PARTICIPANTS

Corporate Participants

Christina Kmetko – Investor Relations Consultant, NACCO Industries, Inc.
J.C. Butler, Jr. – President, Chief Executive Officer & Director, NACCO Industries, Inc.
Elizabeth I. Loveman – Senior Vice President & Controller, NACCO Industries, Inc.

Other Participants

Andrew Kuhn – Analyst, Focused Compounding Fund LP
Douglas S. Weiss – Analyst, DSW Investment, LLC

MANAGEMENT DISCUSSION SECTION

Operator: Thank you for standing by. My name is Deb and I will be your conference operator today. At this time, I would like to welcome everyone to the NACCO Industries Conference Call. All lines have been placed on mute to prevent any background noise. After the speakers' remarks, there will be a question-and-answer session. [Operator Instructions] Thank you.

I would now like to turn the call over to Christina Kmetko. Please go ahead.

Christina Kmetko, Investor Relations Consultant, NACCO Industries, Inc.

Thank you. Good morning, everyone, and welcome to our 2023 third quarter earnings call. Thank you for joining us this morning. I'm Christina Kmetko and I'm responsible for Investor Relations at NACCO Industries. Joining me today are J.C. Butler, President and Chief Executive Officer; and Elizabeth Loveman, Senior Vice President and Controller.

Yesterday, we published our third quarter 2023 results and filed our 10-Q. This information is available on our website. Today's call is being webcast. The webcast will be on our website later this afternoon and available for approximately 12 months.

Our remarks that follow, including answers to your questions, contain forward-looking statements. These statements are subject to several risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements made here today. These risks include, among others, matters that we've described in our earnings release, 10-Q, and other SEC filings. We may not update these forward-looking statements until our next quarterly earnings conference call.

We'll also be discussing non-GAAP information that we believe is useful in evaluating the company's operating performance. Reconciliations for these non-GAAP measures can be found in our earnings release and on our website.

I'd also like to note that during today's remarks, we'll provide information about the remainder of 2023, as well as a high-level view of our 2024 expectations. We ask that you remember that the 2024 information is preliminary. We are still in the process of reviewing our annual operating plan. We will provide more definitive 2024 information as part of our fourth quarter 2023 earnings release.

With the formalities out of the way, I'll turn the call over to J.C. for some opening remarks. J.C.?

J.C. Butler, Jr., President, Chief Executive Officer & Director, NACCO Industries, Inc.

Thank you, Christy, and good morning, everyone. Our third quarter 2023 results were much lower than last year, but that was as expected and in line with the outlook we provided last quarter. To understand our results, it's best to discuss the quarter business-by-business. I'll also talk about our future expectations before turning the call back over to Christy.

I'll first address the Coal Mining segment. Last quarter, I talked about the temporary operational inefficiencies of Mississippi Lignite Mining Company related to transitioning to a new mine area and contending with some short-term adverse mining conditions caused by increased rainfall, both of which reduced our production and increased our costs. This situation continued into the third quarter and for the same reasons. We do expect production costs at MLMC to decline significantly in 2024 from recent levels. However, production costs are expected to remain above historical levels through 2024 when a pit extension in the new mine area is complete.

To provide some background, we moved to this new mine area because the coal reserves were largely depleted in Mine Area 1 where we've been mining since the late 1990s. We had to open a new mine area with additional reserves to meet our contractual coal delivery requirements, which run to 2032. This was not a surprise. We've known that we'd need to move to a new mine area since we started mining over 20 years ago. The move to a new mine area and the related costs are now behind us. We expect to see modest improvement in the fourth quarter, with results improving further in 2024. However, the biggest favorable impact will occur in 2025 and future years, as operations in this new mine area normalize.

You'll recall that we've invested significant capital to develop this mine area. These capital investments have resulted in increased depreciation expense that will continue over the remainder of the contract term. The added depreciation will affect reported operating profit, but this depreciation is excluded from EBITDA, which we think is a better way to look at this part of our business because we don't expect Mississippi Lignite Mining Company to open additional mine areas through the remaining contract term.

Shifting to Minerals Management, natural gas and oil prices are significantly lower than the very high prices experienced in 2022. These lower prices have led to a significant decrease in Minerals Management's third quarter 2023 results compared with the prior year. Natural gas and oil prices are expected to continue to remain below 2022 levels, resulting in a significant decrease in operating profit in the fourth quarter of 2023 compared with 2022.

The team at Catapult Mineral Partners is finalizing a $37 million acquisition anticipated to close during the fourth quarter that will provide additional diversification into the oil-rich Permian basin. In 2024, Minerals Management is targeting additional investments of up to $20 million. These investments, as well as the development of new wells on existing owned reserves beyond those included in our forecast, would be accretive to future results.

Our North American Mining segment generated a moderate operating profit again this quarter, compared with a small loss in the prior third year quarter. The aggregates mining part of this segment struggled during 2022, but the challenges we implemented – but the changes, sorry, the changes we implemented to drive improved future financial results are paying off, and that's encouraging. I'm optimistic North American Mining can build upon this momentum and continue to show improvements in profitability in the future.

A decrease in Caddo Creek reclamation income is partly offsetting the improvements in results at North American Mining aggregates operations. We're no longer recognizing reclamation income at

Caddo Creek since we purchased the membership interest in the Marshall Mine in March 2023, where Caddo Creek had been performing mine reclamation work.

Wrapping up my North American Mining comments, let me mention Sawtooth Mining, which is the exclusive contract miner for Lithium Americas Thacker Pass Lithium project in Northern Nevada. Construction of Thacker Pass commenced in the first quarter. With that, we began acquiring equipment for the project. We've acquired $23.1 million of equipment to date. We expect to continue to recognize moderate income through 2025, with higher levels of income anticipated when our customer commences Phase 1 lithium production, which is currently expected to begin in the second half of 2026.

Moving to Mitigation Resources of North America, this team continues to advance existing mitigation projects and build on the substantial foundation it has established over the past several years. I'm pleased to report that they added an additional mitigation bank during the third quarter. Mitigation Resources is still in what I'd refer to as the start-up phase, but I'm very pleased with the level of growth they've achieved since starting five years ago. And I'm even more excited about their prospects. They continue to look for additional projects and expect to achieve near breakeven earnings in 2024 with increasing profitability over the longer term.

I said this last quarter and I'll say it again, we expected 2023 to be a year of unfavorable comparisons for a few very specific temporary reasons [ph] has played out (00:08:13) as we expected. Despite this, I'm still very optimistic about our outlook as we look beyond 2023. I have a lot of confidence in our team and I'm pleased with the way all of these businesses continue to advance their strategies, including efforts to protect our Coal Mining business.

With that, I'll turn the call back over to Christy to cover our results for the quarter and our outlook in more detail. Christy?

Christina Kmetko, Investor Relations Consultant, NACCO Industries, Inc.

Thank you, J.C. I'll start with some high-level comments on our consolidated third quarter financial results and then add more color on our individual segments.

We reported a consolidated net loss of $3.8 million or a $0.51 per share loss, compared with net income of $10.6 million or $1.45 per share last year. We generated modest EBITDA of approximately $400,000, compared with approximately $22.1 million in 2022. These lower results were primarily due to significant decreases in our Coal Mining and Minerals Management earnings.

Looking at the individual segments, our Coal Mining segment had lower results compared with third quarter 2022, reporting an operating loss of $4.7 million and a negative segment adjusted EBITDA of $400,000. These decreases were primarily due to the substantial decline in Mississippi Lignite Mining Company results, as well as lower earnings at our unconsolidated operations due to lower customer requirements at Coteau. Lower employee-related costs partly offset these reduced results.

The decrease in Mississippi Lignite Mining Company results was driven by a significant increase in the cost per ton sold due to the inefficiencies and additional costs associated with moving to the new mine area that J.C. mentioned. A $2.4 million write-down of on-site coal inventory to net realizable value also contributed to the significant increase in the cost per ton. Also, as J.C. discussed, the primary reason behind the decline in Minerals Management's results is significantly lower prices.

To put this more in context, current natural gas prices, as measured by the Henry Hub average natural gas spot price, declined 68% from 2022; and oil prices, as measured by the West Texas Intermediate average crude oil spot price, decreased 12% from last year.

North American Mining's third quarter 2023 operating profit and segment adjusted EBITDA improved significantly over the prior year. This improvement was primarily due to lower employee-related costs. As in 2022, operating expenses included $800,000 for a voluntary retirement program. North American Mining also realized improved earnings at its aggregates quarries and at Sawtooth. These improved earnings were partly offset by reduced Caddo Creek income.

Looking forward, at our Coal Mining segment, we expect fourth quarter 2023 operating results and segment adjusted EBITDA to improve significantly compared with the 2023 third quarter, but decline substantially from the 2022 fourth quarter. As J.C. mentioned, we are anticipating lower production costs at Mississippi Lignite Mining Company. However, while production costs are expected to decline from recent levels, they are expected to remain above historical levels through 2024 when the new pit extension in the new mine area is complete. We are also anticipating an increase in tons severed, which will contribute to a reduction in the cost per ton sold and improved profitability at MLMC beginning with the fourth quarter and continuing into 2024.

In 2024, we expect coal deliveries to increase moderately from 2023. Strong operating profit and significantly higher segment adjusted EBITDA are also anticipated in 2024 compared with 2023. These increases are primarily the result of significant improvements at MLMC and an increase in earnings of unconsolidated operations. The improvement in the unconsolidated operations is expected to be driven by increased customer requirements at Coteau and Falkirk, as well as a higher per ton management fee at Falkirk beginning in June 2024.

At North American Mining, we expect operating profit and segment adjusted EBITDA to increase significantly in both the 2023 fourth quarter and full year versus the prior-year period. These increases are primarily due to anticipated earnings improvements under existing contracts, including Sawtooth Mining, partially offset by the completion of services at Caddo Creek.

Full-year 2024 operating profit and segment adjusted EBITDA are anticipated to increase significantly over last year – or over, I'm sorry, 2023 due to improved earnings under certain existing contracts, including Sawtooth Mining and an anticipated reduction in operating expenses. Any new contracts should be accretive to North American Mining's future results.

Finally, at Minerals Management, operating profit and segment adjusted EBITDA for the 2023 fourth quarter and full year are expected to continue to decrease significantly compared with last year. These decreases are primarily driven by current natural gas and oil price market expectations. In 2024, we expect operating profit and segment adjusted EBITDA to increase moderately over 2023, primarily due to current market expectations and limited forecasted development of additional new wells by third-party lessees. Lower operating expenses are also anticipated to contribute to the profit growth. Future investments, including the $37 million investment anticipated to close before the end of 2023, are expected to be accretive to the current forecast.

Overall, at a consolidated level, we expect that fourth quarter 2023 improvements will produce operating profit and net income versus the losses incurred this quarter. Fourth quarter and full-year 2023 consolidated operating results and adjusted EBITDA, however, are expected to be down from the respective prior-year period due to the expected substantial decreases at the Coal Mining and Minerals Management segments. We expect these reductions to be partially offset by favorable changes in income taxes, leading to modest income for the 2023 full year.

In 2024, we expect a significant increase in consolidated net income and EBITDA over this year. These improvements are primarily due to increased profitability at the Coal Mining segment from improved results at MLMC, Falkirk, and Coteau. Growth at North American Mining and Mitigation Resources is also expected to contribute to the higher 2024 net income.

Lastly, from a liquidity standpoint, we ended the quarter with consolidated cash of $128 million and debt of $22.5 million. We had availability of $122 million under our revolving credit facility. During the quarter, we repurchased approximately 24,800 shares for $800,000 under an existing share repurchase program. For the full year, we expect cash flow before financing activities to be a moderate use of cash. But in 2024, we expect cash flow before financing activities to be positive, just not to the level generated in 2022.

We will now turn to any questions you may have.

QUESTION AND ANSWER SECTION

Operator: [Operator Instructions] Your first question comes from the line of Andrew Kuhn with Focused Compounding. Please go ahead.

<Q – Andrew Kuhn – Focused Compounding Fund LP>: Good morning, everyone.

<A – J.C. Butler – NACCO Industries, Inc.>: Good morning, Andrew.

<Q – Andrew Kuhn – Focused Compounding Fund LP>: So my first question is actually on buybacks, which is what you guys ended your section with. So you bought back $800,000 in stock in September and you did it at a price your stock has traded at before and you did it under a repurchase plan that was approved two years ago.

So I'm just curious on how we should be thinking about this. Is the change here that you now feel that you have enough cash and enough expected cash flows to fund diversification efforts, maintain a conservative balance sheet and still afford to do buybacks when they make sense? Should we expect more buybacks going forward? Any color you can give on this would be great.

<A – J.C. Butler – NACCO Industries, Inc.>: Well, we certainly have enough cash. You've been watching us long enough to know that we're big believers in having a bulletproof balance sheet. And I think the combination of a big pile of cash and not a lot of debt reinforces that. I think your question is really around timing, right? We've had this program for a couple of years. Why are we now buying stock?

<Q – Andrew Kuhn – Focused Compounding Fund LP>: Yeah.

<A – J.C. Butler – NACCO Industries, Inc.>: I think we've gone through what we knew was going to be a difficult 2023 for reasons that we expected going into the year. We signaled this more than a year ago, as I'm sure you know.

<Q – Andrew Kuhn – Focused Compounding Fund LP>: Yeah.

<A – J.C. Butler – NACCO Industries, Inc.>: And we're sort of at a point that when we've got a positive outlook, we're on the – literally on the eve of 2024 and future years, we feel good about where we're headed. And so we bought stock.

<Q – Andrew Kuhn – Focused Compounding Fund LP>: Got it. Got it. So, I mean, it sounds like something maybe we could expect potentially in the future, more stock buybacks?

<A – J.C. Butler – NACCO Industries, Inc.>: I'm just not going to comment on that.

<Q – Andrew Kuhn – Focused Compounding Fund LP>: Sure. And then moving to Mississippi Lignite Mining Company, so CapEx is expected to be $10 million for full-year 2023 and then $10 million again in 2024. I know there'll be some inflation over time and year-to-year variations, but do you think $10 million a year in CapEx is a realistic long-term average for MLMC over the next nine years or so?

<A – J.C. Butler – NACCO Industries, Inc.>: I mean, actually, I don't have the data to tell you if I think $10 million is the right average number. I will tell you that it's going to be nowhere near what it's been over the last several years as we've opened this new mine area. Going forward, it's really just going to be regular equipment replacements that may be needed. And none of those should be extraordinarily large. Is $10 million the right number? I actually don't have enough data in front of me to tell you what it is over the next nine years. But it's going to be a modest number, for sure.

<Q – Andrew Kuhn – Focused Compounding Fund LP>: Got it. Great. And then my last question is around Minerals Management, your outlook. So in your earnings release, you have a line that says the company's forecast is based on currently owned reserves. And you also say you're anticipating closing on a $37 million purchase in the Permian in the fourth quarter. So does that mean that for now, your estimates for 2024 don't include any cash flows from this expected purchase?

<A – J.C. Butler – NACCO Industries, Inc.>: That's correct.

<Q – Andrew Kuhn – Focused Compounding Fund LP>: Got it. That's very helpful. Thank you for answering my questions and I'll jump back into queue.

<A – J.C. Butler – NACCO Industries, Inc.>: Great. Thanks for your questions. We appreciate your interest.

Operator: Your second question comes from the line of Douglas Weiss with DSW Investment, LLC. Please go ahead.

<Q – Doug Weiss – DSW Investment, LLC>: Hey. Good morning.

<A – J.C. Butler – NACCO Industries, Inc.>: Good morning.

<Q – Doug Weiss – DSW Investment, LLC>: Just a few questions. I guess, the first on the Minerals and Mining results. So I understand that prices are down from a year ago, but they're actually up a bit from last quarter and yet the revenue was down quite a bit from the second quarter. Is that wells that are not being replaced or I don't know if you could just talk to why there was a sequential decline?

<A – J.C. Butler – NACCO Industries, Inc.>: Like, I mean, the quarter-over-quarter decline is largely related to the fact that we've got a very, very large stake in wells that we've had – assets that we've had and wells that we've had for a very long time, largely in Appalachia, in the Marcellus and the Utica. And those, by natural decline curve, it really from quarter-to-quarter, month-to-month, it really just gets into what new production is coming on and how does that compare to the decline curves on the things that are producing.

In all honesty, I would say we don't manage the business in a way that is too concerned about quarter-to-quarter moves. It's really a business that we're trying to build over the very long term.

<Q – Doug Weiss – DSW Investment, LLC>: Sure. So, I mean, is it reasonable to infer that with gas prices so low, those wells, people just aren't drilling as much until are waiting for better prices and then the number of wells will increase again?

<A – J.C. Butler – NACCO Industries, Inc.>: Well, I think it's a combination of that. Liz, you've got a – Liz has got a point to add here.

<A – Liz Loveman – NACCO Industries, Inc.>: Yeah. We did have some settlement income in the second quarter of this year, so that also impacted the quarter-over-quarter results. So if you look in the 10-Q, we have some discussion about that in the Minerals Management segment.

<Q – Doug Weiss – DSW Investment, LLC>: Yeah. No, I did see that, but that didn't look like that. I mean, it looked like that was relatively small in the scheme of some of the day-to-day...

<A – Liz Loveman – NACCO Industries, Inc.>: I mean, but it is...

<Q – Doug Weiss – DSW Investment, LLC>: Yeah.

<A – J.C. Butler – NACCO Industries, Inc.>: Everything tracked.

<Q – Doug Weiss – DSW Investment, LLC>: Yeah.

<A – J.C. Butler – NACCO Industries, Inc.>: Yeah, so...

<Q – Doug Weiss – DSW Investment, LLC>: Sure. Go ahead.

<A – J.C. Butler – NACCO Industries, Inc.>: Yeah. I mean, it's – we certainly are more sensitive to what's going on with natural gas than we are with oil at this point, right? We're working to diversify this into a more balanced portfolio, but we're not there yet. So, anything that's happening in the natural gas world, whether it's prices or the rate with which new wells are being developed on our reserves or workovers that are being done on existing wells to increase production, we're going to be more sensitive to that than another minerals company that might be heavily oil weighted. So natural gas is going to affect us disproportionately more than oil will at this point.

<Q – Doug Weiss – DSW Investment, LLC>: Okay. And then just from an accounting standpoint, you recognize the cost of goods in that division, but it is a royalty position. So I was just curious, what is that sort of $1 million a quarter cost of goods sold there?

<A – Liz Loveman – NACCO Industries, Inc.>: It's related to the deductions that we – the costs that we're paying off of some of the royalty income.

<Q – Doug Weiss – DSW Investment, LLC>: Okay. Okay. I mean, I can follow up on that later, too. Okay. Are you still there?

<A – Liz Loveman – NACCO Industries, Inc.>: Yes.

<A – J.C. Butler – NACCO Industries, Inc.>: [ph] Yeah, we are (00:24:22).

<Q – Doug Weiss – DSW Investment, LLC>: Okay. So I guess, moving on to the solar projects that you've talked about a little bit, can you give some kind of ballpark on how much capital you think you can allocate there and what kind of returns you're anticipating?

<A – J.C. Butler – NACCO Industries, Inc.>: Well, this is a very new thing for us. So to speculate on how much capital we might allocate to it, I think, is premature. I think we're still exploring what that might be. The returns that we're seeing are very nice. We're seeing returns in the high-teens, low-20s. And that we measure that as return on total capital, not return on equity. So we think these are pretty attractive projects.

<Q – Doug Weiss – DSW Investment, LLC>: Yeah, I know that that is attractive. On Thacker Pass, you've said that for projections purposes, you should think about that as a mid-size coal – equivalent to a mid-size coal project. Can – I guess I'm not really sure exactly what that means. Can you give a little context for that in terms of what I should think about or what that would be earning at full production?

<A – J.C. Butler – NACCO Industries, Inc.>: Yeah. I mean, that's not – we've never disclosed that kind of granular information with respect to our mines. Obviously, as you can imagine, when you look at the volumes that come out of Coteau and Falkirk, we're getting a lot of income out of those. This is going to be more like a Coyote Creek, Sabine [ph] court (00:26:14) sort of operation with respect to income. My advice to you would be sort of look at what we're earning in our coal segment and divide it by tons roughly to get some averages.

<Q – Doug Weiss – DSW Investment, LLC>: Okay.

<A – J.C. Butler – NACCO Industries, Inc.>: This is going to be a relatively small – it's going to be a modest operation. I will say that as we've been involved with this project over the last several years, we have had some nice gains with respect to the work that we're going to be performing for Lithium Americas at the Thacker Pass project. We're currently performing some, what I'd call, dirt work construction activities for them with respect to the processing plant development. And so we think it's a good partnership. And we're looking for ways that we can help them, not only under the current scope, but how we might expand that relationship in the future.

<Q – Doug Weiss – DSW Investment, LLC>: Okay. On the Mississippi mine, I was just curious, when the contract ends in 2032, I mean, I think you – the impression I get is that's sort of the end of the operation there. But is there not secondary buyers that would still be interested in that coal, which would encourage continued production? Could you just explain that quickly?

<A – J.C. Butler – NACCO Industries, Inc.>: Well, the current contractual relationship started in the mid to late 1990s and runs through 2032. There certainly are coal reserves in the area that could be used in the future. The power plant certainly should have life that goes beyond 2032. So one of the things that we're very interested in are looking for ways that we might be able to extend the life of the mine. Who – how that works with respect to the power plant and what the power plant's doing and what other things might happen on that location are yet to be determined. But we certainly would be interested in extending that further and are working on a number of things to that end.

<Q – Doug Weiss – DSW Investment, LLC>: Okay. And my last question and so you're putting a lot of capital into the mineral and mining business on the royalties side, but you have this expertise in aggregate mining, which seems to be very attractive areas particularly at the moment. I was curious if you've given any thought to direct ownership of aggregates reserves?

<A – J.C. Butler – NACCO Industries, Inc.>: Well, okay, so I'm going to interpret that as two questions. One is you said aggregates reserves, but I'm guessing you also mean with respect to the processing and sales of the aggregates.

<Q – Doug Weiss – DSW Investment, LLC>: Yeah.

<A – J.C. Butler – NACCO Industries, Inc.>: Yeah. So we're – we have a long history in mining. I think we're really, really good at what we do. I think we have a great ability to improve the economics for our customers by utilizing our mining expertise. That does not translate into processing the aggregates, deciding what products you're going to manufacture or selling those into the market. We have no experience there. We have no skills. There's always a question of can you go just acquire those. And we could, but we're sort of big believers in let's build off the skills that we have rather than decide to go something completely different.

So, as far as integrating vertically into the production and sales of the aggregates themselves, or processing and sales, I think that's a big reach for us. With respect to owning the limestone reserves or sand and gravel reserves, we've considered it, I'd say, not in a tremendous amount of depth, but it is something that we've thought about. We've done well over our history by owning coal reserves. And we've thought about whether that might be an interesting thing for us.

The difference between the two is we're sort of experts in lignite, and there are two very well defined lignite reserves in the United States. And we knew where those are and we focused our operations on those. When you get into aggregates of all types, they're almost everywhere, right? So it's just a vast amount of minerals are out there. And trying to decide which ones that we would invest in and how those would – how we could leverage that into increased opportunity in the future, it's harder to see the economic justification for doing that. So you look at expanding backwards into buying the reserves or forwards into getting into processing and sales. You kind of come back and say, our expertise is really in the mining and that's where we're focused at this point.

<A – J.C. Butler – NACCO Industries, Inc.>: We, by the way...

<Q – Doug Weiss – DSW Investment, LLC>: Yeah – sorry, go ahead.

<A – J.C. Butler – NACCO Industries, Inc.>: We think it's a – we think the mining piece is a huge market. And it's not just – as we've said for a long time, right, it's not just limestone and it's not just operating draglines. There's lots of minerals out there that we can mine. The lithium project is a great example of that. We're pursuing opportunities to mine other minerals and we can use lots of equipment. Historically, we've used draglines. Today, we're also operating in some truck shovel fleets and we're operating a surface miner, all in aggregates and limestone.

<Q – Doug Weiss – DSW Investment, LLC>: Okay. Great. Well, thanks. Thanks for all the answers.

<A – J.C. Butler – NACCO Industries, Inc.>: Yeah. We appreciate your questions. Thanks for calling.

<A – Liz Loveman – NACCO Industries, Inc.>: Thanks, Doug.

Operator: Your next question comes from the line of Andrew Kuhn with Focused Compounding. Please go ahead.

<Q – Andrew Kuhn – Focused Compounding Fund LP>: No. I was – when I clicked star one, it was to jump back in the queue. So, no further questions from me.

<A – J.C. Butler – NACCO Industries, Inc.>: Great.

<A – Christy Kmetko – NACCO Industries, Inc.>: Is that it, Deb?

Operator: We have no further questions at this point. Yes. I will now turn the call back over to Christina Kmetko for closing remarks.

Christina Kmetko, Investor Relations Consultant, NACCO Industries, Inc.

Thank you. With that, we will conclude our Q&A session. And I have no further comments. A replay of our call will be available later this morning. We'll also post a transcript on the Investor Relations website when it becomes available. If you do have any questions, please reach out to me and my phone number is on the release. I hope you enjoy the rest of your day, and I'll turn the call back over to Deb to conclude the call.

Operator: Ladies and gentlemen, that concludes today's call. A digital recording of your conference call will be available for replay two hours after the call's completion. To access the recording, use conference ID 83926. Toll free dial-in number 1-800-770-2030. Toll free dial-in number 1-647-362-9199. Encore replay date is November 2, 2023 up until November 9, 2023 11:59 PM ET. Thank you all for joining. You may now disconnect.