BRUNSWICK GROUP

Moderator: Dr. Andrew Palmer
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OPERATOR: This is Conference #: 9982268

Operator: Good morning and welcome, everyone, to the Aston Martin Lagonda Call. I must advise you that this conference is being recorded today.

And I would now like to hand the call over to Mrs. Penny Hughes, Chairman. Thank you. Please go ahead.

Penny Hughes: Thank you, operator. Good morning, everyone, and welcome to the Aston Martin Lagonda call. I'm Penny Hughes, Chair of Aston Martin Lagonda, and I'm joined by Andy Palmer, our Chief Executive, and Mark Wilson, CFO. I will be making some opening comments and then I will hand over to Andy and at the end, the three of us will then be happy to take your questions.

Today, as you would have seen, we're announcing a strategic equity investment by a consortium led by Lawrence Stroll and proposal for a rights issue which together will raise GBP500 million. In addition, we're making important revisions to our business plan.

The difficult trading performance in 2019 resulted in severe pressure on liquidity. This has left the company with no alternative, but to seek additional equity financing. Without this, the balance sheet is not robust enough to support the operations of the group. However, the strength of the Aston Martin brand and our expanding portfolio of cars have allowed us to attract a strong new partner in a consortium led by Lawrence Stroll to deliver the turnaround of the business.

Through detailed discussions and working closely with our advisers and management teams, we all underwent a rigorous process reviewing the needs of the business and finding a solution that provides near-term liquidity, a focus on the turnaround of the core business and a revitalization of the equity story of a luxury automotive business.

In a unanimous decision, the board believes Mr. Stroll's strong background in luxury and support for Aston Martin Lagonda as a British heritage brand best aligns with our positioning. This decision reflects the special situation of the company and the responsibility to safeguard for all stakeholders while building value in the Aston Martin Lagonda brand.

Mr. Stroll will join the board and become executive chairman on completion of the placing and I have confirmed my intention to step as the director following that completion of this important transaction for Aston Martin Lagonda. This is an important moment for the company and, on completion, removes significant uncertainty for the business.

I will now hand you over to Andy Palmer.

Andy Palmer: Thank you, Penny, and good morning, everyone. As announced in our trading update on the 7th of January, 2019 was a – was a difficult year and a disappointing performance against our original plan, which obviously resulted in severe pressure on liquidity. Today, we're taking decisive action to rebalance the capital structure of the business, to strengthen our balance sheet and to necessarily and immediately improve liquidity to position the company for sustainable, long-term, profitable growth.

The proposed placing to the consortium led by Lawrence Stroll of about 46 million shares or 16.7 percent of the company and a rights issue of 318 million are supported by our major shareholders, Prestige and SEIG and Adeem and Primewagon. These major shareholders also undertaken to take up 100 percent and at least 50 percent of their rights within the rights issue and the consortium will also take up their rights in full and any remaining rights not taken up by Adeem, Primewagon.

Yew Tree, which is a vehicle controlled by Mr. Stroll, has also agreed to provide GBP55.5 million of short-term working capital support to improve the company's liquidity immediately and will be refunded following the placement. The financial terms of these agreements are significantly more favorable than the delayed draw notes and once the placing has settled, we would no longer plan to draw those notes.

Following the performance of 2019, we undertook a comprehensive review of operations and we're announcing a series of actions to reset, stabilize and de-risk the business.

Let me start with reset. Controlling production to prioritize demand over supply and regain strong pricing position and delaying investments in electric vehicles in the near-term, our revised plan includes a more conservative view for sports car wholesales for 2020 and in particular for Vantage and in the medium-term, we expect to manage sports cars volumes to maintain our price position as a luxury brand.

Stabilize, focus on successfully delivering the exciting new products this year with the DBX in Q2, Vantage Roadster in the spring and Valkyrie deliveries starting in H2 and then continuing to execute on our plan for special vehicles.

De-risking, gradually de-lever the business, reduce CapEx and reducing operating costs by GBP10 million on an annualized basis, GBP7 million in 2020 after one-off costs, broadly offsetting expected cost increases due to the new plant in Saint Athan.

In terms of phasing of model delivery, for our core cars, our mid-engine core car Vanquish will now be unveiled following the Valhalla in 2022. Mid-engine cars are a core part of Aston Martin Lagonda's future. As part of this, an enhanced approach to Formula 1 is considered important and an agreement has been reached to drive the delivery of the reset business plan with the Racing Point Formula 1 team becoming the Aston Martin Works team from 2021. The initial term is for five years, including Aston Martin receiving a share in economic interest of the team.

We've also agreed a sponsorship deal with commercial terms similar to our current arrangement for Red Bull starting in 2021 and for the following years. On which note, I'd also like to thank Red Bull for their partnership and their support. We will continue our proud sponsorship of the Red Bull Formula 1 team with a 2020 season and our collaboration on Aston Martin Valkyrie continues until its delivery, with production expected to start and ramp up through the second half of this year as previously communicated.

Specials continue to be a key component of the plan. We have a number of specials slated for delivery this year, including the Goldfinger DB5 continuation, the DBS GT Zagato which will complete the CBZ centennial collection. We also look forward to unveiling the recently announced V12 Speedster.

Returning to core cars, while the relaunch of our Lagonda brand will now be no earlier than 2025 and the Rapide is currently paused, we remain committed to developing a fuel-efficient, modular V6 engine with hybrid capabilities. This engine will support Aston Martin's core cars, being available as hybrid variants from the mid-2020s.

Beyond our product pipeline, we are making changes to our operating structure, including internal management, restructuring in sales, marketing and engineering and we'll reduce our cost commensurate with our financial and operational ambitions. Further, due to the significant reduction in contractors, a voluntary redundancy and early retirement program actioned in 2019, additional reductions will be made to rebalance our permanent and contractor headcount.

This while we are also creating about 300 new roles at Saint Athan in addition to the 300 people we already have on site. There is also the opportunity for efficiencies in our manufacturing costs, through improved supply chain management and the ongoing designed-in initiatives.

In terms of outlook, there's no change to the update that we gave at the start of the year on our expectations for fiscal year 2019 adjusted EBITDA be in the range of GBP130 million to GBP140 million range.

In terms of fiscal year 2020, we've said today CapEx is expected to be circa GBP285 million and depreciation and amortization circa GBP220 million. And in the – in the medium term, the opportunity remains to expand margin and increase free cash flow and we will give a more fulsome update on that in due course.

In closing, the past year has been a disappointing and challenging time for the company, leaving us in a stressed position with severe pressure on liquidity. Today's fundraising is necessary and provides a platform for the long-term future of the company and Mr. Stroll brings strong and proven expertise in automotive and luxury brands. We have a series of actions to reset, stabilize and de-risk the business, positioning it for controlled, long-term, profitable growth.

Crucially, rebalancing the supply-demand dynamics of the business will support restoring our strong price position as we seek to turn around performance and also deliver a more efficient operational footprint. We will revitalize the business this year, delivering exciting new products with the DBX launch around the corner in Q2, the Vantage Roadster in the spring and Aston Martin Valkyrie deliveries starting in H2.

In particular, I'd like to thank our shareholders for all of their support during what has been a difficult year. I'm confident that our reset plan and strength in balance sheet will provide us a sustainable platform for the future.

And with that, Penny, Mark and I are happy to take questions.

Operator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session and if you wish to ask a question, you will need to press "star" and "1" on your telephone keypad. Once again, if you wish to ask a question, you will need to press "star" and "1" on your telephone keypad.

A few questions came through. Please stand by while we compile their names. Thank you.

And your first question comes from the line of George Galliers. Your line is now open.

George Galliers: Good morning and thank you for taking my question. I just had a couple of questions if possible. The first one is with respect to potential deleveraging of the balance sheet. You obviously have confirmed that you no longer plan to draw on the delayed notes, but can you perhaps speak to whether you plan to pursue any further deleveraging in the wake of this capital raise?

Andy Palmer: Thank you. I'm going to pass that question over to Mark.

Mark Wilson: Yes. Morning, George. Thank you very much. Nice to hear from you. Just in terms of the question, clearly we have a number of debt items live in the market with certain maturity dates. We will take a rational, economic view as to how we look at managing that debt stack, as you'd expect, but of course crucially, today, what bringing in this money absolutely does is brings down net debt very significantly to a more manageable level.

George Galliers: Great. Thank you. And then two others if I may quickly. Firstly, on the OpEx cuts and also the CapEx guidance for 2020. When we look at the GBP280 million that you're guiding for 2020, how do you think about CapEx for outer years going forward? Are you thinking that that's a sustainable absolute rate in the medium term or would you think that, as a percentage of revenues, it should remain fairly constant in the medium term?

Andy Palmer: So today, George, we're talking in brief about our reset plan and as you would expect, we'll give more guidance in good time on the longer term.

George Galliers: OK. And then just want one final one on the Vantage relaunch which you referenced, along with the – with the introduction of the soft-top. Could you just perhaps give us a bit of color in terms of what the relaunch of the Vantage will involve? Is this more of a sales and marketing and awareness effort or are you actually planning to make some changes to the vehicle in response to customer feedback in order to achieve better ASPs and demand?

Andy Palmer: So I think I'd like to say that up to – up to a moment where we can properly show the car, but clearly the centerpiece for the relaunch of Vantage and indeed ensuring that the pricing is where it needs to be is the Roadster and obviously the Roadster is a large part of the total volume of the Vantage range. It's a – it's a big part of – a big percentage of the total and obviously it changes the look of the car, but allow me to hold that over until Geneva.

George Galliers: OK. Thank you very much.

Operator: Thank you. And your next ...

Andy Palmer: Thanks, George.

Operator: Thank you and your next question comes from the line of Kai Mueller. Your line is now open.

Kai Mueller: Hi. Thank you very much for taking my question. The first one is on your credit line that you're getting with Lawrence Stroll for the working capital, can you give us a little bit of sense, you said it's economically more interesting than what you would be paying for the delayed draw note, a quantification on that?

Mark Wilson: Yes. Look, Kai, I mean, what we've said today, and I'll stick to the script on it if you don't mind, is it is substantially better than drawing the delayed draw notes.

Kai Mueller: OK and is that part of the equity contribution or is that separate lending pool that you will then repay back post the – post the equity issue?

Mark Wilson: Yes. Correct. Upon equity issue, this facility would be immediately repaid.

Kai Mueller: OK. And then you obviously have the core shareholders supporting also the rights issue post the investment. Adeem have said at least 50 percent. Can you comment on their intention because they have been a seller in the past during these negotiations.

Mark Wilson: So I think the important thing to recognize today is that Adeem and Primewagon have committed to at least 50 percent, showing their long-term support and Investindustrial and SEIG, they have committed to follow 100 percent of their right. So look, there's strong support from our legacy shareholders.

Kai Mueller: OK. And then if I think about the change in plan obviously on your Lagonda launches now (a bit) delayed post 2025. Can you give us a little bit of color maybe how much money you've already spent or how much money you had allocated in your planning period until the initial launch date for those investments that might now not materialize?

Andy Palmer: Well, obviously what you've seen is a competitor action which is also tending to push the luxury – the luxury cars beyond 2025. I think what I'd like to concentrate on is the commitment to the V6 hybrid and that's really, really important because that essentially makes it into our mid-engine cars and indeed other cars in the future. So we have, very clearly, a commitment towards lowering our CO2 footprint in the performance area and we've chosen to spend our CapEx in that area, but obviously you need to balance that out by some delay on the electric cars.

Kai Mueller: OK. And this V6 hybrid engine, it's fully yours and where will it be produced or is it still produced at the Ford site as your current own engines?

Andy Palmer: Well, to answer your first question, yes, it's fully designed and engineered in-house. From a development point of view, it's substantially complete, but basically we now move into the production phase and I can't yet say where we're going to produce it beyond to say that it will be produced in the U.K. and obviously helps also ...

Kai Mueller: OK.

Andy Palmer: ... with our local content.

Kai Mueller: OK. Fantastic. Thank you very much.

Andy Palmer: Thank you.

Operator: Thank you and your next question comes from the line of Stephanie Vincent. Your line is now open.

Stephanie Vincent: Thank you very much for taking my question. Looking at the cash flows throughout the year, I think the CapEx guidance is welcome. Where I think would be helpful for modeling is the working capital, your expectation of the flow from deposits, any decline in the accrued payables which continue to tick up on your balance sheet would be good and also just your view regarding Chinese dealerships, economic activity, unfortunately, because of this coronavirus would be – would be welcome too.

Mark Wilson: Stephanie, look, I mean, just in terms of things we've already said about this year, clearly this is quite a different shape year to previous years because obviously we've got the DBX that launches in Q2, we've got the Valkyrie, an expensive car that launches just after that. Obviously we'll be ramping up the volume for DBX and therefore in working capital terms, you would expect, correctly as we've said before, that inventory will rise. So there's some shape to working capital there and obviously same as we go through Valkyrie.

But beyond that, we will give more guidance in good time. Today is very much about taking the actions to reset the capital base and to put the company on a stronger footing. So more guidance in good time on this year in the medium term.

Stephanie Vincent: OK. Thank you very much.

Andy Palmer: Thank you.

Operator: Thank you and your next question comes from the line of Jose Asumendi. Your line is now open.

Jose Asumendi: Thank you, Jose Asumendi, JPMorgan. Just a couple of questions and I might get the similar answer, but I'm really trying to understand where the business is going 12 months out, (60) months out. Can you give us some color please at least on unit sales, expectations ex-DBX and ex-specials? Are you – are you looking to sell more or less cars in 2020?

Also, we're trying to understand a bit better if the plan you have for the next 12 months is going to meet the expectations. Can we have some color on EBIT or EBITDA to try to understand if the business can really generate cash at least on a – in the medium term? If you could just give us some color on how to understand the business a bit better, please. Thank you.

Andy Palmer: It's Andy speaking. Let me try to give you a little bit of color, although I'm obviously not going to give you – give you numbers. What we've clearly said is as a – as a – as a strategy is that we want to get back to an order book and retail pull. OK? That naturally implies that we won't put pressure on wholesale. We'll put more money into advertising and promoting the retail and very clearly less money into incentivizing and pushing vehicles.

Now, that's naturally going to lower our core sports cars volume and we've not been able to do that in the past. The GBP500 million allows us to try to do that more properly.

Now, offsetting that of course you've got the launch of the brand new DBX, you've got – you've also got, as I mentioned, the Roadster on Vantage and of course the Valkyrie and those will be pushing volumes naturally in the other direction and look, I've been very, very clear that the DBX is being sold to a – to a – to an order book and that as of the start of the year, we had 1,800 orders. One-thousand-two-hundred of those orders were customer orders and the 600 between are basically customers in the process of specifying their vehicles and some showroom vehicles.

So you can very clearly see that basically the move back to retail pull and that naturally means that the core cars volume will reduce and the DBX obviously will go to more than offset that.

Jose Asumendi: Thank you.

Andy Palmer: Thank you.

Operator: Thank you. Your next question comes from the line of George Galliers. Your line is now open.

George Galliers: Hi. Sorry. I haven't reentered the question queue, so I think that is – we can pass to the next one. Thank you.

Operator: Thank you and ...

Andy Palmer: Thank you, George, very nice.

Operator: Thank you and your next question comes from the line of (Mark Shaftlit). Your line is now open.

(Mark Shaftlit): Oh, hi. Good morning. I was just wondering if I could just – there's obviously a lot of information this morning. I was just wondering if I could clear up some basic facts. So has Lawrence become the major shareholder or have I read that wrong?

Mark Wilson: No. You've read that – you've read that wrong. Lawrence has indicated the amount that he's going to put in and he's also indicated an intention to go up to and possibly over 20 percent, but that doesn't put him in a position of being the majority shareholder.

We have two legacy shareholder groups, Investindustrial and SEIG, and pre new money issue – pre new money issue, they hold 33 percent and we have Primewagon-Adeem who pre new money issue hold 27 percent and so obviously Lawrence will be a very, very important part, becoming a third significant shareholder in the business.

(Mark Shaftlit): Right. Sorry. I just – OK. I just wanted to get that right because – so has those two, Investindustrial, will they be diluted following today?

Mark Wilson: Yes, they will. So I've just – I'll just give you – I'll just give you the numbers. Investindustrial pre is 33 percent and post the placing 27 percent ...

(Mark Shaftlit): Right.

Mark Wilson: ... and Adeem-Primewagon are pre the new money 28 percent, post, based on their intention, is 23 percent.

(Mark Shaftlit): OK. And what's Lawrence coming in at? Sorry.

Mark Wilson: Lawrence comes in on the placing at 16.7 percent pre the rights issue.

(Mark Shaftlit): Right.

Mark Wilson: That's part of the placing.

(Mark Shaftlit): OK. OK. And if I could also just ask you will the current flu virus epidemic in China have any effect on your sale?

Andy Palmer: It's Andy speaking. Obviously it's a – it's a really tricky question. Clearly, as I said earlier, we've been concentrating on moving from a retail to a – from a wholesale push to a retail pull. So our expectations in the first half for our Chinese sales were not particularly ambitious. So in that sense, we got rather lucky with the planning.

Clearly, the longer the flu virus goes on, obviously it may well have some effect, but so far, and I'm talking about the first month of the year, it's difficult to measure a significant effect because our ambitions were quite low.

(Mark Shaftlit): OK. And just very finally, you launched the SUV at the back end of last year ...

Andy Palmer: Yes, (CDX).

(Mark Shaftlit): Yes. How has that gone? How has that gone?

Andy Palmer: Well, orders are, I mean, frankly speaking, significantly materially higher than any launch that we've done in the history of the brand. Specifically, as we – as we said, 1,800, 1,800 orders basically in the first week of January. One-thousand-two-hundred of those are customers who have already spec'ed their vehicle and that's allowed us to, what we call, load-to-line, basically prepare them for manufacturing. The 600 gap between 1,200 and 1,800 are customers that are in the process of spec-ing their cars.

So frankly, I mean, I'm delighted with the way that the sales have started to go and the concentration now – I'm sure that you've also seen the press reports. The dynamic press reports have been super. So the thing to get right now is launch the product smoothly, but all very encouraging.

(Mark Shaftlit): OK.

Operator: Thank you and your next question comes from the line of (Richard Fallon). Your line is now open.

(Richard Fallon): Yes. Thank you for the opportunity here. Just a quick question. The GBP500 million in proceeds, the company had GBP800 of net debt at September 30th and that was before the issuance of the GBP150 million bond. Will the proceeds be used simply to bolster cash or is – the GBP110 million that you had at the period end or is the intention to actually redeem gross debt?

Andy Palmer: Yes. So thanks for the question, (Richard). I mean, clearly on bringing the money in, it brings net debt and overall leverage down to more manageable and more acceptable levels. That's the first thing to say and clearly, as with any company that has debt instruments live in the market, we'll take economically rational decisions, as you would expect, as to how we – how we manage those through to maturity or otherwise.

(Richard Fallon): So does that mean that you'll consider redemption of existing debt? Is that – I mean, that's sort of the process or is it the intention to hold back the cash and use it for CapEx? I guess that's really where I'm going.

Andy Palmer: So as we've said today, this is about supporting the second century plan and helping us to de-leverage. It does both of those things and how we look at the debt stack will be determined by an economically rational approach. We'll take a look. So we're not going to rule anything in or out at this point in time.

(Richard Fallon): OK. Thank you.

Operator: Thank you and your next question comes from the line of Philippe Houchois. Your line is now open.

Philippe Houchois: Yes. Good morning. Thank you. Two things for me. First of all, thank you for doing GBP500 million. I think that's the right amount and I feared (you'd do halfway house). So that's well done.

Questions I have on the – multiple times in the release you talk about reset. Now, a (rerelease) looks to me that it's a postponement of an existing plan. Where's the reset? What am I missing? And along those lines, if you – part of the reset is also looking at lower volume. At one point, do we have an asset impairment, notably on your capitalized R&D? Will that be at the time of the full-year results?

And the last point, if I can, is so all this capital raised has been approved by an AGM. Are we looking at AGM in June and the capital raise in Q3 or would you call on EGM for that? Thank you.

Andy Palmer: Very clear. Let me tackle – it's Andy. Let me tackle the first part. So yes, you've seen a reduction in CapEx, which implies some rescheduling. You see that very clearly in the rescheduling of the Lagonda EV programs and we think that that is consistent with what our competitors are doing.

On the other hand, you've seen us reaffirm our commitment to the mid-engine cars. So you see Valkyrie obviously being launched at the back end of this year, the 001. 002 goes out next year. Very clearly, we're saying in 2022 that we have the Valhalla, which is the – if you want, the competitors or something like LaFerrari.

And then in 2023, you have the mainstream Vanquish and obviously the margins on those cars are very good. So we wanted to get to those cars quickly and confirm our ambition to be in that mid-engine range, supported very, very clearly now by a very, very – a very, very firm foot in the Formula 1 land, so using Formula 1 to very much be the marketing strategy for those mid-engine cars and I suppose that you could argue James Bond very clearly being used this year as part of the front engine range.

So you see a very strong marketing pull. You see a series of actions which is – which is very much aimed at retail and therefore, not pushing product, letting manufacturing settle back so the retail always exceeds wholesale, taking the stress out of the system, starting to rebuild a healthy order book and getting back to that pull system.

And obviously, to do that, you've got to show some savings and that's the reason that we've decided to push out to 2025 and beyond on the EV side, but commit to the V6 fuel-efficient hybrid.

And of course, as we've highlighted, a number of other cost reductions as we look to improve the efficiency of the – of the – of the company overall. So you have to take it as a suite of things, but basically that commitment to that mid-engine range and sacrificing a little bit of time on the EV range.

Now I'll pass over to Mark to tackle the other questions.

Mark Wilson: Yes. Morning, Philippe. Just regarding impairment, obviously we're in a closed period now. We report our results at the end of February, so you wouldn't expect me to say anything on that other than to say we have strong confidence in the product line going forward even under the reset plan, even under those lower volumes Andy talked about.

In respect to the remaining capital raise, we expect that to be done in short order with the placing and capital raise close together and an EGM in short order as well and more details on that, as you might expect, at our interim – at our prelim results, rather, at the end of February.

Philippe Houchois: OK. Thank you very much.

Mark Wilson: Thank you.

Operator: Thank you and your next question comes from the line of Christoph Laskawi. Your line is now open.

Christoph Laskawi: Yes. Hi. Good morning and thank you for hosting the call. It's Chris from Deutsche. The first one would be on Formula 1. Are there any costs associated with entering that and renaming the team and really improving the performance there? And Andy, you mentioned that Formula 1 should function as a marketing tool as well. Can we expect your marketing spend, other than that, to come down then? So would that be part of the SG&A savings?

On volumes for Vantage, you are referencing a relaunch essentially with firm pricing. Is there a certain assumption factored in when it comes to volumes and will we need to get used to far lower volumes if you want to hold the price and get a decent pricing level in?

And the last question will be on the DBX. The numbers that you've shown today are essentially what you presented in early January. Could you comment on the momentum after that release and is it continuing to do as well or are you seeing some slowdown? Anything on that would be helpful. Thank you.

Andy Palmer: Thank you. Thank you for picking up on Formula 1 and yes, it does become a centerpiece of all our marketing efforts. So as I said, we've entered into legally binding term sheets under which Racing Point, the Formula 1 team, becomes the Aston Martin F1 Works team, to reiterate, with effect from the 2021 season and this agreement is for a 10-year initial term and of course Aston Martin, as I said, will receive an economic interest in the team.

In terms of – we're in Formula 1 right now, as you know. We're a title sponsor to the Red Bull team and we'll continue to be title sponsor through 2020. As we move to the newly named Aston Martin Team, Racing Point team renamed, it does not significantly affect the commercial terms and therefore, basically the spend, whether you measure it in Formula 1 terms or if you measure it in overall fixed marketing terms, is not significantly changed by this deal.

Penny Hughes: Annual basis.

Andy Palmer: If you talk about an annual basis of course.

Penny Hughes: That can be renewed.

Andy Palmer: Right. And just to be clear, the contract with them is renewable for five years, subject to obviously attaining satisfactory conditions at that time.

Christoph Laskawi: Understood.

Andy Palmer: On Vantage volumes, basically, as I – as I've said, basically we're relaunching the product using the opportunity of the Roadster, which was due to be launched in the spring – is being launched in the spring. We're using that opportunity to basically reset where we are on Vantage. It will obviously reduce the number of wholesales, but I can't – I won't get into the specific numbers right now.

There was a third question I missed. Sorry.

Christoph Laskawi: Yes. There was on the DBX orders, on the numbers that you've shown ...

Andy Palmer: Oh, I think – yes. I think – yes. Go ahead. Sorry.

Christoph Laskawi: Yes. It's essentially the same as you showed early Jan, so my question was if momentum has continued throughout January and if you're seeing nice progress and continuing pick up in orders or has anything changed in that regard?

Andy Palmer: Yes. Look, forgive me because what I – what I don't want to do is get drawn on every time we have a call giving you an update in numbers. As I said earlier, it's the best launch we've ever seen. We've got really good momentum.

Christoph Laskawi: All right. Thank you.

Andy Palmer: Thank you.

Operator: Thank you and your next question comes from the line of (David Moon). Your line is now open.

(David Moon): Good morning, gentlemen. The press release is silent on the participation of Daimler. Presumably that would be disclosed at the time of the rights.

Andy Palmer: Absolutely correct.

(David Moon): Thank you.

Operator: Thank you. Once again, if you wish to ...

Andy Palmer: Operator, we've got time for – we've got time for one more question. Thank you.

Operator: Thank you. Once again, if you wish to ask a question, you will need to press "star" and "1" on your telephone keypad. Once again, if you wish to ask a question, you will need to press "star" and "1" on your telephone keypad.

And your next question comes from the line of Stephanie Vincent. Your line is now open.

Stephanie Vincent: Hi. Thank you for letting me get back in queue. Just on your announcements about your upcoming engine launches, can you give us an update on the agreement with Ford as well as any color? Obviously you're coming out with this fuel-efficient V6, delaying the electric vehicles, your views on how you grapple, I guess, with the regulatory factors that go alongside these announcements?

Andy Palmer: I think what I'd like to do is go through that a little bit more detail in the prospectus. It's a – it's a – it's a big question that you're answering obviously or you're asking obviously. It goes into things like CO2 compliance, into performance, into the roll-out of that V6 hybrid engine. I think the message I would leave with you is indeed that we're committed to the investment in our own engine and manufacturing that in the U.K. and more details to follow.

Stephanie Vincent: OK. Thank you very much.

Andy Palmer: Thank you. Thank you very much. I think that was the last question. So what I'd like to do is thank everybody on the call today for your interest and we look forward to keeping you updated on our progress. Thank you very much and have a great day.

Operator: Thank you. That does conclude our conference for today. Thank you all for participating. You may now disconnect. Speaker, please stand by.

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