Dole plc Q3 2022 Results

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COMPANY PARTICIPANTS

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Introduction

James O'Regan

Head of Investor Relations, Dole plc

Welcome

Welcome everybody and thank you for taking the time to join our third quarter 2022 earnings conference call. Joining me on the call today is our Chief Executive Officer Rory Byrne, our Chief Operating Officer Johan Lindén and our Chief Financial Officer Jacinta Devine. During this call we will be referring to presentation slides to supplement our remarks. These along with our earnings release, financial statements and other related materials are available on the Investor Relations section of the Dole plc website.

Disclaimer

Please note our remarks today will give certain forward-looking statements within the provisions of the Federal Securities safe harbour law. These reflect circumstances at the time they are made and the company expressly disclaims any obligation to update or revise any forward-looking statements. Actual results or outcomes may differ materially from those that may be expressed or implied due to a wider range of factors including those set forth in our SEC filings and press releases. Information regarding the use of non-GAAP financial measures may be found in our press release which also includes the reconciliation to the most comparable GAAP measures. Our financial statements for the third quarter were also filed at the SEC earlier today and contain reported financial information for the quarter ended 30th September 2022 and 30th September 2021 and the nine months ended 30th September 2022 and 2021. Our earnings press release and investor presentation also reference pro forma comparative financial information. This pro forma information illustrates Dole plc's results for the third quarter and first nine months of 2021 as if the merger, IPO and refinancing had occurred on 1st January 2020. This is consistent with the pro forma financial information presented in the form F1 filed with the SEC in connection with the IPO.

With that I am pleased to turn today's call over to Rory.

Q3'22 Highlights

Rory Byrne

Chief Executive Officer, Dole plc

Q3'22 Highlights

Thank you, James. Welcome everybody and thank you for joining us today. We are very pleased that the Group has delivered strong results for the third quarter. On a pro forma comparative basis excluding the impact of currency translation and net M&A activity revenue increased by approximately 5% as compared to the third quarter of 2021. Adjusted EBITDA of $73 million was ahead of expectations and significantly ahead of the prior year. The significant increase in adjusted EBITDA was driven by a strong performance in our Fresh Fruit segment offset in part by the ongoing recovery in our Vegetables business and a specific challenge in our diversified America segment in the quarter. Adjusted net income and EPS also increased significantly compared to the prior year driven by the increase in adjusted EBITDA. In the third quarter we continued to have a strong focus operationally on cash flow

and we are pleased to announce today a cash dividend for the third quarter of $0.08 per share. This continues our commitment to return cash to shareholders.

Operational Review – Q3'22

Fresh Fruit

Turning to slide eight for our operational highlights, in our Fresh Fruit segment we delivered a strong result for the quarter. North America and commercial cargo operations continued to go on very well with healthy demand, positive market pricing and good shipping rates. In Europe high shipping rates and adverse currency movements continued to impact on performance, however we are making good progress in managing these challenges. Supply and demand dynamics in the banana market overall have been unprecedented in 2022 and this remains a key factor as we work towards the end of this year and continue with negotiations for 2023. Overall, with our diverse sourcing base and our leading customer profile, we believe we are well placed to have a strong finish to 2022 and a positive outlook for 2023 in this division.

Diversified Fresh Produce - EMEA

Our Diversified EMEA segment continued to trade well on a like-for-like basis in Q3 despite increasing inflationary pressures in our core markets. Again, demonstrating the ability to price dynamically and benefit from product and geographic diversity.

Diversified Fresh Produce – Americas & ROW

Our Diversified America segment was impacted by a specific issue at the end of the Chilean grape season in North America. Significant supply chain disruptions led to exceptional volume disposals that impacted profitability. The overall scale and range of activity in our Diversified segments reduces the impact of the Chile grape issue when we look at our results on a full year basis, demonstrating again the benefit of our wide range of products and geographies.

Fresh Vegetables

Our third quarter performance in Fresh Vegetables remained disappointing and while we are making progress on our turnaround plan it is slower than we would like. Category demand was softer in Q3 and ongoing inflation continues in important cost areas. In addition, we faced higher sourcing costs due to weather-related events in key Californian growing regions which impacted the entire industry. More positively however our detailed turnaround plan is beginning to yield benefits. From a volume perspective we recently achieved a number of important customer wins as we look to build back up our volume base for 2023. In all major areas of operation, we have developed detailed profit improvement plans and we are monitoring these closely. We continue to explore all strategic alternatives for this segment and expect to see a recovery in 2023. With that, I will hand you over to Jacinta to give the financial review.

Financial Review

Jacinta Devine

Chief Financial Officer, Dole plc

Group Results

Thank you, Rory. Good morning and good afternoon. Please turn to slide ten. As Rory mentioned, we delivered a strong performance for the third quarter when compared to the prior year. Revenue for the third quarter decreased marginally against the pro forma comparative driven by negative FX movements, the impact of M&A in our Diversified EMEA segment and lower volumes in our Vegetables segment. On a like-for-like basis revenue increased 5% driven by inflation-justified price increases. Adjusted EBITDA for the third quarter increased 26% to $73 million with the increase driven by a strong performance in the Fresh Fruit segment. Similar to Q2, foreign currency translations impacted the results by $4 million and stripping this out adjusted EBITDA increased 32% on a like-for-like basis.

Turning to slide 11 adjusted net income was $13.5 million for the third quarter, significantly ahead of the prior year. The increase was driven by higher adjusted EBITDA which offset an increase in interest expense. Adjusted fully diluted EPS for the quarter was $0.14 compared to $0.07 in prior year and $0.03 on a pro forma comparative basis, again driven by the increase in adjusted EBITDA.

Fresh Fruit

I will now provide some more detail on each of the individual segments starting with Fresh Fruit on slide 13. We continued to see good momentum in this segment with revenue for the third quarter increasing 11.7% compared to the pro forma comparative. The increase was driven by higher worldwide pricing in commercial cargo and higher volumes of bananas in North America. This was partially offset by lower volumes for bananas in Europe and Latin America. Adjusted EBITDA increased 200% from $17 million to $51 million for the quarter driven by higher revenue.

Diversified Fresh Produce EMEA

Moving to Diversified Fresh Produce EMEA on slide 14, as with prior quarters revenue in this segment continues to be impacted by foreign currency translation. On a like-for-like basis revenue increased 4% driven by strong performance across the division and overall higher pricing. Similarly adjusted EBITDA decreased on a reported basis due to foreign currency translation. However, on a like-for-like basis, adjusted EBITDA increased slightly by 0.1%.

Diversified Fresh Produce Americas & ROW

Then turning to Diversified Fresh Produce Americas & ROW, revenue for the third quarter increased 5.8% continuing the good momentum seen in the first half of the year. The increase was driven by higher overall average selling prices, particularly in North American markets for avocados, potatoes and onions. Our results in this segment were impacted by a difficult end to the Chilean grape season in North America leading to a loss in the quarter.

Fresh Vegetables

Then finally turning to Fresh Vegetables, lower volumes contributed to a 5% reduction in revenue for the quarter. The segment continues to recover from the impact of the value-

added salad recall and plant suspensions at the outset of the year, as well as lower category demand. Lower revenue along with persistent inflation, input costs and specific industry wide weather challenges in California growing regions led to an adjusted EBITDA loss of $9 million for the quarter.

Capital Allocation and Leverage

Now turning to slide 17 capital expenditures for the third quarter were $27 million and we now have invested $67 million year-to-date spread over reinvestments in farms and glasshouses in our growing regions. The acquisition of an additional farm in Peru and efficiencies in logistics, warehousing and processing closer to the market. We are now expecting capital expenditure of $95 million for the year, a reduction of $15 million from our previous guidance. The reduction follows a reassessment of capital projects within the Group. Working capital remains elevated mainly due to the precautionary measures taken earlier in the year to build up inventories and also due to the inflationary impact of input costs. We expect to see this unwind due to the normal seasonal working capital effects at this time of year. However, we do still see a higher underlying level of working capital this year compared to prior year. Our net leverage at the end of the quarter was 3.4x. We expect leverage to decrease further in the final quarter of 2022 as seasonal working capital outflows unwind.

Equity Valuation Overview

Highly valuable strategic asset base not being fully recognised in current equity valuation

Turning to slide 18 we also continue to focus on our disappointing share price and believe that our valuable strategic asset base is not being fully recognised. To highlight this, we have included a slide in our investor presentation setting out a sum of the parts valuation approach using a two-division structure. The asset division more than covers the total debt while the operating division currently generates adjusted EBITDA of $230-250 million on a debt-free basis after charging a proxy lease payment to service the debt. This is one example of the real value in Dole that we believe is not being reflected in our current share price. Now I will hand you back to Rory who will give an update on our full year outlook and closing remarks.

FY'22 Outlook

Rory Byrne

Chief Executive Officer, Dole plc

FY'22 Outlook

Thank you, Jacinta. Well, the economic environment does remain dynamic as we progress towards the end of 2022 and we continue to see positive trends and some ongoing challenges. It is clear that the global economy is difficult with inflation and interest rates continuing to rise. We remain highly focused on operating efficiencies, capital discipline and taking price increases to compensate for cost increases. We believe we are well positioned with a broad portfolio of healthy and nutritious products in an industry that does continue to be underpinned by strong fundamentals. However, we now expect our full year adjusted EBITDA to be at the lower end of the previously guided range due to the ongoing challenges

in our Fresh Vegetables segment which have slowed its recovery as well as the specific Q3 issue at the end of the Chilean grape season in North America.

Strategic Priorities

In conclusion, we remain positive on our medium-to-long term outlook and are intensely focused on our short-term priorities for the remainder of 2022 and into 2023. Our principal priorities are clearly the turnaround of our value-added salads business focusing on cost control and operating efficiencies across all our businesses including the ongoing synergy projects, continuing with the disciplined approach to capital.

Before I conclude, I would like to highlight that in the first nine months of the year three out of our four segments have performed well, especially considering the complex operating environment and we are very focused on the turnaround of our Fresh Vegetables business.

I want to finish by thanking again our committed team for their ongoing efforts to drive our business forward and also by thanking our critical partners and customers for their ongoing support which allows us to look to the future with great confidence. With that I will hand back to the operator and we can open the line for questions. Thank you.

Q&A

Adam Samuelson (Goldman Sachs): Good morning, everyone.

Rory Byrne: Morning Adam.

Adam Samuelson: Morning. The first question, as we think about how the performance in the quarter and the outlook in Fresh Vegetables, can we really talk about from where we are ending the third quarter with the EBITDA loss and help us think about the trajectory, pathway and what has to happen for that to be a positive contributor? If not in the fourth quarter, then certainly in calendar 2023.

Johan Lindén (Chief Operating Officer, Dole plc): Yes, maybe I can take that one Rory. We are very happy with the work that the division is doing right now. We are focusing on servicing the customers because we know good service in the end leads to new customer contracts and much easier pricing discussions. We are focusing and doing good progress on our turnaround plan. We are executing on that plan and there are a lot of different facets to that plan. It is about reviewing all the costs that we are having. It is reviewing all the pricing that we have with customers. We are looking at our SKUs. Do we have the right SKUs considering that we are potentially entering into a recession? We know it is high inflation out there so people are looking for more value, high value or affordable products. We are looking at discussions with the customers to see if we can increase somewhat the volume. We are also looking at the structure including our own capacity.

However, what has happened in the end of Q3 and which will impact Q4 is that there has been a complete crop failure in the industry. This is not a Dole isolated incident. This was across the whole industry where almost 30-40% of all the iceberg and romaine have failed and that is due to an extreme heat that we had in the late summer/beginning of the fall, followed by rain. That crop failure combined with the market being somewhat soft for value added products, value added being a little bit higher, has caused the quarter to become challenging. This does not change how we look at 2023 going forward.

Adam Samuelson: Okay. Just to be clear, I know you are not giving guidance but can you help maybe give a few parameters on how you would be thinking about 2023?

Rory Byrne: I think it is a little early to give more comprehensive update on 2023. I think what we will do is as we finish out the year it would be more logical and sensible from an investor perspective to give a more comprehensive update in the next quarter on where we see 2023. On an overall basis, as Johan says, we are just getting a run of bad luck in this division. Certainly, the current production issues in Salinas in California have been very unhelpful. However, the underlying work with the new management that we have put in place, with some of the legacy Total Produce guys going over to help out. We have a very good management team in that they just need a little bit more impetus and help to get over the hump at the moment. We are making good progress on all the profit improvement plans and we will update at the next call what our view on 2023 is.

Adam Samuelson: Okay. Then if I could just have a separate question because you did introduce this asset-light sum of the parts. Is that a leaseback type transaction or is that some kind of corporate split to effectuate that earnings profile under serious consideration at this juncture? If not, can you help us think about what would get you to that point?

Rory Byrne: Yeah, I mean it is really just to illustrate to investors the very valuable long-term assets that we do have in this business. We see them as integral to our existing business so we do not actually have any plans to separate them or do a sale and leaseback of those assets. They are very important to us. We look around at some of the farm REITs, particularly in the US. Farm REITs they have very high valuations. People are seeing the value in long-term farming and other assets. In this slide, we are at a macro level just setting it out for investors. Look, this is what you own. You have some good net assets in the long-term asset division and you have got some asset-light, debt-free EBITDA in a significant amount. It should attract a significantly greater value. However, in the short-term we are not actually thinking about splitting the company. We like having the two pieces together but you can actually look at them as two separately valuable businesses under the one ownership structure.

Adam Samuelson: Alright, that is all very helpful. I will pass it on, thanks.

Rory Byrne: Thanks Adam.

Roland French (Davy): Hi everybody, hope you are keeping well. I have a couple of questions as well if I could. Maybe starting on the banana business and maybe an update in terms of colour in terms of contracting since we last spoke. How have interactions gone across Europe and North America? As well as maybe some colour around the supply situation. Has it got better, worse or remained the same? That is the first question on banana contracting.

Then maybe on the cost environment, I know in the outlook you talk about currently seeing some positive trends and I guess you caveat that with some further challenges. Maybe breaking that out in the context of some of your key cost buckets.

Then finally and somewhat related on the supply chain, I know there has clearly been friction over the last 12-24 months, but generally how has the supply chain improved or not improved since we last spoke?

Rory Byrne: Maybe Johan you take the first and I will pick up the other two.

Johan Lindén: Alright. When it comes to bananas it has been an absolutely interesting year. We started out having one view on how the year would develop and everything changed when Russia decided to invade Ukraine. What happened then is that we had a lot of demand disruptions. Demand fell off. We had to readjust supply. Cost for importing input materials went up. Fertilisers but actually also paper, the box that we are using, and FX collapsed. The euro collapsed. We have been able to perform well, although taking this backdrop we have performed very well within the division. We are now entering in the most intense negotiation period when we are negotiating with the customers. As we said on the last call, we expect the supply situation to become tight and it has become tight. Supply has come down, probably even a little bit further than we had expected. Right now, we are in a situation when we are going out to meet customers when we feel relatively comfortable that we would be able to pass on the cost increases that we had just because of the tight supply situation. Of course, this is also to a certain extent complicating the negotiations that we have with our suppliers but I think if you put them all together, we are ending up in a good position here looking into the next year.

Rory Byrne: Then following on with your other couple of questions Roland, on the cost environment it is very hard to call whether inflation has peaked or not peaked. We have seen even this week some of the European countries' inflation rates were slightly down but on the other hand the UK rate of inflation was considerably up at something like 45-year highs, as you all know. I think in some of our segments we are seeing some easing of inflation but it is a little bit early to call.

In terms of the supply chain obviously at the end of the second quarter we had some really strong impact because of port congestion which had an unfortunate and big impact on our Chilean grape business where ships were parked off the ports for just too long to hold the quality of the fruit. Discharging it they were not suitable for supermarket programmes and lots of knock-on consequences. However, we are seeing some easing of port congestion particularly in some of the areas in the US. Then fuel is a little bit better. Shipping, if there is some evidence that shipping rates are maybe coming off their highs we have yet to see it come through in a material way. I think supply chain is better than it has been. Hopefully it will settle down and costs are probably a little too early to call whether we could peak or not.

Roland French: Okay, great. Maybe just a quick follow-up. How seasonal is the Chilean grape business?

Rory Byrne: It is very seasonal. It runs for a number of months really from the early part of the year.

Roland French: Got you, great. Thanks very much.

Rory Byrne: Thanks Roland.

Ben Bienvenu (Stephens): Morning.

Rory Byrne: Morning Ben.

Ben Bienvenu: I want to ask about the comments you made on pricing. You noted that you expect to make continued pricing increases moving forward and I am curious, are there categories in which you feel like you have more opportunity to take price versus others?

What are you seeing so far with respect to consumer reaction to pricing increases you have taken?

Rory Byrne: Yes, obviously our most important category being bananas and it is starting from a low base. I think there is a willingness to acknowledge cost increases which then get reflected in price increases to the consumer. There have been some ups and downs as Johan described in terms of availability of supply but I do not think we are seeing any fundamental change in consumer demand. I think pricing in some of the other higher priced categories, if you look at mangos, papayas, organics, products like that it can be a little bit harder to get through significant price increases without affecting demand in those categories somewhat. We stand back from it though. There can be ups and downs. It varies quite a bit across all of the different markets. Even within Europe there are different supply demand and consumer demand. If you look at Spain versus Sweden or Ireland versus Holland, it does vary a lot. However, standing back from it we do not see any fundamental shift in the consumer desire to eat high quality fruit and veg that we supply.

Ben Bienvenu: Okay, great. Then my second question is related to M&A. Can you talk a little bit about what the environment offers you? Are there particular opportunities that you are looking at that you are excited about or focused on? If you could characterise the robustness of the pipeline that you have ahead of you that would be helpful.

Rory Byrne: Yes, obviously with the year that we have had Ben a huge and overwhelming focus of the entire management team is to try and get the veg division turned around. We keep an eye on what is happening in the M&A world. We know who the interesting companies are in the different segments, whether it is berries or bananas or distribution or avocados. We have got a very good base. I think one of the interesting things about M&A is if you look at the three divisions being Fresh Fruit, Diversified in Americas and Diversified in Europe very much all of our competitor companies are performing similarly well. We are not seeing any fundamental change in the value of those companies. We are not seeing any fire sales or any great opportunities to buy any companies cheaply because the sector is actually doing well. It is a little bit unfortunate for us. We have got the one division that we have got more work to do to fix. We are keeping our eyes open on the opportunities that are out there. Short-term we have got probably some different priorities in terms of just getting more confidence with investors, delivering the numbers, getting the veg business back on track and we have ongoing discussions with our M&A pipeline. At an appropriate time, we think we can add in interesting pieces to the Group.

Ben Bienvenu: Great, thanks so much.

Rory Byrne: Thank you Ben.

Christopher Barnes (Deutsche Bank): Hi, thanks for the question. Rory I just wanted to pick up on a line that you just mentioned on the consumer. With the recession risk still palpable and inflation still high in absolute terms are you noticing any shift in consumer behaviour? Whether that is trading down or shifting the shopping channel that they are in. I think you mentioned that there is still a propensity to consume which is great but has there been any shift whether in North America or Europe that is concerning you from a consumer behaviour perspective?

Rory Byrne: Obviously all of the points you make Christopher are absolutely right. Inflation, nervousness, lack of disposable income. Thankfully fruit and veg tend to be low down the list of discretionary items that people stop buying. It is actually difficult to measure it but we have not seen any material change in consumer behaviour. Some of the higher price categories that I mentioned might be under a little more pressure but it is not a material shift in demand for consumers are not continuing to buy things like mangos and papayas that might be a little bit higher priced per kilo. If we look back some of us have been around long enough to have seen periods of difficult economies in the past. You go back to the European financial crisis back at the end of the 2000s. We have had some short-term dips in demand from consumers. Maybe some of the discounters who offer a narrower range and people do think about them a little bit more in this period but we are not really concerned that there is any kind of fundamental shift in consumer behaviour towards fresh fruit and vegetable consumption.

Christopher Barnes: Okay thanks that is helpful. Then I know you are not guiding for 2023 given where we are but since it is mid-November is there anything you can share on performance quarter-to-date across the divisions? It sounds like Fresh Vegetables is going to be a little bit weaker than you anticipated but how should we think about the other businesses into 4Q considering the range that you have guided?

Rory Byrne: We are pretty happy with the other three divisions. Obviously we look at our European business and the biggest impact is really the FX rate. You look at currencies like the euro year-on-year 11% depreciation, the Swedish krone which is important to us at 17% year-on-year movement against the dollar. When you are retranslating and reporting in dollars that has quite a material impact on your numbers. I guess even on a day-to-day trading basis when you are importing as we do into euro markets and SEK markets with the currency that is significantly weaker and adding in inflationary pressures it does put a little bit of pressure on those businesses. However, nothing material. We are pretty happy with our Diversified businesses. Our Fresh Fruit business we have got a really, really strong position in the banana and pineapple business. Number one guy in North America with an A-list customer base. We are really appreciative of support we get from our customers. We work hard to make sure we meet all the service levels and requirements. We have done that right through Covid times, right through supply complication times and our customers appreciate that. We work hard with them then to make sure that cost chain items are appropriately reflected in the price. With the exception of the vegetable business and foreign exchange we are feeling pretty good.

Christopher Barnes: Okay great, thanks. I will pass it on.

Ken Zaslow (Bank of Montreal): Hey guys, how are you?

Rory Byrne: Good Ken.

Ken Zaslow: Just two questions. My first one is when you talk about the Chilean grape crop and then you talked about the extreme heat on icebergs you said that it is contained to this quarter. Does it not impact next year? On the lettuce side you said your outlook for 2023 would not change on that. Is there a reason why a 30-40% change is it seasonal? Is there something to think about? It sounds like Chilean crop is seasonal. Then I have a second question.

Rory Byrne: Okay, on the Chilean one it was nothing to do particularly with the crop but the logistical issues that we had which meant that ships and large volumes of product could not get discharged in the right time. Obviously, you are dealing with a perishable product. It gets delayed and then the subsequent season product starts to arrive into the market at the same time. It was just exceptionally unusual this year. We are working on the basis that those supply chain disruptions going into 2023 will not reoccur. We do not expect them to reoccur. We are looking at how we manage that to avoid the same magnitude of problems that we had at the end of the season. Then the iceberg situation or the lettuce situation is a very unusual situation in terms of the crop failure that Johan has described. We have not seen such a dramatic one in quite a while but I think it is an unusual weather circumstance that has been partly responsible for it. We see some other areas of production that can compensate for that or that you do not repeat that crop failure going into 2023. I do not know if there is anything further you want to add on that one Johan that might help Ken understand it a little better?

Johan Lindén: Yes, the crop failure was at the tail end of the California season and we are now moving into the Arizona area. We have a little bit of an impact in the Arizona season just because we were starting then a little bit earlier than expected but we should have cycled out of that coming in to January 2023.

Ken Zaslow: Okay. My second and far more important question is I hear you on the asset value and how you think about it. My question is if you were to look back a year and look forward three years do you think your earnings power has changed based on the environment that we are in? Do you think it stays where you would have thought it would be? Can you give the pluses and minuses of how that will emerge given your opinion?

Rory Byrne: I think if we look back over the last year, I have said it a couple of times on the call, our three segments from Fresh Fruit and our two Diversified businesses, you stand back and they have performed pretty solidly. If you look at the European business on a like-for-like basis we are pretty happy with it. A few ups and downs here but they are balancing out. Against the backdrop of the most unusual economic environment pretty much all of us on this call will have lived in our lives, the war in Europe with the Russian/Ukrainian situation, the disruption to logistics caused by Covid and still enduring, I think with that backdrop we have really performed well.

Our Fresh Fruit business given our market position and given our diversity of sourcing, our shipping capacity, our structural capacity, our management capacity within that division I think we are feeling pretty good that those three divisions can continue to perform. We can hopefully build our profitability by bringing even more so the two legacy groups together. The big problem has been the Vegetables division and we are really focused on the turnaround plan. I think Johan described it recently, we just cannot catch a break at the moment on that division and the unfortunate crop failure situation where you have got lower volumes going into plants that depend on higher volumes to cover fixed costs delays the implementation of our turnaround plan. However, we are doing well. We are picking up volume.

We have got some great work going on in terms of all different aspects of the business from operational efficiency to cost efficiency to management to food safety. Every single area is under a microscope. Given the business backdrop and the world backdrop what we need is maybe the exchange rate to move a little bit between the euro and the dollar. If we got

really lucky, maybe Russia somehow or other can be convinced to step back from the Ukraine. I think even from a psychological point of view if somebody could do that it would change economies just from people feeling a little less nervous about where the world is. Some of those macro effects obviously are outside of our control but overall, we are not feeling bad about life. We are looking forward to the future pretty positively.

Ken Zaslow: Great, I appreciate it. Thank you.

Rory Byrne: Thank you Ken. Okay, thank you everybody for joining us today. I think it is good Q3 numbers for us so a huge improvement on the prior year. Three out of our four divisions performing very well. A little bit unlucky in our Fresh Vegetables division but we will get there. I think we have just got to take a more medium-to-longer-term view on it. We have got a great business with some really fantastic product market positions and really fantastic geographic positions. We look to future with confidence. Thank you very much.

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