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David Kerr: Tena Koutou Katoa. Good morning, everyone and welcome to Ryman Healthcare's full year results presentation for the year to 31 March 2020.

My name's David Kerr. I am currently the Chairman of Ryman Healthcare. To my right, we have Gordon MacLeod our Chief Executive Officer. Beyond him, David Bennett, our Chief Financial Officer.

We decided to make our full year presentation a virtual event so everyone can keep themselves socially distanced and safe. We didn't realise at that stage; it would be Level [1]. Despite it being a virtual event, however, there'll be plenty of opportunity to ask questions either online or over the phone, for those of you who have called in.

I'm going to give you a brief overview of the year. Talk about how we responded to the COVID pandemic. Gordy will then give you his analysis of the year and thoughts on what's ahead. David will then give you some greater detail on our financial results.

At the end of the presentation we'll then open the session up for questions. You will see on the right-hand side of your screen; you have the chance to ask a question online. For those of you calling in by phone, our operator will advise you when you are free to ask a question. We anticipate wrapping up around 11 am.

So, 2020, what a year. We seem to have had more than our share of what might be called one-in-a-lifetime experiences down here in a nutshell. It was a normal year for the first nine months. We started hearing about and worrying about COVID-19 early January. We immediately began preparing to cope. We really haven't stopped worrying about it since then. There's still plenty of uncertainty about COVID-19 ahead, I'm afraid.

Let's look, though, first at the headline numbers. The audited underlying profit was $242 million, which is up 6.6%. That was driven by strong demand at the new villages. The reported or IFRS profit was down 19% to $265 million, which is due to COVID-related property valuation changes.

The full year dividend was lifted to $0.242 per share, in line with the underlying profit. Which results in a dividend of $0.127 per share with a strike date of 26 June and will be payable on 10 July. The operating cashflow rose 12% to $449.8 million. Cash receipts were up 12% to $1.13 billion.

As you can see, our full year underlying profit came in below our medium-term target of

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15%. This 15% annual growth in underlying profit has been our target of many years, as it means we double our profit every 5 years. We continue to believe that that remains an achievable aim.

At the half year, we said we expected to end the year with an underlying profit in the range of $250 million to $265 million. Which gave a range of between 10% and 17% higher than the prior year. We believed this to be an entirely achievable range. However, as you're aware, we suspended this guidance prior to year-end to reflect the fact that sales of occupation rights would be significantly restricted in March as a result of the COVID-related emergency announcements. That we would be forced to seriously curtail construction activity as we focused all our attention and our resources on our residents' care and safety.

The months leading up to our suspension of guidance, was one of the best months ever in terms of sales. Also, we incurred very significant costs, which David will talk about later, in preparing for COVID and to cope during the lockdown, which has also impacted our bottom line. We think that being able to report an underlying profit of $242 million, still ahead 6.6% on the year before, under those circumstances, is a solid result.

We believe the measures we took and the investments we made from January on, to prepare for COVID-19, put us in good shape to weather the challenges of the virus in the months of lockdown that we have experienced and for the future time that COVID-19 is a threat.

I personally think there's a risk of resurgence and this risk will be with us for some time. There's also a heightened risk of a recurrence with the colder temperatures that we're now experiencing and that we'll also have with us for the next few months.

Some modelling has suggested that as few as three COVID-19 positive cases going about their normal activity in the community for as little as three days, here in New Zealand, will result in an exponential increase in cases. So, we need to be very cautious for quite some time yet.

One of our team members described the last five months as being a bit like living on a knife edge and that's a fair description. My heart was in my mouth whenever I saw Gordy's name come up on my phone. But we got pretty good at quickly advising each other that there was no infection present at any village, before then getting into the specific discussion.

It was clear from very early on, that older people were particularly vulnerable to the virus. Sadly, that's what's played out in New Zealand, where all 22 people who've lost their lives were aged over 60. In Victoria, 19 people have lost their lives. Nevertheless, there have been in other countries many deaths in those younger than 60, as well.

So, COVID-19's been an enormous healthcare challenge for us as a company, as well as a once-in-a-generation economic challenge. The clarity of purpose of this company has been critical, really. The residents who entered any Ryman facility joined us because they trusted us to do the right thing for them.

Our response, internally, was called Project Safe Haven. So, our aim was, firstly, to keep COVID out of our villages at all costs. Secondly, to turn the villages into safe [communities] where our care residents were secure, had the best of care and to give our more independent residents the peace of mind that they could stay put without having to leave, because our team would take care of everything else for them.

Finally, we needed to be fully prepared, if we did get COVID infections, for the plan to contain it, eradicate it and then return to normal. We wanted to make sure that the well-being of the residents, their families and our team didn't suffer as a result of the measures we took.

As a board and a management team, we were determined to do everything we could think of to make sure everyone was happy as well as being safe. As you know, we haven't had a single case of COVID-19 among any of our residents or our teams. But we take nothing for granted and we're going to continue to be extra vigilant. The current COVID world is a much different place from six months ago. We've had to change and adapt on a daily basis.

We've managed throughout, primarily, because of the superb, professional, can-do approach of all our team. Our people are amazing. They made huge sacrifices and they continue to do so, to put our residents first and to keep them safe. They've been working under very tough clinical conditions. They've done so with huge professionalism.

Without wanting to embarrass any specific staff, we had staff members who left their families to go to other parts of the country throughout the lockdown. Some who took up living separately from their families so they could focus only on their support to the residents. There are many, many staff who went many extra miles. They showed themselves to be very resilient and in some part, this was a function of the culture gas tank in the company being full. They demonstrated, in a way, what a privilege it is to look after our residents. Our residents responded in kind.

We learnt that our infection control systems are resilient, and our nursing teams can cope with long periods of time working in different patterns with strict controls in place. Our rosters were robust and coped well with the demands that COVID placed on them. At its peak, we had 282 residents and 345 staff in COVID isolation or off work as a precautionary measure. And yet the care continued to flow.

Over 10 weeks our teams delivered 80,000 individual Happy Hours in a Bag, because we couldn’t have the usual Happy Hour gatherings. More than 10,000 grocery deliveries were undertaken for our more independent residents and, of course, the teams also kept all our residents in care safe. All along the way, our team has enjoyed the trust, co-operation and goodwill of our residents and their families.

Our residents have thanked them with poems, pot banging, home baking, impromptu concerts and serenades. We’ve had thousands of emails and cards to say thank you to them.

We asked our residents to go into lockdown early and they did so with no complaint. We stopped all visits, which we know is an extraordinarily hard thing to do on our residents and families alike. We had to make some tough calls. But our residents and families understood our intentions and they gave us their support.

We explained carefully why we were taking the measures we took. Why we were taking a conservative approach to risk. The communications that Gordy led, were excellent as they were honest, authentic and frequent, and were tailored to the different groups of our residents, their families, our staff and our leadership.

We went harder, earlier and we put additional resources and measures in place which, at times, put us out of step with the Government and the Ministry of Health. That’s because we had our own team of clinical specialists working on the unique problems that we faced. While the Ministry takes the whole of the population view, our concern was purely confined to the safety of our residents and our staff.

Our clinical governance committee met regularly with our operations team led by Cheyne Chalmers and her team of highly experienced aged care nursing specialists. Our independent advice comes from Ben Harris, a microbiologist and infection control specialist; Dr Doug Wilson, a researcher and aging specialist, who’s spent a long career in the pharmaceuticals industry; and University of Otago Gerontologist, Professor Tim

Wilkinson. We were really blessed with his very good external advice and we're even looking to confer an honorary medical degree on Gordy. He's expanded his medical knowledge very quickly.

Cheyne worked closely with the Ministry and with other nursing leaders and we worked collaboratively with the rest of the industry. It's a tribute, really, to the leadership of Gordy and his team, that our staff and independent residents were happier than ever during this crisis as we've discovered in our most recent surveys. That's an extraordinary result given what they've all been through. So, thank you, Gordy and thank you Cheyne. Thank you to everyone on the Ryman team.

The COVID challenge has really proven the Ryman model of retirement living and care was more relevant than ever. Our residents have told us that living in a Ryman village during the crisis gave them a great sense of security. The care we took was, indeed, good enough for mum. We're a values-based company. The safety of our people come first. If we continue to do this, we'll weather the storm and enhance our reputation as a safe haven for people in their retirement years. I mentioned that COVID is an enormous healthcare challenge as well as a business challenge. It will continue to be that healthcare challenge for some time. So, you can expect us, as a company, to be taking a conservative stance.

In terms of the business challenge, we have a few key things in our favour. Our business model is robust. We've tested it. It remains strong. We're not a disrupted industry. Our balance sheet was able to cope with the stress and our bankers have been very supportive and this reflects our mutual respect of each other.

We are also fortunate that we operate in two of the few countries of the world, New Zealand and Australia, that have dealt with COVID well. Our response and our geographical advantages mean that we are well placed to continue to manage COVID in the future and we have a great base to launch our recovery, which is already under way.

A few weeks in, we began putting together the lessons that we'd learned along the way and what we'd do differently in the new normal. It may be that we'll look at ways of designing and building a little differently. But we remain nevertheless committed to the full continuum of care.

We look at new ways of communicating and we've certainly learnt a lot about the digital capacity of our residents and a host of new services, like the grocery deliveries, that they enjoy.

COVID-19 will in a way, help us to innovate and change, and we look forward to that challenge. The big challenge we face is the balance between our aspirations for future growth and the reality that currently exists with COVID-19.

We're committed to continue our growth as we see very real opportunity for our continued significant build program. Gordy is going to tell you more of this. So I'll now hand over to Gordy to talk you through the year and what's next as we recover from the COVID emergency. Over to you, 'doctor' MacLeod.

Gordon MacLeod: Thank you very much. I've always wanted an honorary doctorate from a doctor. Hi everyone. Thanks, David and thanks to everyone for tuning in. We started January in good shape actually and we were travelling well towards our financial year end.

We had our strongest February ever with record sales and we were looking good for March which is always the biggest month of the year and a natural peak in our selling season. I was confident we would be hitting 15% for the year and we were launching into our biggest ever build program with 12 sites underway and on track to be delivering over 1000 beds and units in the year ahead.

But a cloud started to appear across the horizon. We first began worrying about COVID-19 in January and we sent our first warning out to our residents, staff, and families about restricting access to our villages to anyone who had travelled to China in late January. Gosh that seems a long time ago now.

We allocated $2 million for our first order of PPE early in February to secure supplies. In total to date, we've actually spent $26 million that we weren't expecting to spend to protect our residents and our staff from COVID.

Over the next six weeks, we progressively closed down our villages to overseas visitors, cancelled open days, and suspended our heavy-duty marketing activities. And we were fully closed to all visitors in mid-March, ahead of the Level 4 lockdown in New Zealand.

On the construction side, we shut down all of our six sites in New Zealand from 26 March. In Victoria, the rules were actually slightly different and we were able to continue with building at Burwood and Geelong, albeit with reduced numbers. That's because of physical distancing.

However, we [took] the decision to close our Nellie Melba construction site because we had a fully operational village in lockdown right alongside the builders and at that time, we just thought the risk was too great.

We sent home all of our Christchurch, Auckland, and Melbourne office staff. We redeployed some of our office staff to support our villages by keeping in touch with residents, doing welfare calls, and supporting of communication and logistics.

And I want to give a shout out to our technology team because moving a few hundred people to home base working pretty much overnight was no mean feat. We also had to figure out how to keep our aged care residents in touch with their loved ones with no visitors allowed.

This is a wonderful picture. This is our resident, Ella, up at Jane Mander, there with her caregiver, Jazz, actually on her 106th birthday. So I was delighted that our technology team were able to deploy Zoom across several thousand tablets overnight early on.

This was a real benefit in having deployed myRyman because there is a tablet in every aged care room. Next thing you know, our residents have made 8500 Zoom calls, totalling nearly 6,500 hours.

And you can even see Ella here, celebrating her 106th birthday over Zoom. I think her 104th one, when we showed it to you as shareholders a couple of years ago, was her paragliding.

So, Zoom probably wasn’t quite as exciting but I think was a great next best thing. And I let Simon know, our old Managing Director, because he was really passionate about myRyman and he was delighted to hear that we'd been able to do that.

Hi, Simon, by the way. He's still a shareholder. And even the Prime Minister got in touch with Bruce Cunningham over the tablet in his room. Now that's a true benefit of the digital age for you.

When we redeployed our builders to help out at our villages, that worked out really well too. They became our delivery and security team. Our sale advisors hit the phones to keep in touch with people under contract and prospects and they are busy back selling again.

No staff were made redundant and everyone was flat out.

We're beginning to see sales activity returning after losing pretty much most of March, April and May. And in fact, our last two weeks in resales were well up on this time last year so that's good.

It's also great to be back building again. Our construction team were chafing at the bit to get going, as you can imagine. We now have 1700 construction workers back on the job and we're at about 95% of where we were prior to COVID.

We faced a major logistical exercise to get building again and to handle our refurbs at existing villages under the new COVID rules. At level three and level two, we had a nurse on each site to make sure our constructive teams were fit and well on arrival.

We achieved a lot during the year. A whole lot of work to improve the experience of living in a Ryman village continued and we were once again named the Most Trusted Brand in the Aged Care and Retirement Sector in New Zealand.

That's actually the sixth time we have received this award and it was also backed by the continued clinical excellence, with more than 80% of our villages achieving gold standard four-year certification. So well done, team. We completed the rollout of our myRyman Life Dementia Training Program which aims to support people living with dementia to live in the moment and to feel kindness, love, and security.

It promotes spontaneity, laughter, and happiness by de-stressing their environment. Allowing them to make sense of their world, lifting their quality of life, and demystifying dementia for their loved ones.

More than 3200 of our team members have completed the training. And even better, more than 840 family members took the time to train as well so they can better understand dementia.

All of our New Zealand villages have been granted the 'dementia friendly tick' by Alzheimers New Zealand. We are the largest organisation of our kind to receive this status and we're really proud of this.

Every aspect of what we do was examined to ensure we are truly an organisation that is committed to providing kind, caring, and supportive environments for people living with dementia.

We're Alzheimers New Zealand lead partner and we support the mission to demystify and destigmatise dementia. A whole lot of other work went into improving life for our team members, including our Elite Program and senior leadership development work, health, safety and wellbeing, and also, continuing to improve the pay conditions of our staff, you name it.

The new result of all this work was the strongest staff survey results in our history which we just received the good news about. This puts us in a great position to get better and better.

During the year, we purchased four new sites. Here's some of them coming up on the screen now. The first up was Ringwood East in Melbourne in April. And in August we purchased Northwood in Christchurch, and Highett in Melbourne.

And here's something new for you, just prior to year end, we purchased a new site at Takapuna in Auckland which we're announcing today. It's a superb site - well, you can see it, can't you? It just looks amazing.

A superb site with stunning views in one of the premier real estate markets in New Zealand. Most importantly, it's an area people love and we think it's perfect for a Ryman community. It's subject to OIO approval.

And in total, these new sites added another 1077 beds and units in our landbank. We also had our best ever year at getting sites through planning. We secured seven resource consents or development approvals for a whole range of villages and here they are; Havelock North, Scott Road in Hobsonville, Riccarton Racecourse in Christchurch, Highton in Victoria, Aberfeldie in Melbourne, Highett in Melbourne, and Ocean Grove in Victoria.

And that's an amazing list, isn’t it? When I first read that the first time, I thought I was reading like the All Black team going to South Africa. It's an incredible work by the team that should have so many sites approved in one year.

So in total, we received approval across those sites for 2029 beds and units in our consented landbank, taking us to 3900 beds and units consented, up from 2900 beds and units the year before.

And in addition to this, we've submitted a further seven applications, currently being processed that are under review with local councils, and that's in addition to what I was just talking about.

And those next seven sites are; Karori in Wellington, Mount Martha and Mount Eliza which is in the Mornington Peninsula in Melbourne as shown here, Kohimarama in Auckland, Park Terrace and Northwood in Christchurch, and also Ringwood East in Melbourne.

These seven additional sites represent another 2235 units and beds that are currently being processed by councils. Now some may take longer than others and that's why we have plenty of irons in the fire, as you can see.

And within my 15 years at Ryman, the pipeline has never been in this sort of shape, and that includes the building consents that we've got lined up for villages we've got underway right now. They're well into this year and in fact, we've got building consents going right through into 2022, 2023.

So it's a real credit to the team and means we're well placed for growth over the next few years. Now, before I get into some construction activity detail, I thought I'd show you where construction activity was this last time last year and where we've got to today.

It's like a good flip-o-rama. So, if we start off with the 2019 one. Yes, that one there. There might be an internet drag on this so do it a bit slower. So back in March 2019, that's where the construction activity was across our sites.

And then if you flick forward to 2020, you can see that the whole bunch have got council approval and consenting sorted out and have moved onto the construction phase. So, let's do that one more time. And again. I really like those flip-o-ramas. I had one of Geoff Boycott batting in cricket, when I was a boy, which I always watched.

Anyway, we're building on 12 sites and we're not planning on starting any other new sites this year even though we have options to do so. We're hoping to hit over 1000 beds and units in this new financial year, well we were hoping to hit 1000 beds and units in this new financial year in terms of our build rates.

However, we have basically lost a couple of months to COVID and we're probably a little bit more conservative, I guess. So, I would expect us to be developing more like 900 beds and units at this stage this year.

As my board remind me, it's possible we could do more than that. If the demand is there and we're able to, then we will. But it's early days of course. And look, we're really proud of the work our construction team do. This is another sort of flip-o-rama thing. And here's a great example of their success.

The picture you see is Linda Jones, first taken in January 2019 and just a little while ago. So let's go back, and forward. And look, that photo of our village goes right up to the top of the screen where you see those townhouses there. That's not a residential subdivision, that's the townhouses at the front of the village. So that's an extraordinary amount of progress. We started work on the Hamilton site in June 2018, but we had to stop almost immediately after some historic bones were found on the site and we lost about three months as a result of the archaeological requirements.

Two years later we have 100 residents living in the village and townhouses and apartments and the main block is opening soon. When I had a cup of tea with them in one of the front townhouses there, oh a few months ago now, they were just absolutely loving living in the village and loving some of the new design features and just how the construction team were looking after them as well, so that's great. There's now 350 construction workers on site and as you can see it's going to be a beautiful village when it's completed.

As well as stepping up the amount of new villages on the go, we have also put a lot of energy and investment into improving the design of apartments, townhouses and villages that we are delivering because you've always got to lift your game. For example, our interiors team has revamped the design of our public areas, cafes and apartment kitchens and bathrooms. The new kitchens and bathrooms have been a hit with residents, they love them. They feature Italian style wall and floor tiles, warm wood tones and new lighting and cabinetry. We have introduced new kitchen cabinetry looks and materials and new waterfall style benchtops. That was a new word I learnt last year, waterfall benchtops.

You can see there in the pictures we've got the bar on the left side there, we've got the grand entrance at Murray Halberg, it's beautiful new reception desk there and then down to the bottom left we've got the new café there. In the middle, just in the community centre and then across the two bottom right ones, you’ve got a new kitchen island there with waterfall benchtop going down the side and the new floor to ceiling tiling that we're doing in the bathrooms. They look absolutely beautiful actually, so they’ve been great enhancements.

Righto, we'll keep on going. We are fortunate to be operating in two markets that are largely free from COVID right now, New Zealand and Australia, which puts us in a great position to keep on growing. We have been through a short-term crisis no doubt and of course there’s uncertain times ahead, but when you look at the slides showing the ageing of the world's population, you see what an opportunity we have, it is extraordinary. That's why I believe that the best years are ahead of Ryman yet. If you just look at the graph where today is, that vertical line, if you just dwell on that for a moment, everything to the left is where we are and where we've come and everything to the right is what's planned to happen. Even just in 50 years' time the global world population of 80 plus will go from 125 million to 425 million and that is an extraordinary change.

So, our plan is to get back to business as usual. Of course, there are some things that won't be quite usual, but we are going for it. We plan to continuously improve what we do for residents, build wonderful villages in great locations and make the best of new technology and we are going to make sure our residents continue to get a great experience and our staff as well. Our growth is never growth for growth's sake. What we do meets a real need and to be honest with you, COVID has taught me more than anything else that that's the case.

Just one last thing to wrap up, well maybe one second to last thing, you as shareholders can feel very proud of your investment in Ryman. The people that work for you and for your company have done an incredible job and have done our residents a tremendous service and have gone above and beyond the call and I hope you feel really proud of them. We certainly do.

I just want to finish off just with one quick thing, is that we all have teams of people that report directly to us in the company and I would just like to acknowledge my senior executive team who have had to put up with meetings with me every single morning at nine o'clock and that starts with Jane, my Executive Assistant, who's been great. Dave, sitting beside me, Dave Bennett. Jeremy Moore, our Chief Development Officer. Cheyne Chalmers, our new Chief Operations Officer, who probably wasn't expecting to deal with this in her first few months on the job. Nicole Forster, our Chief People and Technology Officer. Tom Brownrigg, our Chief Construction Officer and Mary-Anne Stone, who is our Acting Chief Sales and Marketing Officer.

I can tell you that all of those people have gone above and beyond the call as well as their teams and all people at Ryman, so I just want to thank you all. Take care. Over to you Dave.

David Bennett: Thanks Gordy and good morning everyone. Our underlying profit of $242 million is an increase of 6.6% on last year. Our reported IFRS profit, which includes the unrealised fair value movements on investment property, was $265 million, down 19% on last year. This reflects a $173 million decline in unrealised fair value movements due to the changes in valuation assumptions related to COVID-19.

CBRE Property Valuers have reduced its near-term growth rates to affect an expected decline in the property market due to COVID and also softened its discount rates to reflect the increased uncertainty at a macro level. During the year the New Zealand Government's decision to reintroduce tax appreciation on buildings has reduced the deferred tax liability and together with the increase in the recognised tax losses, has resulted in a $93.6 million increase to the reported profit.

We got a record number of sales in the year of 1,436 units, which is a 16% increase on last year. Our operating cashflows are a record $449.8 million, up 12% on last year. Also, pleasingly our cash receipts from residents were $1.13 billion for the year and that's also up 12%. We have benefited from cash collections at some high value villages and from the increase in average sale volumes.

We had strong cashflows throughout the year and this has allowed us to invest a record $711.4 million in new villages and care. Our investing cashflows were spent as follows. $497 million was spent on building new villages, $101 million was spent on land supporting our land bank of 6,595 units and beds, $30 million on bed licences in Victoria, $39 million was invested in upgrading our existing villages to further enhance the resident experience and the care which we provide and $44 million was invested in a range of projects which include development of the next stage of system integration and technology, along with some new kit for our construction sites as we ramp up our build program.

With such a major investment during the year, our working capital debt has increased to $1.7 billion. As we are now building across 12 sites, we have also significantly lifted our investment in Victoria. We regard it as productive debt. We invest the bulk of it in new villages where we recycle capital and this establishes a growing tail of recurring cashflows. We have a strong financial position with total assets of $7.68 billion, which is up 15% from March 2019.

We continue to have very supportive banking partners and our syndicate of seven banks understands our growth plans and strongly support us. Our debt to debt plus equity ratio is 42.6%. Our bank facility has lifted to $2.3 billion, with more than 90% of this having a tenor of three or more years.

We are continuing to see the benefit of the developments being concentrated in high value centres and our development margin for the year is 27%, which is higher than our target range of 20% to 25%. The resale bank of gains still to come on our existing portfolio currently stands at $856 million. This is the amount of resale margin we would crystallise today based on current prices. These pent-up gains mean we can expect our resale earnings to keep on growing, even if the housing market was flat for several years because volumes will increase as our villages mature. Deferred management fees also reset to these new price levels with each resale, so this creates a compound effect.

Our resale volumes in New Zealand increased by 10% over the year, while the volume in the wider New Zealand market was up just 1.8%. Demand remains strong with only 127 units, or 1.7% of our portfolio, available for resale at the end of March. This represents a little over one month of vacancies is a solid achievement if you consider the significant momentum lost in March due to COVID-19.

This demonstrates the continued appeal of a Ryman Village. Demand for the care we provide remains very high and we closed the year with occupancy at 98%. The aged care sector in general is averaging only 87%, so we are significantly outperforming the market. At the end of March, we had a significant amount of unconditional sale contracts for new units and this totalled $337 million. This is the highest amount we have ever had. At this time last year, the number was $273 million. The majority of this will be collected over the next 12 months as construction stages complete. However, some of these settlements won't occur until the next financial year in line with the build program, so it shows the strong forward book we have.

This has given us a very strong basis for which to restart our significant build program. Affordability of our units is something we continue to monitor closely and our residents in Auckland and Melbourne free up significant amounts of capital when they move into a Ryman village. In fact, property prices in Auckland would have to drop 18% at our developing villages before residents stopped freeing up capital and 30% in Melbourne.

This is obviously early days, but the housing market seems to be holding up in both countries we operate, with more resilience than most commentators predicted. We have the largest service department portfolio in the sector with approximately 30% of our retirement village portfolio being serviced apartments and these are priced even lower in a purely needs-based decision.

What triggers our ability to grow is simple, our model of recycling capital in each village. Since listing in 1999 in raising $25 million, we have invested $4.4 billion in our portfolio. We’ve paid out a growing dividend stream to shareholders of more than $920 million but we have never had to raise any new capital.

As Gordy mentioned earlier, the importance of what we do for residents is higher than ever. To give you a sense of how we are going, just on the resale front alone since the beginning of May, we have transacted 131 resales, which is higher than the same period last year. We are also seeing residents settling their homes in an orderly fashion as restrictions have come off. In the last few weeks, we have seen over $60 million of settlements.

It is also reassuring to know that our profits will continue to lift as our villages mature. So, what this means is that we would expect our profits to lift by approximately $100 million due to the increased resale volumes and deferred management fees on our existing portfolio. In addition to this, our land bank of 23 sites is expected to contribute capital sums of a further $4.3 billion. If you assume an 8% return from the deferred management fee and resales alone, it will generate an additional $350 million of recurring profits each year. This excludes the development margin of course.

There's obviously a lot of water to pass under the bridge but we thought it was important to paint a picture for you about what the land bank could deliver in terms of value and we don't intend to stop there. We have got a lot of future growth ahead of us and we have come to a time where what we do has really been valued by the people we look after.

Thank you very much and over again to you David.

David Kerr: Thank you Gordy, thank you Dave, great presentations. So look, we will now open up for questions and if we have any callers on the line maybe if they could introduce themselves and then the question. Do we have any questions?

Operator: Thank you. If you wish to ask a question, please press star one on your telephone and wait for your name to be announced. If you wish to cancel your request please press star two. If you are on a speakerphone, please pick up the handset to ask your question. The first question comes from Andrew Steele with Jarden. Please go ahead.

Andrew Steele: (Jarden, Analyst) Good morning guys. The first one from me is on your thinking about development planning and I guess phasing. You've said that you have no intention at this stage of starting off any new projects in this year. Now, if the circumstances were to change, which style of projects would you be looking to accelerate or potentially decelerate depending on market conditions and within that, thinking about deploying incremental capital in the Victorian market versus the New Zealand market. Do you have a preference at this stage from a risk perspective?

Gordon MacLeod: Oh, thanks for that question. With the 12 sites that we've got on the go going into the next year, there are two new villages that we are committing to. Riccarton Racecourse, which we're just starting. In fact Andrew Inch, who is going to be our project manager, I saw him there a couple of days ago. He was recruiting people, so they’re busy getting underway at the site there.

The second one is Ocean Grove, which is down the Bellarine Peninsula in Victoria. We are just really waiting for the final dots and crosses to be signed on the endorsed plans from Council. We've got the development approval. We are just getting the endorsed plans done which is like the equivalent of the building consent for the entire site. Those discussions are going well and that is a site we expect to be our fifth village open in Melbourne by 31 December 2020.

In terms of other sites though I think it's probably better for us to just take a read on the market. There's actually a number of sites we could start on. For example, we've got a consent for Coburg and we've got one for Highett. We'll have other sites that have come through, that might come quicker through [than] the seven that we've got in the pipeline for example, and look, we'll just have to take them on a case by case basis Andrew depending on how we travel.

But we think that a spread of 12 sites which we have under really good control, the ones that we have been building out for a while now and we've got a really good sense of all the timings and demand and the two new sites we’re adding in have a greater proportion of townhouse elements too so they won't require quite the same capital commitment moving into them. So, we think that's about the right sort of balance.

When we looked at the sales for the year ahead, if we get slightly more sales than we expect at some of those sites, we can quite easily turn on another couple of stages. That's why speaking with the board last week at our meeting, when we caught up, I think there is a potential to flex between 900 and 1000, but it's early days yet. So, I would really take a 900 is where we are targeting to be.

Andrew Steele: (Jarden, Analyst) Thanks Gordy and just two follow up questions just on that. The first being that given the, I guess, the flex in the pipeline of, you know, you highlighted between 900 and 1000 beds and units, is there a flow on impact into the following year and can you get that to the pre-COVID trend if you wanted to in terms of build rate?

Gordon MacLeod: Yes.

Andrew Steele: (Jarden, Analyst) Or is it sensible to expect that will be lower?

Gordon MacLeod: No. No, look, Dave hates it when I answer these questions so I'm going to anyway, but we would want to do 900 this year. It's possible we could do more. In the year ahead it's very much possible we could do in the region of 1300 as we lift our build rate in Victoria, as we get some good sites underway in New Zealand which show good momentum. So our overall plan Andrew is to continue to lift our build rate in Melbourne in Victoria to match the historic build rate in New Zealand. It's roughly 800 on each side.

I guess just in answer to your question, which is our favourite nation, well we love them both, but there may be opportunities out there in Victoria and we decide to do some more there for a period of time, or vice versa. We've got some really good options and we are lifting our build rate and my goal would be that we would still get back to the 800 per country type target that we were hoping for a couple of years ago actually.

David Kerr: I think Andrew maybe part of your question is are we going to pivot towards Australia and that really isn't a decision we’ve taken. I think we will be driven more by demand and what opportunities come up. Given the environment we are in now, there will be opportunities around land acquisition that we will have to look at closely. So yes, we need to stay reasonably agile around that.

Gordon McLeod: The main thing really actually is that we're getting good feedback from residents in both countries, so we've got a lot of confidence from which to build from and as Dave said earlier, we've got a really substantial forward order book, so we're chafing to get back into it and we are.

Andrew Steele: (Jarden, Analyst) Great, thanks guys. And just one last one related to that. Given these updated development expectations, can you give us a sense as to how you think development CapEx, how much development CapEx might be for this year?

Gordon McLeod: Yes, look, we don't normally give development CapEx forecasts, but I would expect it to be less than what it was this year. It might sort of be in the fives, and that would hopefully be with actually more units than beds delivered.

That really reflects the fact we've done a lot of pre- civil works and preliminary works at a number of other sites. I guess it's just getting a bit of advantage from that.

Andrew Steele: (Jarden, Analyst) That's great. Thank you very much, guys.

Operator: Thank you. The next question comes from Stephen Ridgewell with Craigs. Please go ahead.

Stephen Ridgewell: (Craigs Investment Partners, Analyst) Yes, good morning. First of all, credit for the team at Ryman with the way you've protected your residents during the pandemic. I think it's clear the company's been a world leader on the [serious side] so well done to you all.

Just in terms of my questions, actually Andrew's asked a few of them, but in terms of recent trading, Gordon and David, you just mentioned…

Stephen Ridgewell: (Craigs Investment Partners, Analyst) Okay. I'm not sure if you heard anything I said before, but I will start again. David, you mentioned resales were 131 units, I think it was, for resales, since May. And that's up on last year. Are you saying new sales improved also, and perhaps could you split - are you seeing any different trends between the New Zealand and Australian businesses?

Gordon MacLeod: We're really seeing resales as the first ones out of the blocks, because as you can imagine, Ridgey, from our resident point of view, it's nice being able to see a fully completed, mature village. It's something that people can look at quickly and have that confidence. I think for new sales, we're starting to see new sale transactions absolutely occurring in the last couple of weeks particularly, and we've got great sites with stages coming on.

The build program is really important to initiate again, because we've got $336 million of unconditional sale contracts, where our residents are keen to move into our villages, and they've really worked with us during COVID delays and so on. And I think other prospective residents, they're going to enjoy seeing the building teams being recommenced.

I suspect it might just take another few weeks for new sales to pick up at the same sort of rate, actually.

David Kerr: I think, just on that, Ridgey, you saw the value of the needs-based portfolio, because in the first couple of weeks where we came out of Level 4, the demand for our serviced apartments was really strong, and independents have caught up on the resale front, in probably the past couple of weeks. So, I think we'll see the same with the new sales now, as Gordy said. It just shows that a good mix of portfolio is important.

Gordon MacLeod: Australian transactions are coming through. They're still in a bit of a tougher lockdown than we are actually. So they're still getting a few cases each day and that sort of thing, but our teams are absolutely transacting with people, and the villages have good vibrancy back again, so they can very much see that things are changing for the better in Victoria as well.

David Kerr: Stephen, I mentioned that part of it is that the resales will be to people whose health needs or care needs are highest, and they can't delay, and so they will transact more rapidly. Whereas if you're looking at a building that may not be completed for two or three months, that's potentially a different market. You can imagine that the resales will potentially be higher-need residents.

Stephen Ridgewell: (Craigs Investment Partners, Analyst) That's helpful, thanks. Then I'd also - we're seeing some operators offer promotional terms, if you like. Deferred settlements or fee discounts. Is Ryman offering those sorts of promotions at all? Can you talk us through what incentives you're offering or plan to offer, to get activity going again?

Gordon MacLeod: What we're doing, Stephen, is offering a set of terms and conditions that are market leading. So for example, my perspective is, let's start with deferred management fees. Now, deferred management fees are capped at 20% for your life in the village as a resident. Now, I think in a situation where there's financial pressures on families and other people, that some deferred management fees are different by, say, 5% or 10%. If you apply that to say an $800,000-unit, people need to ask questions about what does that $80,000 deliver? I think those sorts of questions will be scrutinised more closely in these times. So, our Ryman Peace of Mind Guarantees is around lower deferred management fee, a fixed weekly fee for life, no-one's ever waited more than six months to be repaid, and those sorts of things. Our terms really stand out.

The second thing is that obviously that with the large-scale care centres that we have. Throughout COVID we've been able to offer people a huge amount of peace of mind and very, very high-quality care, probably during the most trusted environment we've ever experienced, where family couldn't see their loved ones for a number of weeks. That is a very high-trust environment, and the feedback we've had has been great.

So I think that over COVID we have been able to build closer relationships with families and our residents, enhance our brand. We already have what I would view as leading terms in the sector. So, that's the basis on which we are going to market.

Stephen Ridgewell: (Craigs Investment Partners, Analyst) Okay, that's helpful. Just on - Andrew's already asked a few questions on CapEx plans, but just in terms of new site acquisitions, it was interesting to see the site announcement on Takapuna today, just given the context of the environment we're in. Was that a deal that was, if you like, cemented a few months ago, before COVID, or is that a relatively recent agreement, and should we read that as, right, Ryman's going back in the market?

Can you hear me?

Gordon MacLeod: We were delighted to buy that site, Stephen. I guess the only thing that we could ever argue about if it's in a pre- or post-COVID environment is, might the price being slightly different, but the bottom line is, that site is a cracker, and we wanted it. It's really great that it's got the existing resource consent on it. With the levels and style, it actually looks really good. So, we'll make some enhancements to it and make some changes, and then we'll look to get it into the pipeline. You can see from the photograph we showed, it's really beautiful.

I think that during these times, obviously subject to capital constraints, and clearly we'd be careful about committing to large cash outflows for land any time probably in the next six to 12 months. There's lots of different ways we can deal with vendors to make sure that they achieve what they want to achieve, and so do we. So, we're still having land being brought to the board for review, actively so, and it's an important part of our growth. We're not pulling back on our long-term growth.

David Kerr: Stephen, we had a Board meeting, several days this week. We had a good stream of bits of land coming up, but one of the interesting comments from one of the directors was, it's really good to miss out on something we want from time to time, because it reinforces to you that in fact you're not paying over the top, you know? So we do miss out from time to time, and it is a good thing. I had been, at times, thinking it wasn't such a good thing, but there you are.

Stephen Ridgewell: (Craigs Investment Partners, Analyst) Okay. Then just maybe one final one. Just one debt levels, and I can appreciate this a pretty unusual period. Settlements have, at least for a period of time, have been unusually impacted and that has pushed up net debt a bit higher than what the market was thinking, particularly pre-COVID.

With gearing at 42.6%, just interested in how the Board and management think about a comfortable gearing ratio? Are you comfortable up at that 45% level, or just if you could give us a steer on how the company's thinking about managing that debt gearing ratio?

Gordon MacLeod: The thing that we monitor most closely, Stephen, is the composition of the debt. The vast majority of it is around the land bank and the work in progress that we have at different sites. Obviously, we have timing differences where we invest in refurbishments at different villages and that sort of thing, or invest in myRyman. But the vast majority of it is purely work in progress, reflecting our land bank and what we're doing at sites. Given how much cash we free up each time we complete a village, that's how we get the most comfort from debt. We do look at the amount of recurring income we get from resales, deferred management fees and care-free income, because obviously that provides good surety over servicing of debt, even without development margin actually.

So that makes us really comfortable with our debt levels, because we know that we're only really incurring debt to make productive assets, which will fundamentally recycle capital and create a very long tail of growing earnings.

That's one of the reasons why Dave, at his presentation, talked about even if we're doing nothing else, our existing portfolio will increase in annual earnings by about $100 million, just from our current villages maturing without any further expenditure. Then with the overall rest of the land bank itself generating $4.4 billion at that 8% return, $350 million wasn't it, they're substantial amounts of recurring income that run into our portfolio. So, we're happy to incur the work in progress required to do that. Of course, we are expanding into a new state.

We do keep a careful eye on debt, of course. It's the right thing to do, and that's one of the reasons why we've extended our syndication facility during March, to $2.3 billion. We have an incredibly supportive range of bankers. As you'd expect, we are also and always looking at maybe one or two different ways, through different debt type arrangements, to diversify those funding lines.

Operator: Thank you. The next question comes from Jeremy Kincaid with UBS. Please go ahead.

Jeremy Kincaid: (UBS, Analyst) Good morning, guys. Just following on from Ridgey's question, it sounds as though recycling capital is probably one of the most important things the banks are looking at. So, I suppose if worst case scenario, sales did slow or dry up, what sort of levers would you be keen to pull first to encourage more sales? Would it be price, age, incentives; can you let us know an idea on that?

Gordon MacLeod: No. I don't want to go into what our market reaction might be, other than obviously Jeremy, we would be very mindful. Look one of the things that I'd be really mindful of is making sure that we don't continue to build too much. If demand dried up, the most important thing would be to not commit to another apartment building if there weren't enough presales going on, or if there weren't enough sold in the previous one.

So I think that's the most important things that we do around managing our debt. If we - we've obviously got land that we haven't committed to, I guess that's a potential. And fundamentally the best way to just progressively over time sell units, is to do a great job and to price them reasonably in the market so that people can free up capital.

I guess the graph that Dave showed earlier demonstrates that people have got pretty good headroom there, and also the serviced apartments are incredibly affordable. So, don't want to sound remotely complacent, because we're not. We're watching it all the time. If we needed to be a bit more responsive, then clearly we would be. But we see that the fundamental selling points of what we do and pricing units fairly so that people can free up capital is really our best strategy that we are very focused on.

Also we have that very strong forward book of $337 million worth of contracts. So we matched that against our construction pipeline very closely. We do watch that. And if you also look at our existing portfolio, our embedded sort of gains in there at the moment are $860 odd million worth of resale bank, about $440 million of accrued DMF as well, so there is another $1.3 billion of pent up cash in the existing portfolio.

David Kerr: So that natural buffer that exist from wha’s realised from the sale of their home and what our pricing is, is really important. But I think as Gordy is suggesting, the fact that the vast majority of these people are 80 or more and they have a need, they have a healthcare or a supportive need, so it's a needs-based decision.

So I think that that really means that people can make the decision because of the buffer and they actually have a need that mean they are not prepared to delay. We've been through difficult real estate times in the past and we've managed before so I think that we'll be fine.

Jeremy Kincaid: Okay. Second question. Just on the value of contracts not yet settled, it jumped up a little bit this year, was that a steady increase throughout the year or did the jump ups really occur because of the Coronavirus issues?

Gordon MacLeod: No, it was a steady increase during the year and really represents the fact that we are preselling well out. For example, probably about $70 million or something of those related to the first couple of stages at Burwood East in Melbourne.

And there's also - some of it actually, I think, $276 million is stages that we'll complete by 31 March 2021. And then the balance is actually going right into the following year. So we're sort of preselling well out actually which is great.

And our sales advisors have done a terrific job, well done guys, of making sure that our residents have been really well looked after during lockdown, good communications, and they're really looking forward to coming into those stages when they're complete.

Operator: Thank you. The next question comes from Jeremy Simpson with Forsyth Barr. Please go ahead.

Jeremy Simpson: (Forsyth Barr, Analyst) Good morning guys. Hopefully you can hear me loud and clear. Firstly, yes, well done on a good performance in terms of looking after your residents and your staff through this period. So that's great and certainly a market leader and effective leader and all that sort of thing which is awesome.

In terms of some questions, just not too many from me but I guess I'm interested in I guess your current thoughts around margins. Development and resales margins in this environment. Year on year they came back a little bit but are still comfortably within your target range. Is there any thoughts around the near term trajectory of those?

Gordon MacLeod: Yes, look, I think with development margin, that was a very good year we have just had. So I would assume more development margin within the target range in the year ahead in the 20s to 25s. You know, in that sort of region.

I think we've had a couple of years of really strong margin as we've had some exceptional villages come through. But look, we've got a broader range across 12 sites now, Jeremy, and I would expect the margin to just be more in where we would normally target.

And we wouldn’t see that as a negative. Probably the last just couple of years have been really good.

Jeremy Simpson: (Forsyth Barr, Analyst) All right. And just on the construction side of things, any initial throughs around perhaps some opportunities around construction costs given the outlook? There's a lot of activity still happening but it doesn't look like there's a lot of follow up activity if you like in terms of construction in New Zealand. I'm talking outside of the [current?] sector.

So any opportunities there? plus in Melbourne, around construction costs.

Gordon MacLeod: Yes. Well look, it appears though, Jeremy, that the environment for building from a cost and also labour supply point of view may be quite good over the next two years.

It's always hard to predict of course. Governments do do things like commit to a massive horizontal infrastructure projects and all that sort of thing. You're not quite sure where the resource comes from.

But, certainly in residential and sort of midrise commercial, those are two sectors which look like they'll be under a bit of pressure. And look, that's the sort of work that we're going to be doing. So we're starting to see the first glimpses of perhaps a little bit of price pressure coming off.

Certainly in the last three years, particularly in Auckland, there's been significant price rise pressure as everybody knows about, and resource pressure. In Melbourne, it's been not as bad actually. So I'm not sure whether Melbourne will change significantly or not. But hopefully New Zealand will have more resource availability and perhaps sort of more settled price. But it's early days of course.

Jeremy Simpson: (Forsyth Barr, Analyst) Cool. And just lastly from me, just on the regulatory/political environment in New Zealand. Where do you think your - I mean it's still a funding shortfall I guess, particularly around nurses.

I mean you've had some extra costs with COVID clearly and a little bit of extra funding associated with COVID but how do you think the sector is tracking from a regulatory sort of lobbying perspective and the ability to perhaps get better funding, certainly around nurses, over the sort of near to medium term?

Any sort of thoughts on how that's tracking?

Gordon MacLeod: Well how it's tracked to date this year has not been very good. The sector wanted to receive around about $80 million which was built up in a very detailed specific way through the finance people in the sector, which was shared with the Ministry of Health officials of $80 million relating to COVID.

And the Government funding response was $26 million. Which I think worked out as about the same as two takeaway cups of coffee per resident per day over a 12-week period. So I would regard that, given the massive costs involved, I think that that is very low, actually.

But of course, there's more to come. There's a negotiation currently underway with the aged care related contract groups between the 21 DHBs and the aged care sector. That fee increase, whatever it is, will be effective from 1 July. Don't know what that's looking like at the moment, Jeremy, however there wasn't much - well, there was nothing for aged care in the budget that I can recall. So that's a shame given that I think this is probably a time where I think really aged care has shown be an extremely effective part of the health care system and also really a cost-effective part of the health care system.

I guess what I hope for is that there's a better dialogue with the Ministry, Governments, DHBs, health care, as it becomes a much more important part of how we deliver health care in New Zealand and particularly with COVID sort of hanging around. I don't hold out any massive short-term hopes though of any significant funding changes, I have to say, because I believe that would have probably been settled in the Budget if that was the case.

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Operator: Thank you. The next question comes from Shane Solly with Harbour Asset Management. Please go ahead.

Shane Solly: (Harbour Asset Management, Analyst) Good morning, guys, and I would just like to echo the thoughts of the other callers that you have done a stunning job in what is a very challenging time, so congratulations to your team.

I would just like to understand a little bit more about if there is further COVID waves, how you would approach or deal with this. What have you learnt from the last few months and how has that changed the way you would perhaps approach dealing with additional waves?

Gordon MacLeod: So the first thing we’d do if there's additional waves, we would shut the villages down immediately. We would deploy masks, and any interaction with residents immediately. All of our infection control procedures would be re-escalated, for example, if there was a new admission they would be admitted for 14-days isolation in their room. We would be insisting on COVID tests for any new admissions into aged care or serviced apartments and ideally independent living units. That's been a bit of a challenge with the DHBs actually, but the screening tests they introduced did help to make that more frequent.

I think they'd want to see more testing availability for staff, new staff and probably randomised testing of staff. I think one of the optimistic things from what we have been through is that we've learnt to do actually some pretty simple protocols that can benefit all of us. Even if you've taken out the complications of aged care, handwashing, distancing, wearing a mask - the World Health Organisation has confirmed that mask-wearing is a really helpful, good thing to do. Contact tracing, wearing surgical masks at least all of the time if you're caring for people.

So, there's a bunch of stuff that I think we now know that we've got the equipment for, the resources, we've done, we've trained, reducing visitors. I think we would move and be able to movereally quick and our residents would want us just to make sure that safety factor was in place. Obviously, I really hope we don't go back there, but you never know, do you, this is an unknown time.

David Kerr: Exactly, we'd go back, Shane, to exactly the situation we had previously and we'd hope for some higher level of cooperation around testing of residents before they moved in, and testing of staff. I feel a high level of anxiety after seeing the television 1 News last night around the relatively loose arrangements that exist for people in quarantine. I just feel that this could jeopardise the COVID-free status that we have. We are very aware of it, yes.

Gordon MacLeod: We'd like to see more - the fundamental thing we'd like to see is more testing in aged care for new people coming in and new staff. That would be great. It's great we have the capacity for it and we should be doing it. Actually, we've been insisting on it, but it's been too much of a fight.

Look, we're running out of time, but if we take one more question and then we'll close.

Operator: The last question comes from Kirinjoat Bhalla with North Shore Corporate Nominees. Please go ahead.

Kirinjoat Bhalla: (North Shore Corporate Nominees) Good morning, guys. Wonderful result under the circumstances. A couple of questions. I'm based in Australia, although a Kiwi, and a couple of questions relative from that perspective. Any intentions of obtaining a secondary listing in Australia?

David Kerr: I think your question was whether there's any intention to have a listing, a secondary listing in Australia. Look, we've talked about that at times but to date we haven't felt a need to do that. We're getting good volumes of trading and so we haven't felt that's necessary.

Gordon MacLeod: So it's not something that we're actively looking at and we haven't explored it for a long time.

Kirinjoat Bhalla: (North Shore Corporate Nominees) Now, there was a Royal Commission on aged care in Australia. Was Ryman involved in that and has there been any feedback from that Royal Commission?

Gordon MacLeod: So we submitted to the Commission at the start of last year by writing and what we focused on was the fact that we don't believe that the aged allocation round where people are allocated free aged care bed licences is a very … and then keep them and potentially don't use them for a long, long time and then if they decide not to use them, to make an economic gain by selling them, we don't believe that that is a very effective market for older people in Australia or obviously Victoria, where we operate.

For example, in the last year we've paid A$13 million for new bed licences off providers who received those licences for free from the Government and then sold them to us on an open market. Now, they're obviously very welcome to do that. From a resident's point of view though, you have to ask the question what's the best thing for the resident, and I think the best thing for residents in any nation in relation to aged care is that new providers are encouraged to come in and innovate and to be able to provide their version of care which they think works and for the consumer to then decide, to have the opportunity to make that decision.

I think with any licensing regime which makes it difficult for new entrants and which puts a financial barrier in place as opposed to what the emphasis should be, which is truly around care provision and the ability to look after people, well, we fed back to the Royal Commission yesterday in fact, Dave and Cheyne and Paul Sutton, that those were our main points of feedback really, that we think that the bond system, the way that the licensing works, really needs to open up to encourage innovation and new players and let consumers decide what they would prefer.

David Kerr: In a bigger picture, sense, I think that fundamentally we would welcome anything that raised the standards of care and the reputation of the sector, because some of the stories were pretty harrowing to read that the Royal Commission presented. We looked carefully at how we perform against some of the recommendations that have been evident from the Commission and our staff ratios are in excess of what they are talking about anyway. Look, it's probably damaging to the sector's reputation and that's not good for anybody, so we want to engage and want to see some outcomes from it.

David Kerr: Look, I'm sorry, we're probably out of time now so if you have questions that have been answered then we'll get back to you. It's really my role to thank you for your time and for giving us your attention today. As I've said, what a year. We look forward to reporting back to you in six months' time. Thank you very much. Goodbye.

Gordon MacLeod: Thanks everybody. Catch you later.

End of Transcript