

**Thomson StreetEvents<sup>SM</sup>**



## Conference Call Transcript

**NTZ - Q3 2009 Industrie Natuzzi Earnings Conference Call**

**Event Date/Time: Nov. 24. 2009 / 10:00AM ET**



Nov. 24. 2009 / 10:00AM ET, NTZ - Q3 2009 Industrie Natuzzi Earnings Conference Call

## CORPORATE PARTICIPANTS

**Pasquale Natuzzi**

*Industrie Natuzzi - Chairman and CEO*

**Vittorio Notarpietro**

*Industrie Natuzzi - CFO*

## CONFERENCE CALL PARTICIPANTS

**Budd Bugatch**

*Raymond James - Analyst*

**Maggie Gilliam**

*Gilliam & Co. - Analyst*

**Dmitri Defellerare**

*Quarock - Analyst*

## PRESENTATION

Good day and welcome to the Natuzzi Third Quarter 2009 Conference Call. With us, in our call for today, Pasquale Natuzzi, Chairman and CEO, Vittorio Notarpietro, CFO, Umberto Bedini, Operations, Cosimo Cavallo, Global Sales. The CFO will review -- revise, I'm sorry, the third quarter 2009 consolidated financial results and then we will open the conference -- the call to your questions.

By now, you should have received an email copy of Natuzzi earnings results. If you have not, you can find that information at the Natuzzi website at [www.natuzzi.com](http://www.natuzzi.com) or please call our Investor Relations Department at 039 0236 5779800 to receive your results by email. You can also email information requests or questions to [investor\\_relations@natuzzi.com](mailto:investor_relations@natuzzi.com). We will respond to you as soon as possible.

Before proceeding, please be advised that the discussion today contains certain statements that constitute forward-looking statements under the United States Securities Laws. Obviously, actual results may differ materially from those in the forward-looking statements because of risks and uncertainties that can affect our results of operations and financial conditions.

We have the risks and uncertainties, which have in the past, affected and might continue to affect our results of operations, financial conditions, annual reports on 20-F -- on Form 20-F for the fiscal year ended in December 31st, 2008. This report is readily available on our website at [www.natuzzi.com](http://www.natuzzi.com), also massed upon request. You may also obtain a copy of our Form 20-F actually from the United States Security and Exchange Commission.

So now, I will pass the call to Mr. Pasquale Natuzzi, our CEO and President.

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Good day, everyone. Thank you for joining us today to discuss our third quarter and first nine months 2009 earnings results. Before we begin our review of what we have accomplished in the first nine months, I would like to introduce Vittorio Notarpietro, which is the new Natuzzi Group CFO.

Vittorio, he joined the Natuzzi Group as a Deputy Chief Financial Officer in September 2009, which -- and from 2006 to 2009, he was the COO of Malo. Malo is an Italian luxury company, and from 1999 to 2006, he served as a Financial Director, IT Holding, which is an Italian fashion company listed on Milano Stock Exchange.

From 1990 -- '01 to 1998, Vittorio worked at the Natuzzi group as a Financial Director and Investor Relations. Last, but not least, today, we also have Umberto Bedini, Head of Operations and Mimmo Cavallo, Head of Global Sales with us and at your disposal for any questions and answers.

Nov. 24. 2009 / 10:00AM ET, NTZ - Q3 2009 Industrie Natuzzi Earnings Conference Call

The furniture industry, as you know, remains under pressure, although we have seen some encouraging signs in the sector over the last few months. In the meantime, we continue to make significant progress in cutting out our initiatives and improving processes to reinforce our company and position as to generate long-term sales and earnings growth. I'm very pleased to have achieved positive operating results for the second consecutive quarter despite the unfavorable economic environment.

I want to thank the Natuzzi management team for making this effort and for being fully committed to achieve our goals and had that I firmly believe that the strength of our brand and of our operation progress, coupled with the strength of a balance sheet will enable the company to regain market share in the medium term.

Now, I will pass the call over to our CFO, Vittorio Notarpietro, to explain in detail our results for the third quarter 2009. Thank you.

---

**Vittorio Notarpietro - Industrie Natuzzi - CFO**

Good morning, gentlemen. Thank you for joining us. In the third quarter of 2009, total Natuzzi net sales decreased by, as you know, 16.8%. This number was a minus 28.3% in the first half of 2009. Our positive net sales in the quarter declined by 17.7% from EUR125 million to EUR102.9 million.

Sales of the Natuzzi premium brand declined, let me say, only by 7.7% from EUR64.5 million to EUR59.6 million, while the rest of upholstery business declined 28.4% from EUR60.5 million to EUR43.4 million. Geographically, Natuzzi brand sales increased 1.6% in Europe, decreased 24% in the Americas and was roughly flat in the rest of the world compared with the third quarter 2008.

The positive trend of Natuzzi brand compared to the rest of the upholstery business is the result of the marketing strategy and investments that started giving positive results. In Italy, for example, in the Divani & Divani retail chain, which operates just Natuzzi brand, seats sold in the third quarter increased by 5% and we also saw some signs of improvement in Northern Europe and Asia, while performance is still negative in the US, mainly due to prices and delivery times.

As far as prices in US are concerned, during the October 2009 fail at that point in North Carolina, Natuzzi was able to show some new models with very aggressive prices, which were well received by some clients. The second issue, deliveries, will take a longer time to be phased. But we are putting in place a worldwide agreement with a single logistic, international provider that will have positive impact in the future in terms of service to our customers.

Cost of goods sold improved by 14.3 percentage points from 74.2% of net sales in third quarter 2008 to 59.9% of net sales in third quarter 2009, attributable to, first, reduction of raw material prices, leather, foam and wood. Improved efficiency in materials consumption, particularly leather, and efficiency improvement in our transformation plants, foam plant, the leather plant and assembly plant, in particular, the right-sizing of Brazil plants, but also better performances in Romania and China production plants.

These achievements are the result of day-to-day activities planned and monitored by Umberto Bedini in the operations area, which should yield additional positive results in the next quarters and contribute to offset the increase in raw material prices already visible. A lot is still to be done in the coming months in order to improve product quality and logistics and we know that more efficiency can be recovered.

Gross margin went from EUR36.7 million to EUR47.5 million in third quarter 2009, representing the 40.1% of net sales and in the third quarter of 2009 as compared to 25.8% in the third quarter of 2008. Selling expenses decreased by 8.6% in absolute terms, but increased as a percentage of total net sales to 28.4% in the third quarter 2009, from 25.8% of total net sales in the third quarter of 2008. G&A expenses, in spite of a small reduction in absolute terms, increased to 9.3% of total net sales in third quarter of 2009 from 8.6% of total net sales in the third quarter of 2008.

Looking at the details of SG&A, we see that the valuable portion of those costs reflects a more significant reduction. In fact, considering only the total amount spent for transportation commissions and advertising, the percentage on total sales went from 14.6% to 13.9% in third quarter of 2009, thanks primarily to the 28.7% reduction in transportation costs. The remaining, let's say, less flexible costs were stable in absolute terms, increasing their percentage on total net sales due to lower sales.

For the second consecutive time this year, we have reached a positive EBIT that improved by EUR15.1 million from an operative loss of EUR12.2 million in the third quarter of 2008, to an operating profit of EUR2.8 million in the third quarter of 2009, which represents a 2.4% on total net sales. It's important to say that under constant exchange rates, our operating margin would have been 1.7%. So, the positive impact of Forex on third quarter was just EUR0.8 million.

Nov. 24. 2009 / 10:00AM ET, NTZ - Q3 2009 Industrie Natuzzi Earnings Conference Call

Other costs, net, improved by EUR3.3 million, up to EUR0.9 million, primarily due to a positive foreign exchange impact. In particular, the mark-to-market valuation of the outstanding Forex contract was positive vis-a-vis the third quarter 2008. Balance sheet, trade receivables and inventory management this year combined with the limited CapEx led to a healthy balance sheet with EUR70 million cash, which is financing Natuzzi activities. Cash will definitely remain king in the future, even considering the investment needed to better serve existing and new customers.

To conclude, before we begin the Q&A session, I want to underline that order flow in the last weeks after September 30, 2009, is improving, progressively reducing the gap versus 2008 figures and giving us the confidence to positively look at the 2009 full-year forecast. We are confident that we will confirm our operating margin performance achieved in Q3 2009 also in the next quarter.

Thanks to everybody. Now Mr. Natuzzi, Umberto and Cosimo and myself will be delighted to answer your questions.

## QUESTION AND ANSWER

---

### Operator

(Operator Instructions).

We'll take our first question from Budd Bugatch from Raymond James.

---

### Budd Bugatch - Raymond James - Analyst

Good morning. Can you hear me?

---

### Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO

Oh, yes. Good morning.

---

### Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO

Good afternoon to you.

---

### Budd Bugatch - Raymond James - Analyst

Good morning, Pasquale. Good morning, folks. A couple of questions. Congratulations on the operating performance as shown on the statements and particularly of the gross margin, which is nice to see. But I do have some questions about that. In looking at the numbers that you released, I see that inventories actually grew by about EUR5 million in the quarter, contributing to that. And if you look at it on a days cost of sales, inventory, either that way or on turns, is as high as I've seen it in a couple of years, which would obviously improve the gross margin performance. Can you kind of address that issue?

---

### Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO

Honestly, I don't have those figures with me now, but as far as I know, in 2009, we reduced the inventory compared with overall. I mean, from January to September, we reduced the inventory compared with last year.

---

### Vittorio Notarpietro - Industrie Natuzzi - CFO

Nov. 24. 2009 / 10:00AM ET, NTZ - Q3 2009 Industrie Natuzzi Earnings Conference Call

If you are comparing the six months with the nine months, right?

---

**Budd Bugatch - Raymond James - Analyst**

Comparing the quarter that you showed where it showed that inventory actually increased, I think, \$5.1 million -- EUR5.1 million, on your September '09 statement. And that on a days -- on a turn basis, inventory looks like, at the end of the third quarter, was about 4.4 times versus 4.7 times in the third quarter last year or 5.1 times in the second quarter of this year.

---

**Vittorio Notarpietro - Industrie Natuzzi - CFO**

Some seasonality could be there. But on a longer term, if we compare December with September, you will find EUR10 million in reduction in inventories. So, maybe comparing the two quarters, you will find some seasonality due to some purchasing of leather or something else. But anyway, on the longer view, the reduction is there -- in fact, the working capital improved by some EUR24 million compared with December 2008.

---

**Budd Bugatch - Raymond James - Analyst**

I see, compared to December. I'm just comparing the September versus September on the metrics that you have from the numbers that you've disclosed. And I know that the inventories were down in absolute dollars or absolute euro year-over-year, but when you look at the speed or the velocity, it looks like it's actually less attractive and that's what worried me. Perhaps you could address the different regions and how they're doing, profitability, and where the improvement was most specific. Was it in Italy or China or Romania or Brazil? Where was the best performance?

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

The best performance came from the operation plants abroad. So, China and Romania.

---

**Budd Bugatch - Raymond James - Analyst**

And Brazil is still a problem?

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Sorry, I mean are you asking about [sedge] performance or --?

---

**Unidentified Company Representative**

Profits.

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Oh, profits.

---

**Budd Bugatch - Raymond James - Analyst**

Profits. Profit performance, profit of the individual manufacturing areas.

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Nov. 24. 2009 / 10:00AM ET, NTZ - Q3 2009 Industrie Natuzzi Earnings Conference Call

Okay. From China and Romania. But also, the former leather companies in Italy performs better than in the past. I mean, the foam company, close to Napoli, and the leather company close to it in Italy. But the major part -- portion of the increase comes from China and Romania.

---

**Budd Bugatch - Raymond James - Analyst**

So, when you look forward, does that gross margin likely to persist at a 40%? Or is that a one-time occurrence?

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Sorry, we didn't get the question. Again?

---

**Budd Bugatch - Raymond James - Analyst**

March quarter was about 40%, 40.2%, I believe, of sales. What's the likelihood -- what will be the gross margin target going forward?

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

The 40% we displayed in the quarter is something that can be achieved in the medium term. Now, if we are to look to the nine month number, we are in the region of 35%. In a medium-term plan, the 40% is something that we have as a target for us, but not tomorrow.

---

**Budd Bugatch - Raymond James - Analyst**

Right.

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

We have also to consider that raw material prices increasing in these days, so we have to recover lots of efficiency in order to offset the impact of raw materials. But we have room to do that. We have focused, as you know, the main problems we have in the operations and now, we are doing all we can in order to face logistic and operational activities in general.

---

**Budd Bugatch - Raymond James - Analyst**

Yes. Yes. I -- in the past, you've never gotten there on a consistent long-term basis. So, I think as I look back historically, you've typically been somewhere in the low to mid-30s as a gross margin --

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Yes, but we'll learn more and more, I mean we learn a lot from the past. So, let's be confident about future.

---

**Budd Bugatch - Raymond James - Analyst**

And what does that mean, Pasquale? What does that mean in terms of numbers, which unfortunately is what we deal in?

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Today -- we -- today, economies around the world, we need to face several situations and issues. I mean, unlikely we don't keep control on [essentulink], for example, and likely we don't keep control on transportation or raw materials. Obviously, I mean, it's a daily war. It's a daily, daily war. But certainly, I mean, the management is fully committed to face any of those situations together. And I mean, other than that --

Nov. 24. 2009 / 10:00AM ET, NTZ - Q3 2009 Industrie Natuzzi Earnings Conference Call

---

**Budd Bugatch - Raymond James - Analyst**

I understand.

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

You know, sir -- I'm sure, sir, that you are comparing the last few years of the company history. But I would underline the fact that starting from, let's say, 2000, 2002, the company started with a retail business, owned business. So, this brought a lot of investment in a new retail chain that is waiting on our account. As far as you know, the retail will be fine tuned. We have to consider that there is a room in the long term, in order to achieve the 40% if the retail portion of the business comes up.

---

**Budd Bugatch - Raymond James - Analyst**

And what percentage of revenue is always retail?

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Now, the percentage of sales is still limited, but the investment weighs a lot. So, the focus we are doing on the retail business will keep results in the future. But I would say that in addition to the investment in the retail are, we have been investing a lot of money and energy in building the brand.

The fact that in this economy environment, economic environment, Italsofa and branded went down considerable in terms of sales, while Natuzzi is still maintaining a good position, that proves that the investment we have made on the brand is starting to give us a good return. Obviously, to build a brand, we have been, in some ways, forced, to develop the retail chain because if you don't control the point of sales, you don't control the brand.

But in addition to that, probably I should take the opportunity to summarize all of the challenges that we have been facing since 2002. 2002, Natuzzi was one brand company. We were Natuzzi, we were manufacturing leather upholstery and though the production was based here in Italy.

Since the China competition, since the exchange rate, since the euro that you know the -- became so strong and really clear is that very big difficulties for an Italian company to keep market share in the United States. Do you have -- I believe you have an idea what was the exchange rate in 2002 and what is the exchange rate today, between the euro and the American currency. So, we revolutionized the company, we went to China and opened a factory there. We went to Romania and opened a factory there and we went to Brazil and opened a factory there.

In other words, we globalized the production. We built the brand by the positioning of the Natuzzi brand. We developed the retailer business, another huge challenge and created a new brand, which is the Italsofa. And within this, we evolutionized the company, and we went through, as many or all the furniture brand company and the manufacturing, through this very difficult period of time, but we're here, we're strong, we're stronger than ever and ready to go forward, I mean, and please get in consideration that.

---

**Vittorio Notarpietro - Industrie Natuzzi - CFO**

I would just add some details. The 40% gross margin in Q3 is something that we consider structural. What I mean, as I said in -- at the end of my speech, that in Q4, and you know today's conditions, we plan to have more or less the same 40% in -- as a gross margin. And this is reasonable under constant exchange rate and prices. Also in the next year, we have to consider that for sure, raw material prices are increasing, but some of the efficiency that -- the efficiency that we are starting to see in Q3, will be more evident in Q4 and next year.

---

**Budd Bugatch - Raymond James - Analyst**

Thank you very much.

Nov. 24. 2009 / 10:00AM ET, NTZ - Q3 2009 Industrie Natuzzi Earnings Conference Call

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

You're very welcome.

---

**Operator**

(Operator Instructions)

We'll move to our next question from Maggie Gilliam, Gilliam and Company.

---

**Maggie Gilliam - Gilliam & Co. - Analyst**

Yes. Hello. I was wondering if you could talk a little bit about the management repositioning in the company. Have you changed assignments? And I'm particularly interested in your technology area, please.

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Excuse me --

---

**Maggie Gilliam - Gilliam & Co. - Analyst**

I was asking about the realignment in management and if any of the reporting functions had changed, and I'm particularly interested in the technology area.

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

You mean product innovation, processing innovation?

---

**Maggie Gilliam - Gilliam & Co. - Analyst**

No, no, no, no. I was referring to Vittorio and the changes in the positioning, please.

---

**Maggie Gilliam - Gilliam & Co. - Analyst**

I mean, you've had -- Mariano left and you've had -- you've moved some things around a little bit. Okay?

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Yes. Okay. So, Mariano left and Vittorio took the position of CFO.

---

**Maggie Gilliam - Gilliam & Co. - Analyst**

Yes, well, no, I understood Mariano was overseeing the implementation of the whole SAP infrastructure. Was I wrong in that assumption or --?

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Absolutely. I mean, and Vittorio took, also, that responsibility. But I mean, we have a IT team and --

Nov. 24. 2009 / 10:00AM ET, NTZ - Q3 2009 Industrie Natuzzi Earnings Conference Call

---

**Maggie Gilliam - Gilliam & Co. - Analyst**

Okay. Okay. That was my question. And --

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

All right. Okay.

---

**Maggie Gilliam - Gilliam & Co. - Analyst**

Okay. So, it's -- that's where Vittorio is the point man on all of that?

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Yes.

---

**Operator**

(Operator Instructions).

We'll move to our next question from [Dmitri Defellerare] from [Quarock].

---

**Dmitri Defellerare - Quarock - Analyst**

Hello. Good afternoon. First of all, congratulations with the strong improvement of the operational results. I've got one question here, and that's from the reduction of lead times. Can you give us an idea of the timing and when should we expect a serious improvement? Because this is an important element in regaining market share in the US.

---

**Umberto Bedini - Head of operation**

Yes, we are working on a lot of projects to reduce the lead time. We are already back now in quite acceptable situation, but we will have strong improved starting from the beginning of next year, because we will have the NAP projects we'll start in February of next year, and we are planning all the details, all the mechanisms to start and to be successful in starting it next February.

I'm talking from the level of service from China to USA. And then, we will expand, we will enlarge all over the world. We will start from China to the USA because it is the more usual situation, but then we will roll out in all other countries.

---

**Pasquale Natuzzi - Industrie Natuzzi - Chairman and CEO**

Sir, if I may, I would reinforce the -- what we are doing in order to reduce the delivery time in the United States. Let's make it clear, first, that today, 90% of the sales that we do in North America is made by the Chinese production. We have three plants in China, so a 90% of the total sales, we generate in North America is manufactured in China.

Now in China, we have been trying, in all the way around, to find the local leather supplier and likely we didn't find one. The quality is absolutely not adequate at our standards. And so, the production model that we used to have, which is we schedule the production and then we process the leather. That's the way we have managing our operations in our group.

Because to forecast which kind of leather or color we should sell, it's impossible. There is no retailer around the world able to forecast and say I need 3,000 seats and 100 per week in the yellow color. There is no one retailer in the world. So, because of the success of the Natuzzi Group has

Nov. 24. 2009 / 10:00AM ET, NTZ - Q3 2009 Industrie Natuzzi Earnings Conference Call

been always the level of selection, in terms of quality, type and even color and we have in our collection, we used to have in our collection, in China, almost -- not most, close to 300 different leather codes.

Now, unlikely to receive the order, to place the order, even to our whole itinerary, to process the leather and ship to China for production, the order cycle is so long and the problem with the shipping line company with the customs in China are so many that unlikely will be working, working and try to solve the problem, but there is no way to keep the same production system and the logistic and supply chain system and reduce the lead time.

So, what we have done, we analyzed the entire order cycle, from the day that we received the order, we went step by step, analyzing where we can reduce inefficiency in order to accelerate the delivery time. And obviously, one of the implementations that we needed to make is to create the level of inventory in our Chinese plants.

But how can we -- I mean, and we can make a forecast based on weekly turnover that we had in the last 12 or 18 months, and then some forecasts that we do with our commercial division. And what come out is that we should increase our leather of inventory in China from EUR4.2 million to EUR12 million, with all the risk that if we don't sell a color or have the color, then we should [throw away].

So, we are considering, because we have the tannery technology, we are considering, just last week, [Umberto] Bedini, which is the operations director, and myself, we went last week to our tannery to talk with our management and analyze the possibility to open the tannery in our plants, where we can import the leather directly from Brazil directly to China, the semi-finish leather, and then the finished leather in the plant.

While today, we import the leather from South America, for example, in Italy. We process the leather and then we ship it to China. So, our -- and then to go back to South America or to North America. And then, we are reviewing, even the operation model.

So, we've been reducing the complexity. In fact, we had 300 leather codes in our collection and we reduced it to 140. So by doing that, we can really -- I mean we are more encouraging in implementing this new operation model.

In the meantime, last April, we introduced in America what we call the Express Program. The Express Program was made by 30 models and 28 leather codes and 28 leather codes where we have been creating inventories for the leather. And since we did that, all the deliveries, which we promised eight weeks from the date we received the order, 99.8% of the orders, they've been shipped and delivered in time.

So, based on this first experience, now we are working on the rest of the line and the collection in order to be prepared and the commitment by the management, which we promised, even to our management in America, and to the customer, that all the orders that we receive from February 1st, from China, to the American market, we should deliver within eight to nine weeks, maximum.

We are conscious that delivery time is an important issue for America. We have been market driven in America, we still keep leadership, but we wanted to recover our market share. So I mean, again, we all are very committed to make that happen. Okay?

---

**Unidentified Company Representative**

Okay. So, if there are not other questions, we can close our conference call and thank you for being with us and, of course, we will be at your disposal for other questions by email and we'll be glad to answer at your further questions afterwards.

---

**Operator**

And there are no questions.

And that concludes our conference call for today. We thank you for your attendance.

**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 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.

© 2009 Thomson Reuters. All Rights Reserved.