank

Is that pipeline not big enough to offset the organic generation of the loan?

Mike Smith

I suspect it will be because we will actually have quite a large adjustment. If you think about how our risk-related assets have come right off in the last two years. I expect that they will increase quite substantially before they even out into a more sustainable growth.

Peter Marriot

And now a little variable that sits in there that's (inaudible) is the average term of your lending portfolio because your risk-related assets are a function of the probability to default the loss, even default in the remaining term. A lot of customers are shortening out and not refinancing in the current environment. So the average term keeps on shortening, and risk-related assets go down. That's not a lot (inaudible) $1.8 billion for this half. We've had that train for a while. And once people start to refinance, again, their refinance break out for five years. And so, not only are you going to have a balance sheet growth, but you're going to have the term extending out. So yes, you could say risk-related assets are growing again. The term of this whole space is the semi-variables at the moment, how you manage them. And the default is better to be higher than lower, and so, then maximize your ability to manage the variables that are sitting here a bit.

In terms of your question around the 'sticky' funding ratio, we're - internally, we call that our core funding ratio. We actually published the ratio, but could - you can get the directions off it from page 39 because it's a combination of how much is in customer deposits plus how much is in term funding. Any fund that passed through those numbers improved on the half. Our customer deposits have gone from 55% to 56%, and term funding has gone from 15% to 17%. Our internal co-funding ratio has improved by about 2% across the half. And interestingly enough, our internal core funding ratio is remarkably similar to the outcome of the industry so far, similar because we adjust the customer deposits as to how volatile they are and seeing they're getting similar numbers. So the portfolio from a liquidity point of view has improved across the half.

Jill Craig

Ben?

Ben

Just a question on some of these tax changes currently being talked about and there's been a few credible (inaudible) rates as we're going to the way it can. I just wanted to get your view, anything that has come out that you see is an opportunity or a potential threat. And in particular, what are the ones that - so which was probably interesting was just talk about deposits and some table tax treatment on that. How do you see - what would be your response in that kind of scenario?

Mike Smith

I can't really comment on what I don't know. I think that we have to wait and see what comes out. But certainly, we would welcome any beneficial treatment or bank deposits. But I really don't know what's been proposed.

Ben

I'm looking at deposits. If we did say table tax treatment, what you would expect to happen to deposit mark? Would you expect pricing to stretch - to start to improve on deposit, but where competition's been very intense.

Mike Smith

I think if the pool gets bigger, the simple economics would be that as the pricing would improve in terms of us.

Jill Craig

Any last questions? Brian.

Brian Johnson

CLSA

Mike, if you look around the world, Asian banks - and you seem to be very focused on telling us that Asian banks run a lot better Tier 1 ratios than banks in Europe and North America. Now, on one hand, 10.7% sounds really big. But if you have a look at KB Bank, for example, if we don't want to talk about it, it's over 11%. Who's right? That's all called, by the way.

Mike Smith

Yes, yes. Absolutely nothing, that's an important distinction. And I think Asian banks have generally been much more conservative in terms of their capital management, and indeed, of their liquidity management. And I think we can all take lessons from that. But we have to be competitive. We have to be realistic. I would expect, as we build up our emerging market businesses - I'm not saying that Korea is an emerging market here, but certainly our emerging market businesses that you would maintain a higher capital ratio against those businesses than you would, say, in a market like Australia.

Brian Johnson
CLSA

So the group Tier 1 type, it would probably go up over time.

Mike Smith

Yes. As we would build our business, I think it would be slightly higher than our peer group here.

Brian Johnson
CLSA

So Mike, if you would have - if you would buy some at KB, it's going to be Tier 1. Is there an opportunity to want to stream the perceived strong Tier 1 and to sub-up into the holding company?

Mike Smith

That's -

Brian Johnson
CLSA

It's rather a value, isn't it?

Mike Smith

Indeed. I mean, if such an opportunity were to arise, that would be something you did - you could quite clearly look at.

Brian Johnson
CLSA

Okay. Thank you.

Jill Craig
Okay. We have no questions waiting on the phone. So with that, I think we're done. Thank you everybody for coming today. We're around, obviously, all afternoon if you have any follow-up questions. And we'll talk to you over the next week.