

NASDAQ:AMSC Q3 2025 Earnings Call Transcript

Generated on 6/10/2026

Bailey | Conference Operator:

Good day and welcome to the AMSC Third Quarter Fiscal 2025 Financial Results Conference Call. All participants will be in listen-only mode. Should you need assistance, please signal a conference specialist by pressing the star key followed by zero. After today's presentation, there will be an opportunity to ask questions. To ask a question, you may press star then one on a touch-tone phone. To withdraw your question, please press star then two. Please note this event is being recorded. I would now like to turn the conference over to Nicole Goles, Director of Communications. Please go ahead.

Nicole Goles | Director of Communications:

Thank you, Bailey. Good morning, everyone, and welcome to American Superconductor Corporation's third quarter of fiscal year 2025 conference call. I am Nicole Goles, AMSC's Director of Communications. Joining me today are Daniel McGann, Chairman, President, and Chief Executive Officer, and John Kasiba, Senior Vice President, Chief Financial Officer, and Treasurer. Yesterday, after market closed, American Superconductor issued its earnings release for the third quarter of fiscal year 2025. A copy of this release is available on the investor's page of the company's website, at www.amsc.com. Remarks that management may make during today's call about American superconductors' future expectations, including expectations regarding the company's financial results, plans, and prospects constitute forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including those set forth in the risk factors section of American Superconductors' annual report on Form 10-K for the year ended March 31, 2025, which the company filed with the Securities and Exchange Commission on May 21, 2025, and the company's other reports filed with the SEC, all of which are available on our website. The company disclaims any obligation to update these forward-looking statements. On today's call, management will refer to non-GAAP net income or non-GAAP financial measure. Tables of reconciliation of GAAP to adjusted financial measures can be found in the company's earnings release. With that, I will now turn the call over to Chairman, President, and Chief Executive Officer, Daniel McGann. Daniel?

Daniel McGann | Chairman, President & Chief Executive Officer:

Thanks, Nicole. Good morning, everyone. I will begin today by providing an update and sharing a few remarks on our business. John Kasiba will then provide a detailed review of our financial results for the third fiscal quarter, which ended December 31, 2025, and will provide guidance for the fourth fiscal quarter, which will end March 31, 2026. Following your comments, we'll open up the line to questions from our analysts. We are excited to share a quarter of outstanding financial results. Total revenue for the third quarter of fiscal year 2025 exceeded our guidance range and came in at over \$74 million. Revenue grew over 20% versus the year-ago period, driven by organic growth as well as a few weeks of contributions from the acquisition of Contrapo, which we closed on December 5, 2025. The business outperformed this quarter. We delivered our sixth consecutive quarter of profitability and our 10th consecutive quarter of non-GAAP profitability. Strong market demand drove bookings, resulting in a robust 12-month backlog of over \$250 million. Gross margins again topped 30 percent, and we closed the quarter with a strong balance sheet of over \$145 million in cash after acquiring Comtropo. Total revenue for the past nine months is nearly total revenue for the entire previous fiscal year. This means that most of what we do in the fourth quarter will contribute to year-over-year growth. Our grid revenue accounted for 85 percent of AMSC's total revenue and grew over 20 percent versus

the year-ago period. Nearly 15 percent of the revenue came from our wind business which grew by 25% versus the year-ago period. During our third quarter, we generated revenue across a diverse set of sectors. Traditional energy accounted for nearly one-third of shipments. Renewables represented about one-quarter. Military and utility markets each contributed over 15%. and materials, including semiconductors, made up more than 10 percent of revenue. Additionally, we delivered into a data center project this quarter. We've talked about this for the past couple of quarters. We believe this delivery marks an important milestone for additional potential opportunities in this market. We said we were going to deliver on a data center order and we did, but please remember these projects make up about 5% of total revenue. Our revenue mix is well diversified and we expect our recent acquisition to strengthen our reach to utilities while expanding our overall end market exposure. This quarter we did record a significant tax benefit due in large part to our recent history of sustained profitability and our forecasted future earnings outlook. This is an important moment in the history of our company's financial progress, and John will get into more details later in the call. Now I'll turn the call over to John Cassiba to review our financial results for the third quarter of fiscal year 2025 and provide guidance for the fourth quarter of fiscal year 2025, which will end March 31st. John?

John Kasiba | Senior Vice President, Chief Financial Officer & Treasurer:

Thanks, Daniel, and good morning, everyone. AMSE generated revenues of \$74.5 million for the third quarter of fiscal 2025, compared to \$61.4 million in the year-ago quarter. Our grid business unit accounted for 85% of total revenues, while our wind business unit accounted for 15%. grid business unit revenues of \$63.2 million increased by 21% in the third quarter versus the year-ago quarter. The increase in revenue was primarily driven by organic growth within our new energy product lines, as well as the addition of Comtrapa revenues, which totaled \$4.6 million in the quarter. Please note that Comtrapa revenue and associated financial activity in the quarter was for a partial period from the date we closed on December 5, 2025, through the end of the quarter. There were approximately 19 days of contraffault financial activity included in our Q3 results. Our wind business unit revenues of \$11.3 million increased by 25 percent over the same time period. The increase in revenue was primarily driven by additional shipments of electrical control systems. Looking at the P&L in more detail, Gross margin for the third quarter of fiscal 2025 was 31%, compared to 27% in the year-ago quarter. This marks the third sequential quarter with gross margins exceeding 30%. Included in cost of goods sold in the third quarter of fiscal 2025 is approximately \$400,000 in non-cash adjustments related to the purchase and accounting for the acquisition of Comtrapro. The year-over-year increase in gross margin was primarily driven by higher revenues, a favorable product mix, both within our grid and wind business units. Moving on to operating expenses, R&D and SG&A expenses for the third quarter of fiscal 2025 were \$19 million compared to \$14.6 million in the year-ago quarter. The year-over-year increase includes the acquired operating expenses of our recent acquisition, Comtropo. Additionally, there was approximately \$1.2 million of acquisition-related expenses to complete the Contrapo acquisition. Approximately 20% of R&D and SG&A expenses in the third quarter of fiscal 2025 were non-cash, compared to 19% in the year-ago quarter. Our net income for the third quarter of fiscal 2025 was \$117.8 million, or \$2.68 per share. Our non-GAAP net income for the third quarter of fiscal 2025 was \$123.5 million, or \$2.81 per share. Included in our third quarter net income and non-GAAP net income was a tax benefit of \$113.1 million due to the release of a valuation allowance on deferred tax assets. Excluding this tax benefit, net income in the third quarter of fiscal 2025 was \$4.7 million or \$0.11 per share. This compares to net income of \$2.5 million or \$0.07 per share in the year-ago quarter. Excluding the tax benefit, non-GAAP net income was \$10.5 million or \$0.24 per share. This compares to a non-GAAP net income of \$6 million or \$0.16 per share in the year-ago quarter. Please see our press release issue last night for a reconciliation of GAAP to non-GAAP results. We ended the third quarter of fiscal 2025 with \$147.1 million in cash, cash equivalents, and restricted cash, which compares with \$218.8 million on September 30, 2025. Included in the quarter was the acquisition of Comtropo, which included cash consideration of \$88.3 million. We generated \$3.2 million of operating cash flow in the third quarter of fiscal 2025. Our CapEx for the quarter was \$900,000. I would like to note it would not be unusual for CapEx to exceed \$1 million a quarter, and at times it may even exceed a couple million dollars in a quarter as we scale up production, particularly within our power transformer lines, which are seeing high levels of demand. Now

turn into our financial guidance to the fourth quarter of fiscal 2025. We expect that our revenues will exceed \$80 million. Our net income is expected to exceed \$3 million, or \$0.07 per share. And our non-GAAP net income is expected to exceed \$8 million, or \$0.17 per share. With that, I'll turn the call back over to Daniel.

Daniel McGann | Chairman, President & Chief Executive Officer:

Thanks, John. We're very pleased with this quarter's result and super excited about the rest of the fiscal year. We believe going forward the company has the capability to deliver consistent profit. We achieved two quarters of what I consider record-breaking revenue levels. One of over \$72 million, that was our first quarter earlier this year, and now over \$74 million in the quarter that just ended. And we're guiding to another possible quarter that could become another record-breaking quarter for our fourth quarter. As we approach the final quarter of fiscal year 2025, total revenue for the past three quarters reached an impressive \$212 million. With three quarters completed, our revenue nearly matches our total revenue for the entire prior fiscal year. The business has demonstrated growth both organically as well as through our recent acquisition. Let's discuss some additional benefits that we expect of the acquisition when combined. The team has done an excellent job of integrating and making the last several acquisitions work and work together. The acquisition of Comtrafo strengthens our utility position and positions us to capture opportunities in Brazil and the broader Latin American markets. Comtrafo brings 30 years of operating history, a manufacturing presence in Brazil, and deep relationships with utility customers across one of the world's fastest growing electricity markets. Comtrafo expands our transformer offering to include distribution and large power transformers up to 250 MVA. With their strong local demand, driven by government-led grid investment, we can now serve critical transmission and grid expansion needs that we could not previously address. In closing, this was an exceptional quarter for our company. The results reflect the strength of our core business and the discipline of our operations. We delivered strong financial results and remain focused on execution. The business grew organically and the addition of Comtrafo opens new possibilities. Overall, we are truly excited about this business. We are developing business opportunities in new areas with utilities for data centers and for pipelines for traditional energy. We are very well positioned as a company that has diversified and has been growing. I am personally very excited about the future of the company. We believe we are in a tremendous position to take advantage of our end markets. We are prepared to capitalize on the growing demand for energy and the need for a stable grid to support it. We have delivered another outstanding quarter, and we can see the fundamentals of our business are well grounded. This is an exciting and positive moment for us here at AMSC. Our future-facing technologies help harmonize the world's desire for decarbonization and clean energy with the need for more reliable, effective, and efficient power delivery. We're now focused not only on the American market, but on the entire Americas. I look forward to reporting back to you at the completion of our fourth fiscal quarter and fiscal year end. We'll now take questions from our analysts.

Bailey | Conference Operator:

We will now begin the question and answer session. Please limit yourself to two questions. To ask a question, you may press star then one on your touch tone phone. If you are using a speaker phone, please pick up your handset before pressing the keys. If at any time your question has been addressed and you would like to withdraw the question, please press star then two. At this time, we will pause momentarily to assemble our roster. Our first question comes from Justin Clare with Roth Capital Partners. Please go ahead.

Justin Clare | Analyst, Roth Capital Partners:

Hi, good morning. Thanks for taking the time here. Good morning, John. Morning. So I wanted to start out just on the data center opportunity. So you mentioned that you have delivered a solution to a data center project here. And so just wondering if you could speak to the scope of the engagements, which products were involved, and then just within your portfolio, which solutions do you see as kind of the strongest fit for the data

center application at this point in time? And then I guess just lastly, is the opportunity largely at the utility substation that you see at this point, or is this inside the data center facility?

Daniel McGann | Chairman, President & Chief Executive Officer:

Yeah, let me talk a little bit about what we're doing. So it represented about 5% of revenue in the quarter, so on the 74-75 that we did. So a significant project. It's something that we were telegraphed and that we thought would happen. And really the only reason we're talking about it is because I get asked the question wherever I go about data centers and what are you going to do. What we're finding is as these data centers get bigger, particularly when they're areas where they have a weaker grid, what we can do is modulate the instantaneous change in voltage. And we do that through a very compact footprint. So the more that they're loading equipment in for managing thermal load, HVAC, the more that they have higher computing power and they're worried about very small disruptions, similar to what we do in a semiconductor fab, the more we think we fit. And we think that the footprint may be a unique competitive advantage that makes it easy for either the utility or the data center construction project to buy the equipment from us. So in this case, this is really our first win in the construction of a data center. Alongside this in this current quarter, we also helped a utility that has a lot of data centers and has some challenges coming from them. So I think the answer to part of your question, Justin, is yes to both. I think that there are opportunities for us going forward in data center construction projects, but also to help support challenges with utility. That's no different than what we see in semiconductor. It's no different than what we see in mining. The market and the investment drives the need. And then the question is, where does the solution physically fit? Where does it fit within the grid? Is it on the pad that sits as part of the data center? Or is it somewhere in the grid that's supporting that effort? So it's really no different application than what we do for SEMI, what we've done for a lot of other industrials. What we're finding is that there are changes in induction at the site that we can modulate what we think in a very unique way. It's one data point, however, right? So it's hard for us to say, you know, this is the white paper and here's how we're going to analyze the return on investment for the customers. Those are all things that we're going to figure out. What we found is there are a number of data center operators and a number of data center builders that have approached us looking for exactly the type of solution that we uniquely offer. So I'm very opportunistic and optimistic that this could become a part of the business. But again, we like diversity in what we do. Did I get to all the different pieces, Justin? If I didn't, I apologize and you can ask it again.

Justin Clare | Analyst, Roth Capital Partners:

Yeah, no, I think you got to everything there. So yeah, I definitely appreciate that explanation. And I guess just thinking through it a little bit, just how significant do you think the growth opportunity might be here? And I'm just wondering, has your solution been installed and is now operating effectively with this project, or is that coming in the next few months?

Daniel McGann | Chairman, President & Chief Executive Officer:

just wondering if this kind of proves out that your solution is effective and then others can see the effectiveness and this could potentially lead to um you know upside in your orders here yeah i just i think the hardest part for people that follow us is to realize so much of what we do is industrial construction so there's a pacing that things go through a year to be able to build so i'm pleased to announce we got the order i'm pleased to announce that we delivered on the order But that's as far as we can take it. We're not at the point where it's going to operate and we'll get all the learning out of it. That's all going to come. It's a customer that knows us well, that we know well, and we'll try to use that as best as we can to try to market, you know, having a bona fide solution in the wild that works. But again, simplistically, This is no different than what we do in all the other markets. I think that there's an interesting need. I think the form factor and the speed that we can go to market really becomes a critical advantage here. If I speak more broadly, we have a huge

pipeline of larger orders. I keep talking about order expansion, and we used to talk about cross-selling. Now we just talk about selling. We have hundreds of millions of dollars of opportunity across all the different areas that we have tailwinds in. We have probably in a dozen or two projects that are very large, we have several hundred million of potential business, not just for data centers, but for mines, for semiconductor, for traditional energy, that the business is really working. The business is expanding because we're being relied on to deliver more content into larger projects. That's what we've been talking about for the past few years. That trend seems positioned to continue to grow. And data centers will be a part of it. I hope to not have to talk about it every conference call because it's a piece of the business, and it's something that people get excited about. But we're not a data center stock, and we shouldn't be thinking of ourselves as a play just in one area. This is really a diversified company that's focused on the problem with energy, which is the grid designed today to be able to meet those needs and those demands that many uses and many sources of generation require to have a very effective and reliable and resilient grid.

Justin Clare | Analyst, Roth Capital Partners:

Okay. Yes, understood. Got it. Thank you.

Bailey | Conference Operator:

Our next question comes from Eric Stein with Craig Hallam. Please go ahead.

Eric Stein | Analyst, Craig Hallam & Co.:

Hi, everyone. Maybe we could just talk about traditional energy. I believe that was a third of the quarter, and obviously that's been a pretty increased focus here over the last year plus. I mean, as we think about that, can you just talk to us about kind of where you're selling, where you play in there? I mean, should we view that as cyclical, that it's more, you know, that swings in oil prices are have an impact, or is it insulated because it's more tied to traditional infrastructure? That would be helpful for me to clarify my thinking.

Daniel McGann | Chairman, President & Chief Executive Officer:

Yeah, I think it's more insulated in that it's persistent demand. In general, I think what's changed in the American economy is that traditional energy is no longer considered something that people don't want to invest in. But creating... cleaner energy in a traditional way is something we can help. Powering pipelines that move, you know, liquid and natural gas and things like that are an area that we fit in. And as well as kind of general oil processes, being able to take from extraction at the latest source and moving downstream, midstream and endstream, the types of processes that move and refine energy that create other byproducts, all are becoming more and more energy dependent. So you need energy to be able to move and process the traditional energy sources. And that's really where we come in. So we see it as a long-term kind of persistent trend for us. The climate is really more apropos there. We think there's a fit definitely in North America. We think there's a potential fit. in Latin America as well as we look at quarters and years. The other part I'll say, you know, Eric, take, you know, realize and take everything I say with a little bit of a grain of salt. Our lead times are nine, 12 months for many products, right? So anything that we're going to do today that we think is exciting is really going to affect the financials a year plus out.

Eric Stein | Analyst, Craig Hallam & Co.:

Okay. Yeah, no, that's very helpful. That makes sense. Maybe, you know, just as you think about growth in the business, now you're guiding to 80 million plus, a new level on a quarterly perspective. You know, I know capacity is less of an issue than I think in the past. You've talked about labor. I mean, any updates you can share there, you know, it clearly is an area which maybe is a bit of a push point, but just that'd be great, an update.

Daniel McGann | Chairman, President & Chief Executive Officer:

Yeah, I think the team's done very well at hiring. I feel like all the factories are being utilized very well. We have a lot of demand. We have a lot of bigger demand. So we feel really good. I think the new wrinkle in our portfolio is Brazil and the very strong potential demand there and the need potentially for some more expansion. And John kind of almost directly said that given his CapEx guidance that We believe the business is positioned to ramp, and we may have to expand capability, particularly in Brazil, to be able to go meet all of that demand two, three, four, five years out. So there's a longer-term plan that we want to be able to implement. We're at a point where the business really is driving us. We have a multiple set of very strong tailwinds that are pushing us, And we just need to be able to react to the market. If we do a good job for existing customers, they're going to come back again and again as they have, and they come back with harder and bigger problems for us to solve.

Eric Stein | Analyst, Craig Hallam & Co.:

Got it. And maybe the last one for me, I know, well, data center. I mean, is that something, as we think about that, similar to semiconductor where potentially if it's a large data center operator or EPC that you potentially are specced in or do you view it as it's a little more lumpy and then it would be kind of not one-off projects but it would be more based on different projects moving forward rather than a few key partners?

Daniel McGann | Chairman, President & Chief Executive Officer:

Yeah, I don't think I have clear visibility on that. Our EPC customers tend to try to design this in and we see a print that has our rectangle on it and that's what we try to do. Obviously, doing one of these, we're not at that level yet. Do I think this has the potential for that? Yeah. If this market grows faster than other markets, we'll have to invest in them to make sure that they grow to be able to maintain the diversity part of the portfolio. That's tremendously valuable. It's a stabilizing effect on the business and allows us to grow on multiple fronts in parallel.

Justin Clare | Analyst, Roth Capital Partners:

Okay, thanks. Our next question comes from Tim Moore with Clear Street.

Bailey | Conference Operator:

Please go ahead.

Tim Moore | Analyst, Clear Street:

Thanks, and congratulations on your revenue growth and operating leverage. That was very nice to see. My first question for you is about the potential to cross-sell and bundle to customers. You've done that extremely well on oil and gas to target upstream, midstream, and downstream power systems. I'm maybe curious if you can shed some light on maybe what end markets make the most sense to cross-sell near-term besides oil and gas. Is there potential in mining or chemicals, or just your overall thoughts on end markets to really get that through?

Daniel McGann | Chairman, President & Chief Executive Officer:

Yeah, it's pretty much everything, Tim. The way the business is now aligned is we no longer cross-sell, we just sell. So we have combined solutions that come from the family of acquisitions that we have that we're now presenting. In some cases, they're \$10 million projects. In some cases, they're \$25 million projects. We're presenting a combined offering to be able to manage voltage, to be able to transform voltage. to be able to modulate ACDC power flows, and to be able to do all of those features and functions for customers. So we no longer have to sell them as separate. We do, because many of our customers think of them that way. But as for the larger projects, I'll say more established customers, they like where we've had it with what we've added. And it's for mining. It's for traditional energy. It's for semiconductor energy. to some extent it's even for renewable projects as we see them. Wherever we can, we want to be valuable to our customer. And if we can keep demonstrating that value, both from what the product does and what our engineers can help solve or de-risk for the end customer, that's where we win and that's why we win.

Tim Moore | Analyst, Clear Street:

That's terrific color. Thanks for elaborating on that. Switching gears to my second question. I mean, you're clearly busy integrating Contrapo in Brazil. And I know some comments are made on CapEx there, and they've got a great factory that you can expand. The organic growth is awesome there, and the backlog is quite big. So can you maybe just give us a little bit more color on the near-term plan on increasing output there? And then just on the topic of acquisitions, How comfortable do you need to be with integration there? Maybe how many quarters in until you maybe consider doing your next acquisition given you're sitting on a lot of cash right now?

Daniel McGann | Chairman, President & Chief Executive Officer:

Yeah, it's hard, Tim, at this point to speculate. We're 19 days in plus the days we have in January. So it's early days for us. It'll take us some time to be able to digest and leverage. We have a huge opportunity just in Brazil alone that we want to go after with everything that the company has to offer there. So I think, you know, we'll take our time and we'll be, as we have been with each of them, we want them to run as they've run because we like the culture. We like the financials. That's true of all the acquisitions we've done. And then over time, how do we do more together? And that becomes the question that helps affect things two, three years out from now. So, you know, I don't anticipate we're going to turn around and do another acquisition right away. But we do have a lot of inbound. We do have a list. We are working. It's becoming, you know, the business is evolving to we have an operation business and then an opportunistic part led by John here to say, okay, what can we add to the portfolio and how do we do that? We're also looking, and you can hear it in my tone, at combining product to basically come up with whole new sets of opportunities for us. And that's taken some R&D investment to be able to do all those things. So the company is evolving and maturing in all the right ways.

Tim Moore | Analyst, Clear Street:

That's great color and comforting that you want Russians in the next acquisition so you're ready. But thanks a lot.

Justin Clare | Analyst, Roth Capital Partners:

Thanks, Tim.

Bailey | Conference Operator:

Our next question comes from Colin Rush with Oppenheimer. Please go ahead.

Colin Rush | Analyst, Oppenheimer:

Thanks, Tim. Thanks so much, guys. I have a few. We'd love to just get a quick read on working capital and how that transitions over time. Obviously, with the acquisition, you've got a substantial amount of inventory and some receivables that grew in the core. We'd love to understand how that trends over the next few quarters.

John Kasiba | Senior Vice President, Chief Financial Officer & Treasurer:

Yeah, good question, Colin. We have had a, I don't want to call it a drain on working capital, but we have invested into the growth of the company over the last couple of quarters. To the extent we continue that growth and if we can maintain elevated levels of growth, then we'll continue to invest in working capital. If growth tapers to call it single-digit growth, then we would see working capital probably turn favorable. So it's difficult to tell depending on our growth strategy, but if working capital is an investment, I can assure you it's to support growth.

Colin Rush | Analyst, Oppenheimer:

Okay. Okay. And then, you know, we haven't talked about some of the military opportunities. Certainly, you know, there's an awful lot of activity in Washington right now around enhanced military capabilities. Can you just talk a little bit, you know, outside of the ships, you talked about ports and infrastructure being a meaningful growth opportunity. You know, in your sales pipeline, what are you seeing these days and how do you see that starting to flow through into the P&L over the next couple of years?

Daniel McGann | Chairman, President & Chief Executive Officer:

Yeah, I think, you know, just topically for the quarter, Colin, we had a good percentage in military, more than 15%. I think typically it's closer to 10% quarter to quarter, and that was because we're doing a bunch of things at once within the quarter, which is good. And that helps strengthen quarters. I think longer term, we're kind of front and center in some of the critical problems that ports have, and those opportunities are going to be persistent and kind of long-term. But I'd say there's nothing I'll say specifically that's going to change the trajectory of that business in the next two to four years.

Colin Rush | Analyst, Oppenheimer:

Awesome. And then just a final one on the R&D roadmap. As your customer intimacy has improved, you're getting a look at what the real needs are for a bunch of these applications in a different way. And obviously, you guys have capabilities around customization for given applications. But we'd love to understand how you're thinking about the cadence of evolving the product suite and Um, just the leverage that you have out of the existing designs to meet, uh, all the opportunities that you're seeing with your customers.

Daniel McGann | Chairman, President & Chief Executive Officer:

Yeah, I'll just, I'll speak by example. So we're working towards a project for a very large mine and there's opportunities at the site, but there's also opportunities with the utility that the grid's going to need to be improved. So I think our capability has matured now to the point where we really understand the problems. that capital investment will cause in capacity from an electricity standpoint. So we try to just start with that as the premise and then work backwards and say, okay, what are going to be all the electrical challenges that this CapEx investment or this end customer is going to create, not just locally, but more broadly in the utility? So being able to combine our capabilities into products that are more proprietary, more defensible, more valuable to customers. That's what we're trying to push things as much as we can.

Justin Clare | Analyst, Roth Capital Partners:

Okay. Thanks, guys.

Bailey | Conference Operator:

This concludes our question and answer session. I'd like to turn the conference back over to Daniel McGann for closing remarks.

Daniel McGann | Chairman, President & Chief Executive Officer:

Thanks, Bailey. As we look forward to the future, it's clear that the opportunities ahead are vast. We stand ready to capitalize on the rising demand for energy and the critical need for a dependable grid to support it. We reached another recent record quarter with revenue levels of over \$70 million, and we guide it for our next quarter to potentially exceed \$80 million. The business has already demonstrated a strong year through the first nine months into the fiscal year. We see more traditional energy and utility projects, including those driven by data center demand, on the horizon. In the longer term, we have a very strong pipeline of materials and semiconductor projects as well. I look forward to talking to you again when we report our full year results. Thank you, everybody, for your support and attention, and have a great day.

Bailey | Conference Operator:

The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.