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SMG.N - Q3 2026 Scotts Miracle-Gro Co Earnings Call

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OVERVIEW:

Company Summary

CORPORATE PARTICIPANTS

Brad Chelton *Scotts Miracle-Gro - Vice President Treasury, Tax and Investor Relations*

Nathan Baxter *Scotts Miracle-Gro Co - President, Chief Executive Officer, Director*

Mark Scheiwer *Scotts Miracle-Gro Co - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

CONFERENCE CALL PARTICIPANTS

Jon Andersen *William Blair Capital Partners - Analyst*

Jonathan Matuszewski *Jefferies LLC - Analyst*

Joseph Altobello *Raymond James - Analyst*

William Reuter *Bofa Merrill Lynch Asset Holdings Inc - Analyst*

PRESENTATION

Brad Chelton - *Scotts Miracle-Gro - Vice President Treasury, Tax and Investor Relations*

Good morning. Welcome to Scotts Miracle-Gro's third quarter 2026 earnings webcast. I'm Brad Chelton, Head of Investor Relations. Speaking today are President and CEO, Nate Baxter; and Chief Financial Officer and Chief Accounting Officer, Mark Scheiwer. Nate will provide a strategic overview, and Mark will follow with a review of our financial results.

In conjunction with our commentary today, please review our earnings release, 8-K filing, and supplemental financial presentation slides, which were published on our website at investor.scotts.com prior to this webcast.

During our review, we will make forward-looking statements and discuss certain non-GAAP financial measures. Please be aware that our actual results could differ materially from what we share today. Please refer to our Form 10K filed with the SEC for details of the full range of risk factors that could impact our results.

A live Q&A session will promptly follow the earnings video. (Event Instructions) As always, today's session will be recorded. An archived version will be published on our website. For further discussion after the call, please email or call me directly.

With that, let's get started with Nate's update.

Nathan Baxter - *Scotts Miracle-Gro Co - President, Chief Executive Officer, Director*

Good morning, everyone. I'll start with how honored I am to lead Scott's Miracle-Gro at such a pivotal time for us. The CEO transition is moving smoothly, and I am fully committed to building upon our legacy to deliver greater shareholder value.

I want to thank all of our associates for their hard work this season. The results speak for themselves. We have entered an exciting chapter. Our multi-year SMG 2.0 strategy is not just about adapting to the changing consumer and retail environment. It's about proactively shaping our future. We are driving a fundamental shift in how we innovate, how we engage with our consumers, and how we maximize digital and e-commerce platforms to unlock sustainable growth.

In our last earnings call, I walked through the building blocks of SMG 2.0. Today, I'll provide a progress report. Before heading down that road, I want to address two things: first, some of my priorities in my initial 90 days as CEO; and second, our performance in Q3, which gives us confidence to reaffirm our full year outlook. I'll provide a high-level assessment and let Mark cover the details.

As for my priorities, top on the list is to optimize our organizational structure for SMG 2.0. This starts with the leadership team. I will not be backfilling the COO role. Instead, I'm restructuring the management team to encourage faster decision-making and maximize collaboration among all associates. I will be hiring a Chief Innovation Officer and a Chief Information Officer as we focus on increasing our investments in our brands, AI, automation, technology, and data analytics. In parallel, we are undertaking a rigorous assessment of our talent to ensure we have the right people in the right roles for where we are going and to create a strong pipeline of future leaders.

Mark and I are also reevaluating the capital allocation strategy, including the previously announced financial targets and share repurchase initiative. While the \$1 billion increase in net sales and \$1 billion in EBITDA remain the targets, our immediate focus is on quality earnings growth and margin expansion, which will naturally lead us to those long-term financial milestones on a consistent basis that might push achievement beyond 2030.

Additionally, Mark and I are aligned to driving the leverage ratio below 3.5 times. We will discuss in more detail our capital allocation strategy and share repurchase approach at next week's Investor Day. I encourage you to join us to learn more.

Shifting to our financial performance. I am pleased with our Q3 results. We have delivered against all financial imperatives for fiscal '26 and are on track for sales, gross margin expansion, EBITDA, and leverage reduction in addition to an increased EPS guidance Mark will address.

Free cash flow is strong, contributing to debt paydown and setting us up for continued dividends and other shareholder-friendly actions. Our performance is anchored by two important drivers, first, margin discipline. While we've encountered commodity and freight headwinds this year, we have effectively protected our margin profile and supported the earnings target. Second, balance sheet strength. We achieved a leverage ratio that is a meaningful improvement over prior year, demonstrating our commitment to strengthening our financial foundation.

Consumer resilience remains an underlying story. Despite broader market volatility, the Lawn and Garden category continues to grow, and our SMG 2.0 building blocks are driving tangible results. We are capturing market share in targeted strategic areas, specifically in subcategories where we have introduced innovation, in the Lawns category driven by grass seed and fertilizer, and online with significant double-digit POS gains across our portfolio.

Our ability to capitalize on this demand for our branded products validates our reinvigorated marketing approach to engage with consumers digitally and through deepened retail partnerships. We have even more opportunities to capture market share in areas where we are underpenetrated. We will discuss these opportunities at our Investor Day.

All of this points to our consumers who view Lawn and Garden as important to their lifestyle. According to our recent consumer research, 74% of respondents consider lawn and garden care a necessity, while 82% say the same for pest control. This strong consumer engagement in our categories bodes well for SMG 2.0 and is showing up in our progress on the building blocks. As a reminder, these are portfolio optimization through innovation and SKU rationalization, channel expansion through e-commerce and expanded retailer partnerships, category growth through greater household penetration and by reaching emerging consumers where they are, and finally, operational efficiencies and savings through technology, automation, and AI investments.

Let me walk through each of these, starting with the product portfolio. This year, we deliberately exited some of our lower margin commodity volume to aggressively expand our high margin, high growth branded portfolio. In doing so, we exited approximately \$100 million of low-margin commodity mulch and soil sales while staying disciplined to our margin targets. This shift is working.

Branded product sales are up 4.5% year-to-date, and innovation introduced this fiscal year has contributed \$75 million in gross sales prior to accounting for volume trade-offs with existing SKUs. Notable product introductions driving these gains include expansion of the Miracle-Gro Organic line, modernization of the core Miracle-Gro portfolio, Scott's Kentucky 31 Grass Seed, Turf Builder Lawn Food, and Ortho Mosquito Kill & Prevent.

In addition, our approach to launching innovation has changed with a focus on introducing products first through e-commerce to gain insights and build consumer demand and then gaining shelf listings at our customers' brick-and-mortar stores.

The impact of consistent and disciplined innovation cannot be overstated. Year-to-date through June, innovation launched in the last three years has accounted for \$278 million in gross sales, again prior to accounting for overlap with existing SKUs.

On the SKU rationalization front, we are sunsetting low margin products in favor of the highest margin SKUs and to make room for new higher margin innovation. We're about two-thirds to our goal, removing about 30% of our lowest performing SKUs by the close of fiscal '27. This will further balance our portfolio and support margin growth.

Channel expansion is a positive story. E-commerce continues to grow significantly every quarter and now represents 13% of our total POS dollars, a 300 basis point improvement over last year. In retail outlets where we historically have been underpenetrated, we've expanded our presence through consumer activation programs, innovation, and product assortments that better fit their strategies and goals. This includes club, hardware, and rural farm and fleet, where POS growth among some retailers has risen double-digit percentages this year.

To engage broader groups of consumers in our category, we are doing more than bringing innovation grounded in organics, naturals, and sustainable packaging. We are meeting them where they are. This has led to a shift in the deployment of our media investments. Our fiscal '26 media mix is now 80% digital, including social media, streaming, and online search, with 20% focused on traditional, such as linear TV and radio.

Last year, 68% was digital, and 32% traditional. On this note, our new Chief Brand Officer, Nick Miaritis, is now on board with a remit that includes household penetration growth across our categories. I'm excited for all the ways we're going to engage and educate consumers moving forward. We are making these investments while continuing to be good stewards of SG&A, working constantly to reallocate dollars to strategic high ROI initiatives.

Finally, we continue to outperform with supply chain savings, which are helping to offset geopolitical driven commodity volatility while contributing to gross margin expansion. By year end, we will achieve a net savings of roughly 1% of sales. Much of this has been driven through capital investments to support SMG 2.0. Among our high ROI projects are transformational IT, automation, and upgrades to our growing media and fertilizer plants.

When you look at our performance and where we are headed, it's clear we are making meaningful progress on SMG 2.0. We're on a path to drive sustainable growth and outsize value creation. What's most compelling is we are in a unique and strong position within a very special category. We have momentum and are committed to moving with greater speed and precision. We are more focused, more disciplined, and more energized than ever to deliver for our shareholders and the millions of consumers who rely on us for success with their own lawns and gardens. I believe it's an exciting time to be part of Scott's Miracle-Gro, and I appreciate your support.

Thank you. Here's Mark with the financial details.

Mark Scheiwer - *Scotts Miracle-Gro Co - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

Thank you, and hello, everyone. Nate provided an excellent overview of our performance and how we continue to drive SMG 2.0. We remain disciplined in the execution of our plans, and we are consistently meeting or exceeding our financial targets this fiscal year.

Before I get into the numbers, I'll echo Nate's comments about the transition, which has been seamless. This is a testament to the succession plan that was put in place by the Board of Directors. Nate has been highly engaged in all aspects of our Lawn and Garden business, well before taking on the CEO role. And he has forged strong relationships with our retailers, suppliers, partners, investors, banks, and associates. There is an energy and collaborative spirit among the leadership team, and we are all aligned to SMG 2.0.

This also extends to our future capital allocation strategy and share repurchase plan. As Nate noted, we are committed to a balanced capital allocation strategy, including an updated long-term financial model in which we will be less focused on achieving our SMG 2.0 growth targets by established dates in favor of a consistent trajectory of progress towards those growth goals on an annual basis. We will discuss this in detail at our Investor Day next week at the New York Stock Exchange.

Now for the deeper financial dive. In the third quarter, total company net sales increased 1% to \$1.17 billion. Year-to-date, total company net sales increased 2% to \$2.99 billion. These results mirror our performance in our US consumer business, where total net sales also increased 2% year-to-date to \$2.74 billion. This tracks to our full year net sales guidance of low single-digits growth in our US consumer business.

We are also delivering on our mixed strategy in which we put a stronger emphasis on higher margin branded products. Sales of branded products through the nine months contributed 4.5% to current year growth, which was partially offset by expected declines in non-branded product sales, including mulch. This continued a trend of higher branded product sales in each of our three quarters this year.

The branded sales growth has occurred across all product categories with the strongest performance in our ortho control products up 15%, Scott's grass seed up 11%, and soils up 7%. Year-to-date, total POS dollars and units were plus 1.4% and 2.3%, respectively, closely aligning with our net sales growth. This POS data includes our largest strategic customers, e-commerce, and only branded products excluding mulch, private label, and commodity items.

From a POS perspective, the strongest performers were in ortho, roundup, and soil product lines. E-commerce channel expansion continues to be the growth opportunity we expected. Year-to-date, e-comm POS dollars were up 27% with growth in every category and across every customer. We did experience POS softness in early May due to unfavorable weather in some regions, but consumer sell-through strengthened during Memorial Day weekend and carried over into June, further demonstrating continued consumer engagement in our category.

As a result of the POS softness entering Q4, retailer inventories were slightly elevated over prior year by high single-digit percentages. While retailers intend to focus on joint consumer activation programs for late summer and early fall to drive sell-through, we do expect a slowdown in the fourth quarter purchasing activity. This will most likely push our current year US consumer sales growth to the lower end of our sales guide.

Moving to gross margin. Our expansion remains on track. Year-to-date, the GAAP gross margin rate was 35.7%, a 130 basis point improvement over prior year. And the non-GAAP gross margin rate was 35.8% versus 34.7% a year ago. Favorable mix from higher margin branded product sales, supply chain savings, and pricing actions contributed positively to this gross margin improvement.

For the quarter, the GAAP gross margin rate was 31.2% versus 32.1% in the prior year, while the non-GAAP rate was 31.3%, compared with 32.3% in the prior year. The gross margin was impacted in the quarter by higher freight and commodity costs.

We explained earlier this year that we expected to manage commodity headwinds from the Iran War as most cost of goods sold were locked given we had already purchased or produced a significant portion through the first half of our fiscal year. We also effectively hedged our remaining cost of goods as part of our contingency planning. For the full year, we expect a \$15 million increase in commodity costs above our initial plan for the year with most of this being recognized during this quarter.

Looking ahead, we do not expect any further commodity impacts through the end of our fiscal year as nearly all of our cost of goods are locked. In addition, as part of our fiscal '27 planning, we expect to take pricing actions and continue to deliver on cost-out initiatives to drive continued gross margin improvement.

I'll now move further down our P&L, starting with SG&A. For the quarter, SG&A increased slightly from \$144.8 million in fiscal '25 to \$145.6 million this year. Year-to-date, SG&A increased 3% to \$450.7 million from \$436 million. This increase was expected and reflects our increased media and marketing spend to drive incremental brand awareness and consumer takeaway. SG&A spend is on track to our full year target of around 17% to 18% of sales.

Looking at non-GAAP adjusted EBITDA for the quarter. It was \$246.3 million versus \$253.5 million a year ago. This decline was attributable to the impact of higher freight and commodity costs in the quarter. Year-to-date, non-GAAP adjusted EBITDA was \$686.6 million, a \$31 million or 5% improvement over \$655.9 million in the corresponding period.

Below the line, interest expense declined from lower debt balances and interest rates. For the quarter, interest expense was \$28 million, compared with \$31.8 million in fiscal '25. Year-to-date, interest expense was \$86.5 million versus \$102.2 million in fiscal '25. Leverage as of the third quarter was 3.78 times compared with 4.15 times a year ago, an improvement of approximately 0.4 times. This was the result of higher EBITDA and continued deployment of free cash flow to debt reduction.

For the full year, we continue to drive improvement in the bottom line. GAAP net income from continuing operations was \$319.1 million or \$5.40 per share, compared with \$309.4 million or \$5.28 per share a year ago. And non-GAAP adjusted net income from continuing operations was \$390.2 million or \$6.60 per share versus \$336.9 million or \$5.75 per share in the prior year.

For the quarter, GAAP net income from continuing operations was \$103.6 million or \$1.75 per share, compared with \$154.7 million or \$2.64 per share a year ago. These GAAP results included impairment, restructuring, and other non-reoccurring items of \$64 million for the quarter, primarily comprised of executive severance charges and non-cash impairments of non-core passive investments.

Excluding these items, non-GAAP adjusted net income from continuing operations in the quarter was \$166.9 million or \$2.82 per share versus \$153.4 million or \$2.62 per share last year.

Looking ahead to fiscal '27, we continue to focus on executing SMG 2.0 and managing the potential impact of commodities from the Iran War through a combination of sourcing contingencies, hedging strategies, and pricing actions, which we are currently under discussion with our retail partners. You can expect us to continue to invest in our superpowers and advance innovation and other gross initiatives while driving supply chain savings through automation, AI, and other efficiencies.

We've stated this many times this year. Overall, we are pleased with our performance and are once again reaffirming our fiscal '26 guidance with one upward revision around non-GAAP adjusted EPS from continued operations. We now expect non-GAAP adjusted EPS from continuing operations of \$4.30 to \$4.45 per share, up from a prior range of \$4.15 to \$4.35 per share. This increase in our earnings guidance range is reflective of the hard work and efforts of our associates over the course of this fiscal year. And I want to personally thank them for their diligence.

I encourage you to join our Investor Day to learn more about SMG 2.0, our capital allocation strategy, and other initiatives aimed at driving greater value and shareholder returns. The executive and senior leadership teams will be presenting and will be available for Q&A during the event.

Here's the operator.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Jon Andersen, William Blair.

Jon Andersen - *William Blair Capital Partners - Analyst*

Congratulations, Nate, on a new role, and good luck going forward.

Two quick questions. One, I wanted to get a sense for -- there's some commentary around kind of retail inventories being a bit elevated. If you could talk about kind of some of your assumptions around where those land exiting the fiscal year and any programming that you're engaging with retailers on to help achieve that.

And then it sounds like you are at least going through a kind of a reassessment or relook at the capital allocation strategy going forward or priorities, if you could -- I don't know if you can preview any of your thinking around that or if it's too early, but those will both be super helpful. And yeah, I'll leave it at that. Thank you.

Nathan Baxter - *Scotts Miracle-Gro Co - President, Chief Executive Officer, Director*

Okay. Well, thanks, Jon. Good to hear from you. Let me tackle the inventory one, and then I'll let Mark comment on the capital allocation, although I think the in-depth discussion will happen next week on that one.

Yeah. So let's start with April, May was a little slow weather-wise. June, actually one of our best Junes ever broke records. But as a result of that, we're sort of forecasting for Q4 to be at the lower end because we're anticipating retailer inventories being slightly higher than they were last year.

Now with that said, with the weather pattern setting up, we could have an outstanding fall. We're already seeing really strong controls. Sales continue through the early part of Q4 here. So we're just being conservative in how we forecast that just to make sure we're accurate with where we think we'll land the year.

Mark, any color you want to add to that?

Mark Scheiwer - *Scotts Miracle-Gro Co - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

No. I would say it's the teams working hard with the customers to bring down their inventories, and I think we're in good shape as we land for the year. And then looking out to '27, we've got great programs the team is working on for our sales growth next year. So I don't foresee this being a massive impediment to that.

Looking at capital allocation, Jon, you heard us speak a little bit about balanced capital allocation when we've been out talking to investors and on these calls. And we'll continue that discussion. We'll continue to have our quarterly dividend be a focus of our strategy. A lot of how we've navigated this year has been about reinvestment in the business, and we'll continue to reinvest in our business, both in advertising, R&D, and through our CapEx activities to drive cost out. So those will be a big part of that.

Earlier in the year, we announced an authorization for a share repurchase program that we're excited to start as well. In the near term, it will be a measured approach, like Jim and I have spoken about on the past several calls. Leverage, we'll be very mindful of. So I don't think you'll see any big changes on that front, but we will dip our toe into it, and we'll provide you more color next week.

Operator

Jonathan Matuszewski, Jefferies.

Jonathan Matuszewski - *Jefferies LLC - Analyst*

Thanks for taking my two questions. The first one was just on pace of product innovation. You talked about directly launching products ahead with consumers prior to wholesale shelf listings. Just asking if you could kind of dimensionalize for us how that actually impacts your slated pacing of maybe annual product launches over the next few years versus maybe what you were able to do in the past? That's my first question. Thanks.

Nathan Baxter - *Scotts Miracle-Gro Co - President, Chief Executive Officer, Director*

Hey, Jonathan. Good question. Yeah, I mean, innovation is absolutely one of the building blocks of sort of our strategy moving forward. I think what you'll see is us introduce new products to the market at a faster rate. We'll do it digitally. And I think I've talked about this openly before.

There's some distinct advantages there. One is we get to test the market. And two is we get to be pretty measured about the inventory build around new innovation. We did it last year with that Mosquito Kill & Prevent. We were proud that we had launched them on TikTok.

While the numbers weren't huge, the fact that the demand drove a lot of out-of-stocks on that, I think, just was a really interesting way for us to learn about consumer engagement. And we've gained a tremendous amount of retail brick-and-mortar distribution this year. So if anything, that should allow us to speed up innovation as opposed to the old days where we waited for line reviews for brick-and-mortar.

And again, I'll emphasize, all of our retailers are excited on the e-comm piece. As you heard in the prepared remarks, we've driven some meaningful expansion in all of our e-comm channels, so I think that's a good indicator that we've got a winning formula in terms of how we bring new innovation to market.

Jonathan Matuszewski - *Jefferies LLC - Analyst*

All right. That's helpful. And then just a follow-up on sourcing and raw materials. I think, historically, you've tried to maybe lock in half of some of your key inputs by the end of the fiscal year for the following year. And so just in light of kind of the conflict in Iran and commodity volatility, can you give us a sense of where you're planning to be as you exit this fiscal year at the end of September?

Nathan Baxter - *Scotts Miracle-Gro Co - President, Chief Executive Officer, Director*

Yeah, absolutely. It's obviously been a volatile market. I would say we're going to be slightly ahead of where we have been historically. We've taken advantage of some of the dips to hedge on urea, but as you know, diesel costs are up and freight distribution costs are up. So we'll be ahead of where we typically are, and we'll talk more about it in Q4.

Operator

Joseph Altobello, Raymond James.

Joseph Altobello - *Raymond James - Analyst*

I want to talk about pricing for a second. I'm just curious, first, how much do you expect pricing to add to sales growth in fiscal '27? I know discussions are going on, and they're probably fluid.

And secondly, are you getting more than your typical amount of pushback from retailers on that pricing discussion?

Nathan Baxter - *Scotts Miracle-Gro Co - President, Chief Executive Officer, Director*

Let me attack that just by saying we are in the middle of discussions with retailers. I think no retailer ever likes you to come with pricing. I wouldn't say it's any more than typical. I think retailers are eyes wide open on the current environment. It affects them as well.

I think we'll have a lot more to talk about in Q4 on that front, but rest assured that combination of pricing and our cost out is going to deliver the margin growth that we've committed to, so we're firm on that.

Joseph Altobello - *Raymond James - Analyst*

And just to follow up on that, back in 2024, I guess it was when you had your last Investor Day, we talked about getting to 3% sales growth, consistent 3% sales growth. How long do you think it'll take to achieve that number?

Nathan Baxter - *Scotts Miracle-Gro Co - President, Chief Executive Officer, Director*

Yeah. I mean, I look at '24, that was the year we grew 6%, and we're low single-digits for '25 and obviously protecting this sort of land there for '26. I think we'll start to see a rebound towards that algorithm in '27, not only the pricing, but also just some of the innovation we're bringing to market and some of the programs that we're going to have with our retailers. So we'll get deep into that algorithm and sort of the longer term look next week at the Investor Day for sure.

Mark Scheiwer - *Scotts Miracle-Gro Co - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

And Joe, if I could just highlight, we recently announced a partnership with Black Kow, and that should also add to top-line growth for next year. So we've got some momentum there, as Nate has alluded to, for '27.

Joseph Altobello - *Raymond James - Analyst*

Got it. Great. Good luck, Nate, and I'll see you guys next week.

Operator

(Operator Instructions) William Reuter, Bank of America.

William Reuter - *Bofa Merrill Lynch Asset Holdings Inc - Analyst*

On that last, last question about the outlook for cost and pricing next year, at the end, you mentioned, I think, Mark, that the pricing cost savings will deliver on your gross margin goals. Does that mean that you expect that in fiscal year '27, your pricing actions and cost savings will allow for gross margins to at least be sustained or grow?

Mark Scheiwer - *Scotts Miracle-Gro Co - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

That's correct, Bill. We would expect our gross margin expansion next year. So it's a combination of pricing activities and cost-out initiatives and even our innovation that Nate spoke to earlier on the call here, those also have gross margin benefit to us.

And then as we continue to further de-emphasize things that are a commodity in nature within our portfolio and more focus on brand, we would expect mix to play into that as well. So a combination of all those items should deliver gross margin expansion. We'll touch upon it at the Investor Day in more detail, a lot of those levers, but our expectation as we've been doing our planning so far this summer is that we do expect to have gross margin expansion again next year and beyond.

William Reuter - *Bofa Merrill Lynch Asset Holdings Inc - Analyst*

Got it. And then one follow-up. You mentioned that you've been relatively able to lock in urea prices at opportunistic moments. Can you give any range of what types of inflation we might expect for next year in terms of your cost basket?

Mark Scheiwer - *Scotts Miracle-Gro Co - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

Yeah. I would just say, you've seen some of the costs that have been incurred so far in our P&L year-to-date. I think we're navigating a lot of those same costs. I think it's still a little too early to tell. We are discussing it with the customers as we speak, and we are making plans on cost-out initiatives.

So there's a lot in motion there. But I would say as you look at some of the costs that we incurred this quarter, you can use those as maybe a backdrop for next year.

Operator

Thank you. I would now like to turn the conference back to Brad Chelton for closing remarks. Sir?

Brad Chelton - *Scotts Miracle-Gro - Vice President Treasury, Tax and Investor Relations*

As we wrap up, one last reminder that we will hold our 2026 Investor Day next Tuesday, August 4, at the New York Stock Exchange beginning at 9:00 AM. Many of you have RSVP'd for the event, but if you have not done so, you can send an e-mail to investor@scotts.com. The event will also be available via live stream, and we will issue a press release tomorrow with additional details.

With that, operator, you can end the call. Thank you.

Operator

This concludes today's conference call. Thank you for participating. You may now disconnect.

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