

THOMSON REUTERS STREETEVENTS

EDITED TRANSCRIPT

KMG - Q2 2015 KMG Chemicals Inc Earnings Call

EVENT DATE/TIME: MARCH 12, 2015 / 9:00PM GMT



CORPORATE PARTICIPANTS

Eric Glover *KMG Chemicals - IR*

Christopher T. Fraser *KMG Chemicals - Chairman, President and CEO*

Malinda Passmore *KMG Chemicals - VP, CFO*

CONFERENCE CALL PARTICIPANTS

Rosemarie Morbelli *Gabelli & Company - Analyst*

PRESENTATION

Operator

Good day, ladies and gentlemen, and welcome to the KMG Chemicals Second Quarter 2015 Earnings Conference Call. My name is Jackie, and I will be your coordinator for today. At this time, all participants are in a listen-only mode. And we will be facilitating a question-and-answer session towards the end of today's presentation. (Operator Instructions).

I would now like to turn the conference over to Mr. Eric Glover, Investor Relations Manager. Please proceed.

Eric Glover - *KMG Chemicals - IR*

Thank you, Jackie. Good afternoon and welcome to the KMG Chemicals Incorporated second quarter fiscal 2015 financial results conference call. I'm joined today by Chris Fraser, our Chairman and CEO; and Mindy Passmore, our CFO. In a moment, we'll hear remarks from them followed by Q&A.

During today's call, we will refer to financial measures not calculated according to generally accepted accounting principles. Please refer to today's earnings release available on our website for the reasons we're presenting non-GAAP financial information and for the appropriate tables that reconcile these measures to our GAAP results.

Before we begin, I'd like to remind everyone that the information on this conference call includes certain forward-looking statements that are based upon assumptions that in the future may prove not to have been accurate and are subject to significant risks and uncertainties, including statements as to the future performance of the Company.

I'll now turn the call over to Chris Fraser, Chairman and CEO. Please go ahead, Chris.

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

Thank you, Eric. Good afternoon and thank you everyone for joining us today. Our Q2 earnings release was issued today at 4 o'clock Eastern Time and our 10-Q will be available this evening. After my remarks, I'll turn the call over to Mindy for a review of the Q2 financials and our outlook for fiscal 2015. After our comments, we'll take your questions.

I am pleased to say KMG had a very solid second quarter as we continued to make significant progress financially, operationally, and strategically. We reported a strong growth in adjusted EBITDA and adjusted EPS. Driven by increased volume in our Electronic Chemicals business and improved margins that reflect benefits from the consolidation of our global manufacturing and our efforts to diversify our market positioning.



Our second quarter adjusted EBITDA grew 50% from last year and we reported 150% growth in adjusted EPS to \$0.30 per share. Additionally in January we divested our creosote assets, realizing significant value for a business that was no longer central to our growth strategy. We used proceeds from the sale plus cash generated from operations to further reduce our debt by \$17 million in the second quarter.

Within our Electronic Chemicals segment, the solid level of demand we experienced in the first quarter continued into the second quarter. KMG's global team executed well, increasing production effectively to meet robust demand and our ongoing restructuring efforts enhanced our manufacturing efficiency.

Regionally we saw a particularly robust growth in North America, and good year-to-year growth in Asia, although the softness that we experienced in the first quarter in the European market continued. Overall second quarter consolidated Electronic Chemical segments sales grew 8% from last year exceeding our record fourth quarter fiscal year 2014 sales in the segment, and we achieved a quarterly record in adjusted EBITDA.

We experienced positive demand in the digital semiconductor market for high-end computing, storage, and data centre service for the build-out in the cloud. In the Analog and Mixed Signal market we benefited from semiconductor production and other growing end markets including automotive, mobile, and internet of things. In all these markets the continued advancement in semiconductor manufacturing process technology, requires high purity process chemicals benefiting KMG and our global capabilities.

In North America we achieved a record quarterly volume and sales growth in the second quarter driven by key customers increasing production of next generation devices for data centre and computing application. We continue to work closely with our major customers ensuring that our products purity levels and quality are consistently aligned with their manufacturing technology roadmaps.

In Asia, our Electronic Chemicals sales grew sequentially over a record Q1 and have increased on a sequential basis in each of the past six quarters. Our physical presence in Singapore enables us to service several leading multinational semiconductor manufacturers and the positive momentum we are experiencing there again underscores the value that our customers place on our global distribution capabilities and our high quality product offerings.

Although our overall Electronic Chemicals sales grew 8% year-over-year in Q2, we continue to experience softness in Europe, impacting our sales in that region. Our European sales declined year-over-year in Q2 reflecting the relatively weak Eurozone economy, softer customer demand, and the strength of the dollar. Despite the near-term slowdown of our European sales we believe we remain well positioned for growth as marketing conditions and customer demands improve.

Our Electronic Chemicals manufacturing consolidation plan continues to progress. We've closed our Fremont, California facility and successfully transitioned production to our Pueblo, Colorado and Hollister, California sites. In Europe we are making good progress on the transition of our products mainly to our manufacturing locations in France and in the UK. We are working closely with our customers on these transitions and we are confident that this process will continue to proceed as planned.

The realignment that we announced last quarter of our North American hydrofluoric acid operations remain on track as we ceased production in our Bay Point, California facility in January slightly ahead of schedule. Currently we are transitioning our HF operations to our manufacturing facility in Pueblo to fully leverage those assets and enhance our overall quality offering to our customers.

Now turning to Wood Treating Chemical segment. Second quarter net sales were impacted by reduced creosote volume and the eventual sale of our creosote assets in January. Our Penta business experienced typical seasonal softness in second quarter as cold weather limited coal availability and wood treater slowed production to perform routine maintenance in the facilities.

While our Q2 Penta sales declined seasonally on a sequential basis, Penta sales increased from a comparable period last year. The outlook for our Penta business remains favorable driven by multiyear pole replacement programs in the Western U.S. and ongoing demand for Penta treated transmission poles to connect renewable energy sources to electric grid.



We are pleased with the value we received in our divestiture of our creosote business. Although this business was instrumental to KMG's early development, its growth potential for KMG was limited given fundamental changes and demand headwinds that have occurred over the past few years. For years KMG provided vital supply chain for the North American creosote market as wood treating industry consolidated from numerous small to mid size wood treaters down to a handful of larger companies. These treaters expanded their internal creosote distribution infrastructure and in some cases even produced their own creosote. Today's creosote market has become increasingly global and those creosote producers like Koppers saw value in our capabilities and infrastructure.

Before I turn the call over to Mindy, I'd like to provide an update in the implementation of our new global ERP system. We kicked off this important project about one year ago and since that time our ERP project team has made tremendous progress and reached several important milestones. Our plan was to go live in the U.S. in February of this year, but we recently concluded that a go live date at the end of our fiscal third quarter would be more prudent, allowing for additional training and to finalize our master data preparation. We are confident this additional time will ensure we realize a maximum benefit from our ERP platform when implemented. In addition this short delay allows our users to have more time to practice within the training system.

When this new ERP system is fully implemented it will enhance our overall efficiency, further improve our working capital management, and facilitate more streamline integration of future acquisitions with a common platform. In summary KMG delivered strong Q2 financial results including substantial growth in both adjusted EBITDA and adjusted earnings per share. We further strengthen our balance sheet by paying down \$17 million in debt.

From an operational standpoint we expanded our relationships with our key global customers and successfully ramped up our production to meet stronger demand. Our restructuring realignment programs remain on schedule and we've already begun to realize a portion of those targeted benefits from this strategy.

I'll now turn the call over Mindy for the financial discussion and outlook.

Malinda Passmore - KMG Chemicals - VP, CFO

Thank you Chris, and good afternoon everyone. In my remarks I will discuss adjusted or non-GAAP numbers as we believe non-GAAP information can provide useful insight into the underlying operating performance of our business. The non-GAAP numbers I referenced are reconciled to the corresponding GAAP numbers in today's earnings release. Second quarter consolidated net sales were \$79.8 million down 5% compared to last year's second quarter sales of \$84.3 million. As Chris explained sales declined on a year-over-year basis due to lower creosote volume in the Wood Treating Chemicals segment and our divestiture of the creosote business in January.

Gross profit margin in the second quarter was 35.8% up 590 basis points from last year's second quarter. Gross profit margins improved year-over-year due to higher sales volume in Electronic Chemicals, a more favorable product mix in Wood Treating Chemicals and cost savings resulting from the restructuring of our North American Electronic Chemicals operations.

Second quarter distribution expense was \$13 million or 16.3% of sales versus \$12.9 million or 15.3% of sales last year. Distribution cost increased from last year due to significantly higher shipment volume, increased inventory to meet customer demand, and reduced availability of preferred carriers in our North American Electronic Chemicals business.

Second quarter SG&A expense was \$9.7 million versus \$9.9 million in the prior year period. SG&A expense declined primarily due to lower professional service fees of approximately \$500,000 including integration expenses incurred last year and lower expenses of approximately \$500,000 in our North American Electronic Chemicals business. These decreases were partially offset by higher incentive compensation expense of \$800,000 in Q2 2015.

Excluding \$248,000 of realignment charges at Bay Point and \$69,000 of restructuring charges, consolidated adjusted EBITDA in the second quarter was \$9 million, up 50% from \$6 million in last year's second quarter. The improvement in adjusted EBITDA was primarily in our Electronic Chemicals business and to a lesser degree due to improved profitability in our Wood Treating Chemicals segment.

Second quarter interest expense was \$184,000 versus \$661,000 in the same period last year. The sequential decrease was due to lower debt levels, and reduced interest rates resulting from the refinancing of the term notes and our revolving credit facility.

Our income tax rate including restructuring charges was 35.7% in the second quarter. Excluding the Italian results these estimated effective tax rate on ordinary income was 35.4% for the three months ended January 31, 2015. We project a fiscal 2015 tax rate of approximately 35% excluding any tax impact from the restructuring in Italy.

Second quarter fiscal 2015 GAAP net earnings were \$0.47 per diluted share versus a loss of \$0.24 per share in last year's second quarter. I would note that the Q2 2015 GAAP EPS included an after tax gain of \$3.7 million or \$0.31 per share from the sale of the creosote distribution business while Q2 2014 GAAP EPS included restructuring charges and a restructuring related charge for a valuation allowance in Italy, totaling \$4 million or a loss of \$0.35 per share.

Adjusted EPS for the second quarter of fiscal 2015 was \$0.30, up from \$0.12 in the second quarter of fiscal 2014. Similar to adjusted EBITDA, adjusted EPS excludes the gain on the sale of the creosote business as well as restructuring and realignment charges. Q2 adjusted EPS increased year-over-year primarily due to improved sales in our Electronic Chemicals segment and higher margins in Electronic Chemicals and Wood Treating Chemicals.

Turning to our segment results, second quarter Electronic Chemicals sales were \$66.6 million up 8.4% from \$61.4 million last year. The year-over-year increase reflected higher sales in North America and Asia partially offset by weakness in Europe. Foreign currency translation related to the stronger U.S. dollar negatively impacted our Electronic Chemicals sales by \$2.2 million on a year-over-year basis.

Q2 adjusted EBITDA on the Electronic Chemicals segment was \$8.7 million compared to \$6.4 million in last year's second quarter. Adjusted EBITDA margins improved 260 basis points year-over-year due to higher volume in North America and Asia as well as enhanced manufacturing efficiency in North America. This was partially offset by the weakness in Europe that Chris discussed earlier.

Foreign currency translation negatively impacted adjusted EBITDA by \$177,000 in the second quarter of fiscal 2015 as compared to the prior year. In our Wood Treating Chemicals segment Q2 sales were \$13.1 million down from \$22.8 million as a comparable quarter last year. The sales decrease reflected lower creosote volume and the divestiture of the creosote business in January 2015. Penta sales experienced a typical seasonal decline in second quarter due to colder weather but increased on a year-over-year basis.

Wood Treating Chemicals EBITDA was \$1.6 million which represented a 12.6% margin of segment sales versus \$1.2 million which represented a 5.3% margin of segment sales in the last year's second quarter. Segment EBITDA margin benefited from lower raw materials and supply chain cost and from a more favorable product mix.

During Q2 we used cash proceeds net of taxes from the sale of the creosote distribution business plus cash generated from operations to reduce our debt. As of January 31, 2015 our long-term debt was \$39 million, down from \$56 million at the close of the first quarter of fiscal 2015. Over the past 12 months we've used our strong cash flow to reduce our long-term debt by \$40 million. As a result our debt-to-equity ratio was 0.3 as of January 31, 2015 down from 0.6 as of January 31, 2014.

Our cash balance was \$10.5 million at January 31, 2015, a decrease of \$9.2 million from the \$19.7 million that we had on hand at the end of our first quarter. This decrease was primarily due to the payment of amounts due for creosote inventory purchases of \$6.1 million in connection with our sale of that business and the timing of large shipments that we received prior to closing of the sale. Also we paid \$2 million of taxes in the second quarter and spent an additional \$1.6 million for the buildup of inventories within our Electronic Chemicals segment to meet stronger customer demand. Foreign currency translation negatively impacted cash by approximately \$1 million in the second quarter.

Following the sale of our animal health business in 2012 we retained a facility at Elwood, Kansas that we leased over the past three years. In February we sold the Elwood, Kansas facility and real estate to [write pack] the current tenant of the facility for approximately \$2.5 million in cash. This transaction is noted in our 10-Q as a subsequent event and the facility is presented as assets held for sale on our balance sheet.



Capital expenditures were \$7 million for the six months ended January 31, 2015, compared to \$5.3 million for the comparable period last year. CapEx increased on a year-over-year basis due to ERP project cost and integration related expenditures.

Now I'll review our realignment and restructuring program. In the second quarter we incurred \$2.4 million in realignment charges related to the closure of the Bay Point, California facility. These charges were primarily for accelerated depreciation of fixed assets that were being used in the production of hydrofluoric acids. Regarding the consolidation of our Electronic Chemicals operations, we reported \$292,000 in second quarter restructuring charges mainly for accelerator depreciation of equipment in Milan, Italy.

Now I'll provide our outlook for fiscal 2015. Fiscal 2015 consolidated net sales are forecast to be \$315 million to \$325 million compared with consolidated net sales of \$353 million in fiscal 2014. The projected decline in fiscal 2015 sales reflects decreased sales in the Wood Treating Chemicals segment primarily due to the divestiture of the creosote product line partially offset by growth in the Electronic Chemicals segment. We increased our fiscal 2015 adjusted EBITDA forecast to \$34 million to \$36 million from \$32 million to \$35 million previously provided. The increase in our adjusted EBITDA forecast reflects strong performance in the Electronic Chemicals segment.

Fiscal 2015 depreciation and amortization expense is forecast to be approximately \$14 million excluding restructuring and realignment charges compared to the prior forecast of approximately \$16 million. Fiscal 2015 capital expenditures were forecast to be approximately \$16 million compared to prior forecast of \$14 million to \$16 million. Capital expenditures include expenses related to our ERP system implementation and UPC integration. With that I'll turn the call back to Chris.

Christopher T. Fraser - KMG Chemicals - Chairman, President and CEO

Thank you, Mindy. In closing we remain committed to our fundamental strategy of optimizing our businesses and maximizing our cash flow to fuel future growth. We are pleased with the progress we've made in the first half and our outlook for the fiscal year remains positive. Going forward we will continue to strive for greater efficiency in all that we do as we work toward our goal of operational and organizational excellence. As always we remain diligent our efforts identify and pursue the most promising acquisition opportunities to help drive long-term shareholder value. Operator, lets now open up for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions). And your first question comes from the line of Rosemarie Morbelli with Gabelli & Company. Please proceed

Rosemarie Morbelli - Gabelli & Company - Analyst

Good afternoon everyone and congratulations on the terrific quarter.

Christopher T. Fraser - KMG Chemicals - Chairman, President and CEO

Thank you Rosemarie.

Rosemarie Morbelli - Gabelli & Company - Analyst

So I was looking at the gross margin which was just short of 36% is really quite high at least historically, is that a sustainable number or was there something specific in the second quarter that you don't expect to recur going forward?



Christopher T. Fraser - KMG Chemicals - Chairman, President and CEO

So we did have a really good margin in the second quarter which as you said has been higher than what we have achieved in the past. Part of that is the fact that our consolidation of our manufacturing operations has allowed us to more efficiently optimize the use of our plants fully loading them, and so we are seeing the benefit of that. We are seeing the benefit of our restructuring and in addition we've been moving some prices as we've talked about, moving to some more favorable customer basis. So all in all it's culminated in this 36.5%. I am not sure I can say that it's sustainable at this point. It depends on the volume levels that we will get. There is some of it that we'll continue to see as our plants remain loaded, as the volume remains strong, we'll continue to see those types of margins.

Rosemarie Morbelli - Gabelli & Company - Analyst

When you say Chris that you have been emphasizing some specific customers where obviously they want higher purity, they want -- and they can pay for it, are we talking about you're making inroads into semiconductors from mobile application as opposed to computers which I think was the largest part of your [EC] in the past?

Christopher T. Fraser - KMG Chemicals - Chairman, President and CEO

Yes, so over a year ago we talked about trying to reposition our business to have more of our volume in sales towards more the mobility space and less tied to PCs. So we been successful in gaining some market share at various customers along those lines and so we have seen some improvement there. That's what we've talked about because we looked at the customers that are higher growth and try to position some of our more of our sales in those areas. So yes, that's what I was referring to.

Rosemarie Morbelli - Gabelli & Company - Analyst

And just as an aside, I mean even though you are trying to move away from PC are you seeing any kind of pickup just generally speaking in PC demand?

Christopher T. Fraser - KMG Chemicals - Chairman, President and CEO

So we saw the PC demand was actually strong towards the end of the year and then we have seen it kind of flatten out here most recently. So it's not declining at the speed that it was, I won't say it's a growing segment but it's not declining at the same speed that it was a year ago.

Rosemarie Morbelli - Gabelli & Company - Analyst

Alright, thanks and if I may ask one last question, on the creosote, could you share with us the contribution at both the operating income or EBITDA whichever one you prefer and revenues in the first and the second quarter from creosote?

Christopher T. Fraser - KMG Chemicals - Chairman, President and CEO

So we don't break that out Rosemarie, we haven't in the past broken it out and --

Rosemarie Morbelli - Gabelli & Company - Analyst

Yes but now it is done so...

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

So we have to wait till the third quarter to see Penta. So we are not going to break that out from a historical standpoint at this time.

Rosemarie Morbelli - *Gabelli & Company - Analyst*

Did it contribute to Q2 EPS or not?

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

It did.

Rosemarie Morbelli - *Gabelli & Company - Analyst*

I mean bottom-line to the bottom-line.

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

It was a small contribution, it did contribute some though.

Rosemarie Morbelli - *Gabelli & Company - Analyst*

Okay, thank you.

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

Thank you.

Operator

(Operator Instructions). And we have a follow-up of Miss Rosemarie.

Rosemarie Morbelli - *Gabelli & Company - Analyst*

Well, alright here I am again. Looking at the UPC integration, how much more remains to be done?

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

We've completed our integration of the Fremont, California facility, the Pueblo and Hollister. And we are in the process of completing the integration in Europe. We are ceasing operations of part of our production in Milan and moving that to France and the UK. So it is not complete at this point, but we are moving on track. But for the most part, most of the products have moved out of Milan at this point.



Rosemarie Morbelli - *Gabelli & Company - Analyst*

Okay, that is helpful and I was also wondering North America was strong, Asia was good using your growth I think, and Europe was down, do you feel that there was some transfer of European operations either in Asia or in North America which would account for the strengths in those two regions?

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

Yes, it's hard to exactly put our finger on that. We believe that some of that did occur. We have customers in Europe that have operations in Asia as well as in Europe and a couple of customer we really saw their sales level remain steady and increasing slightly in Asia. Whereas we saw them declining in Europe, so we do believe some of that did occur.

Rosemarie Morbelli - *Gabelli & Company - Analyst*

So it will take and do you think there is well would they shutdown their European operations at some point and then move all of those operations into Asia which means that then you would still have excess capacity in Europe when demand peak starts if they decide to do that?

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

Yes we are not -- I mean obviously we don't know exactly what they are going to do but we don't see that happening at this point. That's not something that we see as something that definitely going to happen. I think companies are looking to maximize their global operations and they are making those decisions.

But the customers we are doing business with in Europe, they are seeing a slowdown. As I said part of it is the dollar, part of it is the overall Eurozone economy. So we expect it to recover as the European economy does and so it actually is timely for us to be making the transition as we are in consolidating our operations there which will allow us to be very well positioned as the European economy starts to recover.

Rosemarie Morbelli - *Gabelli & Company - Analyst*

I know it is early but as we are looking at the Euro I think today at some point it was at 105, are you seeing or anecdotally hearing about Europe picking up in whichever category you want to look at. I mean you worked with those semiconductors which go into automotive and electronics and so on are you hearing anything?

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

Obviously it is a relatively slow period. We saw our European sales decline in August, and we expected them to rebound in September and October. And we didn't really see that. They have remained low and continued that through the holidays. Here we are now moving into little bit into the spring, and we are seeing some pickup not to a level we'd like to see but we are starting to see some improvement. So whether that's an indicator or not of the future I can't say, but we are beginning to see some slight improvement.

Rosemarie Morbelli - *Gabelli & Company - Analyst*

Okay and then one last if I may, when you talked about Electronic Chemicals you are saying that the demand was very strong for those, high purity of the entire Electronic Chemicals or do they represent only a loss percentage but not all of it?

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

So when we refer to high purity we are referring to our whole product line. That's really our business. However, we do see a shift as certain producers move to higher and higher semiconductor quality production. They are looking for higher demands on quality as well. So that's what I was referring to that it fits our strategy and our position around the globe as we see ourselves as a leader in that area. So the whole industry requires high purity process chemicals but at the same time there is some movement towards higher and higher purity and we see ourselves out on the leading edge of that as a supplier.

Rosemarie Morbelli - *Gabelli & Company - Analyst*

And that higher purity, is that for the tiniest chips?

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

Yes, as the chips gets smaller and get more precise they do require higher quality and lower impurities.

Rosemarie Morbelli - *Gabelli & Company - Analyst*

Thank you very much.

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

You are welcome.

Operator

(Operator Instructions). And with no questions I will like to hand the call over to Mr. Chris Fraser for closing remarks.

Christopher T. Fraser - *KMG Chemicals - Chairman, President and CEO*

Well, thank you very much everyone for calling in and we appreciate your interest in KMG and support. And we look forward to talking to you after our third quarter results. Thank you.

Operator

Ladies and gentlemen that concludes today's conference. Thank you for your participation. You may now disconnect and have a great day.



DISCLAIMER

Thomson Reuters reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES THOMSON REUTERS OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2015, Thomson Reuters. All Rights Reserved.