

THOMSON REUTERS STREETEVENTS

EDITED TRANSCRIPT

HPQ - Hewlett-Packard at Morgan Stanley Technology, Media & Telecom Conference

EVENT DATE/TIME: FEBRUARY 26, 2013 / 8:00PM GMT



CORPORATE PARTICIPANTS

Meg Whitman *Hewlett-Packard Co - CEO*

CONFERENCE CALL PARTICIPANTS

Kathryn Huberty *Morgan Stanley, Inc. - Analyst*

PRESENTATION

Kathryn Huberty - *Morgan Stanley, Inc. - Analyst*

Let's go ahead and get started. Thank you very much for spending the lunch hour with us. My name is Katy Huberty and I'm very excited to welcome Meg Whitman to the stage.

Meg is about a year and a half now into the CEO role at HP and she is tasked with restructuring and repositioning one of the longest standing technology companies in Silicon Valley and before HP Meg spent about a decade at eBay growing that Company from just a couple million of revenue to nearly \$8 billion, so thankfully she knows a little bit about growth as well and we'll talk about that during this session.

So first take, take it out welcome, Meg.

Meg Whitman - *Hewlett-Packard Co - CEO*

Thank you very much.

Kathryn Huberty - *Morgan Stanley, Inc. - Analyst*

Thank you for joining us; we're a couple minutes late. To kick it off, when you started at HP you had to make some tough decisions. You looked at whether to sell the PC business. You looked at some of the acquisitions and ended up having to write down some of that value. You combined PCs and printers, which arguably should have been done maybe several years ago. Do you feel now that the tough decisions, correcting past mistakes is behind you and the Company can move forward?

Meg Whitman - *Hewlett-Packard Co - CEO*

First of all, thank you for having me; I'm delighted to be here. Yes I feel like we have made most of the tough decisions. You know, after 18 months at Hewlett-Packard I feel like I know what most of the challenges are that this Company faces.

And, if you pull the lens all the way back, I came to HP at a difficult time for the Company, the third CEO in as many years, and had some very quick decisions that needed to be made. First was whether or not to keep the PC business, which we decided to keep and we might want to talk more about that and why we remain committed to that business.

We clearly had to align our cost structure with our revenue trajectory, that revenues began to decline starting after the second quarter of 2010 and so by the time I arrived in the third quarter or almost the fourth quarter of 2011, we'd seen four consecutive quarters of revenue decline. And we announced a restructuring program in May of 2011 to make sure that we not only got our revenues, our cost structure in line with our revenues, but created the financial capacity to invest to get revenues growing again.

And then, you know, my management philosophy is all about are you organized correctly to take advantage of trends in the marketplace and do you have the right people in the right job at the right time? And so putting our printing business together with our PC business had a number of benefits. One is same customers. Same customers in our Direct, customers buy printing and PCs, the same distributors and value added resellers



sell both printers and PCs. And the cost structure in terms of where our supply chain, there were a lot of synergies here. So we did that to simplify doing business with HP but also to really get some cost out.

And then we took our global accounts organization and put it together under Dave Donatelli, who runs our, now what we call our Enterprise Group. And at our Security Analyst Meeting I mentioned that starting in 2010 when HP was recovering from the financial recession the Company added a billion dollars of selling costs in one year and revenues did not go up, they went down.

So clearly we had a challenge around our go-to-market, which we had to resolve right away. So listen, I feel great about where we are in the context of this turnaround. I have said that it is a five-year turnaround to get HP running the way we believe HP can run. You will not have to wait five years for achievement of those milestones but we were quite careful to lay out the journey that we were taking HP on.

Kathryn Huberty - *Morgan Stanley, Inc. - Analyst*

So you're in the early innings of a two-year restructuring plan, cost take out plan, and I often get the question from investors how it is that after five years under a previous CEO there's some much cost to take out of HL. So in that vein can you talk about the areas that weren't touched in the past? What are the biggest areas of taking out cost over the next couple of years?

Meg Whitman - *Hewlett-Packard Co - CEO*

So we're about halfway through a three-year restructuring program. We've taken out about half of the employees who will ultimately leave Hewlett-Packard. We have another roughly 15,000 to go and there also is non-labor savings.

And let me tell you what one of my predecessors did very well. He centralized the global functions, HR, IT, finance, legal and our corporate structure is very lean and kudos to Mark Hurd for doing that. It is a very lean and I'm quite happy -- you know I've talked to many of my colleagues, who still have disparate IT all over the place and you know they're wishing they were where we are.

But what was not touched was overlap in the divisions, real business process re-engineering, how we do things at the Company. So I'll give you an example; we just deployed Salesforce.com for our 27,000 sales executives. This is going to make our sales force far more productive. The coverage model will be better. We'll be able to see a 360-degree view of our customers and we ought to be able to really improve our field selling cost productivity.

We under invested in our own IT so things like quote-to-cash, in other words how fast we can get a quote to a customer and get paid for that hardware or software or service, we are behind our competitors there and we are working hard.

Supply chain, while we have been good at supply chain, I think we lost a little ground over the last three years. So we've now divided our supply chain into the supply chain for PFC and the supply chain for EG, which are quite different. Yes we both buy Intel chips, we both buy memory, both in those divisions buy a number of component parts but they are quite fundamentally different supply chains and we've now optimized those supply chains.

Quality was not an area of focus. Quality drives enormous cost, as you can imagine. You know, quality, if you have warranty problems or support costs or worse yet, the server shows up at a customer, the backend cost of quality is absolutely enormous. And so those are the kinds of things that we're going after that were, frankly, untouched and it's all green fields for us. And frankly, it's that Holy Grail of business where you do things at a much higher quality way at a lower cost.

Kathryn Huberty - *Morgan Stanley, Inc. - Analyst*

And you mentioned that investors don't need to wait five years to start to see the benefits. How should we think about the restructuring savings flowing through to the bottom line? Originally you talked about back half of this year you'd start to see a benefit in more in fiscal '14. Is that still the time line?

Meg Whitman - *Hewlett-Packard Co - CEO*

So you saw some of it in Q1, of course, right? I mean part of the reason that we beat the -- our estimates, our earnings per share estimates, by \$0.11 a share in Q1 is we're ahead of the game on our labor savings as well as some of our non-labor savings. And but they'd still ramp through the second half of the year.

So it is back-end loaded but I feel very good about the pacing and sequencing. One thing that is true about Hewlett-Packard is when there -- it's an engineering driven Company and when there's a plan and everyone agrees to the plan, the execution is actually very good. And so we're -- it is back-end loaded. You'll see even more in '14 or continued in '14 but with a big cost take out occurs in 2013.

Kathryn Huberty - *Morgan Stanley, Inc. - Analyst*

Okay, before we shift to growth, one of the implications of CEO changes and restructuring is how that impacts the culture. How are you making sure that you keep the right people, get rid of the under performers and protect the HP culture?

Meg Whitman - *Hewlett-Packard Co - CEO*

Yes, well this is a very good question because, as I said, HP had been through a lot and frankly the WFRs that we did, the workforce reductions, plus the early retirement enabled people, particularly in the early retirement side, to opt in or opt out. And for those of you who have followed turnarounds in the past, these are not for the faint of heart. And I needed people who wanted to be in for the journey, who wanted to be part of turning Hewlett-Packard around. So the option for people to take EER actually was a very good one for many people because you've got to have people who are in the boat or out of the boat.

And then our turnover, interesting, of people that we want to lose -- we do not want to lose is quite low. It's surprisingly low to me and here is how we have managed this. First of all, I had to build trust with this organization. At my first employee, all employee webcast we surveyed people after the webcast and the sort of universal comment after the first webcast was, "She seems nice..." and so it took a while for this organization to trust me, to trust that we had a strategy, to trust that I was going to be here, that I would see this strategy through, to trust that the Executive Team were going to work together as one team.

And a couple of lessons learned here, one is communicate, communicate, and communicate. We have an organization of 300,000 people. It's like a small city and how you reach and inspire 300,000 people you've got to start by saying okay what about the 275 senior vice presidents and above in the Company? Then the next 1,100 VPs and above and then you've got to go to the Directors and the Managers and that is what we have systematically worked through.

And I will say, what I know is that getting the hearts and minds of people is a necessary, it may not be a sufficient condition for a turnaround but it is a necessary condition and I will say I believe we have captured the hearts and minds of HP people. They believe, they want to be part of this and we had a meeting of our senior leaders just a few weeks ago and it was one of those I left incredibly energized because I saw 1,100 of our most senior people. They know the strategy, they can articulate the strategy. They know what they do, what they do fits in and everyone is on board and I think that's an absolutely baseline requirement for these turns.



Kathryn Huberty - Morgan Stanley, Inc. - Analyst

Sure, aligning the cost structure with the new revenue base is an important first step but exciting the stakeholders in this room and the employees will come down to innovation and absolute growth. And you've said that revenues will get back on a growth trajectory in fiscal '14. You still view with this macro environment with the challenges you've talked about, for instance in the PC business worsening, do you still feel like fiscal '14 is the right target for top-line growth?

Meg Whitman - Hewlett-Packard Co - CEO

Yes, I do and I'll tell you why. First of all, is that contrary to what I had heard when I came to HP, innovation is not dead at this Company. The core DNA of Hewlett-Packard is actually great products and software engineering and tremendous devotion to customers. And so what I did is I increased R&D spending and basically focused the R&D efforts and said we've got to get these products that were close to market to market fast and productize so that our sales force could sell and our partners and our direct customers could buy.

And so we were able to accelerate the development of in the case of Enterprise Services the next generation of the Pro 8, of the Gen 8 ProLiant Server. We were able to accelerate Moonshot, which is our really breakthrough technology in the server space that uses ARM and Atom chips, takes up 92% less space, 87% less energy and I think actually may revolutionize the data center and hyper-scale computing.

We were able to accelerate our ElitePad 900, which is the first tablet designed for the Enterprise. We were able to accelerate our security offering and our services, some of our new services offerings.

So I have a lot of confidence that we're going to be able to grow in 2014 but we are managing some technology shifts that frankly had there not been the churn at the top of this Company we probably would have managed better.

And I'll give you perfect example, traditional storage versus 3PAR. 3PAR, by the way, was a great acquisition for this Company. It is storage for the 21st Century, one coherent architecture but we are managing the transition out of EVA tape, Hitachi storage. Good news is these are products we don't make as much money on but those are declining as 3PAR is rising. And the way you really want to do this in technology is you want to catch another wave. You want ride a product; as it starts to decline you want to have another one ready and 3PAR wasn't ready as these products were declining. So we've got a storage technology to manage, technology transformation to manage.

On PCs we have always called this business the Personal Systems Group. We never called it the PC business and my view is the Personal Systems Business is all the way from VDI to work stations, which by the way we took over the number one spot from Apple in that market, to traditional desktops to laptops to hybrids to tablets, maybe all the way to cell phones, smart phones.

But what happened is the market moved very fast to tablets and smart phones and we've got to now manage that transition and it's not that HP didn't try to manage that transition. They did with the acquisition of Palm but, as you know, under the previous administration that took a little detour to nowhere and so we on November or September when I showed up, September in 2011 we were nowhere on mobility.

So we're catching up fast but we have to manage these transitions when I think perhaps they were not as managed as well as they could have been. And, by the way, there's a transition from standard, industry standards servers to hyper scale. We're managing a number of these. Otherwise we'd be growing already today.

Kathryn Huberty - Morgan Stanley, Inc. - Analyst

So let's talk about a few of those areas because turning around the PC business, driving growth and some of the software and storage categories will be key to the story longer-term. Starting with PCs for any journalist the death of the PC has been their favorite article to write and the PC is not dead but growth is coming increasingly from tablets and smart phones. And you mentioned--



Meg Whitman - *Hewlett-Packard Co - CEO*

GDI.

Kathryn Huberty - *Morgan Stanley, Inc. - Analyst*

You mentioned HP's WebOS strategy, which then shifted to more of a message around well can focus on Enterprise with Microsoft and now last week you talked about a multi-OS strategy.

Meg Whitman - *Hewlett-Packard Co - CEO*

Yes.

Kathryn Huberty - *Morgan Stanley, Inc. - Analyst*

Google Chrome, so talk about where your investment dollars will focus over the next couple of years and how do you view the Personal Systems Group and what drives the growth long term?

Meg Whitman - *Hewlett-Packard Co - CEO*

Well the reason that we remain committed to the Personal Systems Group is no one understands computing better than HP from the data center to the device but we've got real work to do. And while the Personal System Group represents about 28% of our revenues, you should know today it only represents 10% of our operating income.

So when we are characterized as HP, the world's largest PC Company, we are the world's largest PC Company but most people think it's probably half of our revenue. I mean it's really a relatively small percent of our ops. They think it's a huge amount of our revenue, which it is, but they think it's a big part of our operating income, which it's 10%.

But our view is the world has changed dramatically and that we now have the opportunity to compete in a multi-form factor world, a multi-OS world, a multi-chip set world, which allows us to combine form factor plus OS plus chipset to meet the needs of very specific customer segments. So we just won a very large deal in Uttar Pradesh in India for 1.5 million notebooks. These are obviously more Chromebook and drive like devices than they are the full blown high end Windows device with all kinds of software loaded on it.

So in many ways I think we feel that we have more alternatives than we've had before to compete. There's no question that we've got a lot of work to do to get to these new form factors and new OSs as fast as we can and you saw us introduce our first Chromebook last week or two weeks ago and then over the weekend we announced our first Android tablet at \$179 that is designed -- it's a seven inch that is designed for a whole new segment of the market and we've had tremendous demand for it.

It has different supply chain characteristics, same go-to-market. We can still leverage our tremendous go-to-market scale through out direct selling force as well as our partners but we remain optimistic and so we are not actually incrementally investing in the business. We are shifting resources from PCs to tablets, from one operating system to another, from one kind of chipset to another so we're reallocating where we're putting our people and our energy and resources.

So it's -- and I think we stand a very good chance of winning here but we have to prove that we can make this migration and we can have a point of difference. I have a lot of confidence we can. I'll give you a perfect example. Our ElitePad 900, which is the first tablet designed for the enterprise with ability to if you lose your tablet and, by the way, 11,000 mobile devices are left in the cabs of Chicago every year, and if you were an ElitePad 900 user and you left your tablet in a cab in Chicago, your IT department would be able to wipe it remotely. If you dropped it, your IT department



would be able to open it and replace the screen and the motherboard, so there is a ruggedness that is tremendously applicable for the enterprise space as well as of course Windows backward compatibility to all the apps that your enterprise and you have built on Windows over the years.

So we can do this but we've got obviously a lot of work ahead of us.

Kathryn Huberty - Morgan Stanley, Inc. - Analyst

You mentioned the shift from traditional storage to converged storage, next gen storage. 3PAR brought a lot of IP. Similar in software HP has acquired a number of great IP assets, great developed software companies. When I think about where HP and the peers have tripped up in the past it's been not having the specialists that understand how to sell.

Meg Whitman - Hewlett-Packard Co - CEO

Yes.

Kathryn Huberty - Morgan Stanley, Inc. - Analyst

Next generation storage, new software paradigms, do you feel like you're making investments, not just in the IP but also in the go-to-market in those areas?

Meg Whitman - Hewlett-Packard Co - CEO

Yes, yes you raise a very good point and frankly I think HP has learned that maybe several times over the last 10 years. And when Dave Donatelli came to HP he would tell you if he was sitting here he slightly over rotated to the generalist, figured out almost immediately that we had over rotated to the generalist and had to reinvest in the go-to-market specialist. And so I believe we now have our go-to-market most selling motion correct, not only direct but with our partners. We had a lot of work to do to re-instill confidence in our partners.

Nearly 70% of HP's revenues goes through partners, resellers and distributors so this is a very important relationship, which I think we've done a good job of simplifying the compensation system, not changing the compensation system and instilling confidence in partners. But all of that, to your very good point, you've got to have the right balance of generalists and specialists and in the end these are technology driven sales.

You can open the door with a great generalist presentation but when someone is really thinking what storage do I want to run my enterprise or how do I think about converged infrastructure or how do I think about my journey to the cloud and how HP can help me get from the old style of IP, which is not particularly flexible and higher cost, to a new style of IP characterized by the cloud and virtualization and other things, I've got to have confidence in the technology.

The other thing they have to have confidence is the product roadmap because IT leaders are making long-term decisions. They're making long-term bets on the Company and they want to know the product roadmap. They don't want to know just what the first generation of Moonshot is but what's the second or third generation? When will those servers be coming out? How will they relate to the converged infrastructure roadmap? How will storage evolve in the context of the Moonshot server? And we've gotten a lot better now at laying out that product roadmap and instilling confidence.

If I could leave you with one thought, stability and confidence is half the game for Hewlett-Packard. In a funny way we now look more stable than perhaps one of our other competitors and I see now when there is questions about the stability and future of these enterprise businesses it creates a problem with sales and we saw it after September 11th, 2000 -- or September -- August 18th of 2011.



Kathryn Huberty - Morgan Stanley, Inc. - Analyst

Okay you mentioned cloud and changing IT and data centers. In HP's Services business you're dealing with a situation where some customers are deciding to move back in house, whether that's because they're looking at cloud or virtualization or what have you. Are you comfortable that those four large customers that are moving away are somewhat isolated and you're not going to see a broader trend in the Services business? And, as you work off those revenue streams, what will drive growth in HP Services?

Meg Whitman - Hewlett-Packard Co - CEO

Yes so I am confident but let me back up a little bit and give you a history of HP Enterprise Services. So this was the Division that was really the formerly known as EDS that we acquired in 2008 and this was integrated under multiple CEOs and it has been a challenge for ES because we are at our core a hardware and software Company and this was a services business that we had to learn how to run.

And so, as I dug into the challenges that Services was facing, I knew I had to make a leadership change, which I did in the springtime to Mike Nefkens, who is an 11-year EDS veteran before that at other services companies. And the combination that he and my -- one of my very best operating and finance executives, J.J. Charhon, have made an enormous difference. They have accomplished more in the last four months than maybe the Company or the Division has accomplished in the last four years. And we've got a great set of assets.

We have a couple of big customers who are in sourcing but the opportunity for our Services business is huge and let me explain why. We are seeing some of the biggest technology shifts that I've seen in my many years in this business. Every five to 10 years there are big shifts from the mainframe to the client server, from the client server to Web 1.0 where I sat on the front seat of that revolution at eBay, from Web 1.0 to Web 2.0, which I would characterize as Web Services and Mobility. We're seeing another very big change here, how technology is bought, how it's consumed, how it's paid for, how software is bought and deployed.

Agility is a whole different game than it was when I started at eBay and I'll tell you a little story. When I was at eBay we had to build the data center and we had to build it with EMC and Cisco because there really wasn't any other choices and we paid dearly for that opportunity. But we also had to build for our peak season, which you will recall was the Christmas, the holiday season because we were an eCommerce company. To put it another way, we had to build the church for Easter Sunday. The full year data center utilization for eBay was 17% and the agility of our ability to write apps to this web service was very slow.

Some of you who followed eBay at the time, you might recall for the first three years of the company we had only the auction format. To write Buy It Now took nine months. To write Version 2.0 of Buy It Now took another nine months. Of course, that's not the way you'd do it today. And there is an opportunity to take customers of all sizes from SMB to large businesses to the enterprise on the journey from, if you will, the old style of IT, the way we had to do things, to the new style of IT.

And only HP can take you from the devices that attach to this new style of IT. The days are over where people are plugging in an Ethernet cable to access their applications -- it's all mobile now -- to the hardware, to the software, to the services that will wrap this all together. And because we have such a large installed base of IT outsourcing customers, application modernization customers, we have a group of customers who are at the ready to go on this new journey and we have the very effective parts to do this. So whether it's HP CloudSystem, which we're now among the largest provider of private clouds in the world with over 1,000 customers running HP CloudSystems, to our managed cloud service offerings from Services to our apps and ops or hybrid in cloud monitoring software systems to our HP Cloud Services, which is our public cloud, we have this whole array.

And, by the way, all these cloud pieces will knit together in a common operating system, if you will. It's not a technical term per se but if you buy the Lego pieces you can have confidence that this will all fit together. And, by the way, we do it with -- we are agnostic to -- we're not trying to force a stack down our customers' throats. We're very used to operating in an open way, in a heterogeneous environment. So Services is simple because in the end Services is the glue that puts all of this together.



Kathryn Huberty - Morgan Stanley, Inc. - Analyst

Sure. So we've talked about and you mentioned the need for stability and investing in go-to-market and investing in the products' roadmap so that you can commit that to your sales force and your customers. At the Analyst Day in October you talked about reinvesting a little less of the savings from the restructuring because the market had deteriorated so a little bit less would go back into R&D and then when the latest SEC filing came out it made a comment about selling assets.

Meg Whitman - Hewlett-Packard Co - CEO

Yes.

Kathryn Huberty - Morgan Stanley, Inc. - Analyst

Which might make sense for a Company who needs to reinvest for growth so there's been some confusion around does that mean selling the Telepresence business versus selling PCs?

Meg Whitman - Hewlett-Packard Co - CEO

Right.

Kathryn Huberty - Morgan Stanley, Inc. - Analyst

What was the intended purpose of that comment?

Meg Whitman - Hewlett-Packard Co - CEO

The intent and what I've learned is you have to be very careful because things can be quite misinterpreted. This was really more about portfolio rationalization within the portfolio and so not any of our big operating divisions but are there businesses or projects or IP that we know we no longer want to support because they don't support this strategy of us providing solutions for the new style of IT? So Telepresence was a perfect example of that. It was actually called Halo.

And there are other small businesses within our portfolio that we are evaluating does it still make sense to be part of HP's overall portfolio but nothing at the level of our four operating divisions, but this Company has been very acquisitive over many years. What is great about HP is we never met a science experiment we did not like and so what is terrific about science experiments is you have 1,000 flowers bloom but you have to be very diligent about weeding the garden because if things are not on strategy or they're not going anywhere, you have to have the courage to say, "You know what, that is so interesting but we're just not going to do that anymore" and so that's what we're talking about.

Kathryn Huberty - Morgan Stanley, Inc. - Analyst

Okay we have about a minute left. I am going to ask one last question on free cash flow. The \$2.1 billion that you generated this past quarter was a pleasant surprise and a sign that the focus and execution is paying off. Just can you talk quickly about what drove the up side and how did that play into the \$5 billion annual target that you put out because you're now almost halfway there in what was -- is typically a weak cash flow quarter.

Meg Whitman - Hewlett-Packard Co - CEO

Right, cash flow quarter for us yes, so we are really pleased by our performance around operating cash flow and free cash flow and I will tell you this comes because of disciplined focus. Historically HP, at least my understanding, is it has been more of a return on sales focused Company than



a return on invested capital Company or a cash flow Company. I was trained very early on in my career that cash flow was the life blood of every company, particularly a company like Hewlett-Packard, and so we put in place a set of metrics, a set of incentives to focus on working capital, days payable, days outstanding, inventory and everyone at the senior levels within Hewlett-Packard has an ability to affect that.

And I'll give you an example. SKUs and platforms, the sales folks will say listen we want as many SKUs as we can get so we can perfectly match a SKU to a customer requirement. Of course the complexity that over platforming and over SKU-ing drives at a company like ours is almost incalculable. The supply chain impact, the warranty impact, the parts impact, the inventory impact almost definitively the inventory is never where it needs to be at the right time, so our ability to focus the number of SKUs, to incentivize people and make them aware of the impact they have on our cash conversion cycle has paid big dividends. And we expect that it will continue to pay dividends and I'll come on to guidance in a minute.

The other thing is we're very focused on capital expenditures. CapEx is not free at Hewlett-Packard. We look very carefully at what we want to invest CapEx in. Does it meet the hurdle rates? Are there higher and better uses of that capital other than investing in our businesses? What is the right level of capital expenditure? And we have been really diligent. Frankly, we've got even more work to do to apply the same level of rigor to capital expenditures as we do to OpEx in our budgeting cycle and that was another reason that you saw the \$2.1 billion.

We do not update our cash flow guidance after each quarter and we reiterated we believe that earnings per share guidance should be between \$3.40 and \$3.60. That said, we're ahead of the game. We also said that there was a deposit that was going to be required for a legal case in India that we thought could be as high as \$400 million. It's going to be [\$34 billion] so I'd say we're ahead of the game on cash flow but we have a policy of not updating cash flow but we have a policy of not updating cash flow as a sort of singular item. But I think you all should run your models and say if our ability to hold the cash conversion cycle stays and our CapEx is as disciplined as it has been, you should model what you think the cash flow will be for the Company.

Kathryn Huberty - Morgan Stanley, Inc. - Analyst

Great, that's encouraging and with that I will end it there. Thank you very much, Meg, for your time.

Meg Whitman - Hewlett-Packard Co - CEO

Thank you very much.

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.

©2013, Thomson Reuters. All Rights Reserved.

