



Annual Results 2017

WIRES Conference Call

Held at the offices of the Company
280 Bishopsgate London EC2N 4RB
on Friday 23 February 2018

FORWARD-LOOKING STATEMENTS

This transcript includes certain statements regarding our assumptions, projections, expectations, intentions or beliefs about future events. These statements constitute “forward-looking statements” for purposes of the Private Securities Litigation Reform Act of 1995. We caution that these statements may and often do vary materially from actual results. Accordingly, we cannot assure you that actual results will not differ materially from those expressed or implied by the forward-looking statements. You should read the section entitled “Forward-Looking Statements” in our Annual Results announcement published on Friday 23 February 2018.

RBS

Howard Davies, Chairman

Ross McEwan, Chief Executive

Ewen Stevenson, Chief Finance Officer

Introduction

Good morning, ladies and gentlemen, today's conference call will be hosted by Ross McEwan, RBS Chief Executive. Please go ahead, Ross.

Ross McEwan, Chief Executive

Thanks, Sharon. Good morning, everyone. I'm pleased that today we are announcing an operating profit before tax of 2.2 billion pounds and our first full year bottom line profit in 10 years of 752 million pounds.

This is, as you can imagine, a symbolic moment for this bank and a clear indication of the progress we continue to make in putting the past behind us, while at the same time, investing to build a bank which delivers for customers and for our shareholders.

Costs are down again, income is up, our capital position continues to strengthen as we run down RWAs and make profits. Customers are responding to the investments we've made in products and service improvements, and this is helping us grow, lending in our chosen markets.

Then finally, but really importantly, our colleague engagement is at a 10 year high, despite significant business restructuring.

And our progress over the last few years has given us a stronger platform to compete in a rapidly changing market. And with many of our legacy issues behind us, the investment case for this bank is much clearer, and the prospect of returning any excess capital to our shareholders is getting closer.

Despite our good progress on simplifying the business, we are still too complex. And at the same time, we need to invest to position the bank for the rapid changes we are seeing in customer behaviour and provide the platform to exponentially improve our service to customers in the future.

As a result of this, we will invest in 2018 and 2019 focusing on three areas, firstly accelerated digital innovation. We want to dramatically increase the advances we've already made in areas like artificial intelligence.

Secondly, we want to develop a nimbler, more flexible operating model. And finally we want to shift focus away from existing technology and property assets to create a digitally first bank.

This will impact our cost reduction in the near term and mean higher restructuring costs, but we retain our 2020 targets of sub 50 percent cost to income ratio and 12 plus percent return on equity. And we're confident this plan will deliver the kind of flexibility we will need to compete, given the pace of change across the industry.

Customers are changing the way that they want to bank with us, and we are responding proactively. We've already made some significant steps forward in this area. Last year, we introduced paperless mortgages. This is a UK banking first.

More than 90 percent of our new commercial customers can now access our self service account opening process, saving customers an average of 30 minutes, compared to applying over the telephone.

We've transformed our business lending approvals process, so business customers can now self serve and obtain a loan up to 50,000 pounds within our risk appetite. Customers are migrating to digital channels at an unprecedented rate and increasingly digital no longer means online, but it means mobile, 5.5 million customers are now using our personal mobile app.

Currently, 68 percent of everyday banking tasks are available via the app. That's up from 50 percent in 2016, and we plan to increase this to 85 percent by the end of 2018.

For 2018, we will also launch Bankline mobile for our larger commercial customers, allowing them to view transactions and send payments with biometric approval.

It's not only in our core areas of banking we need to embrace new technology. One area we believe will have real benefits to our business is artificial intelligence. In the last quarter of 2017, Cora our chat bot, handled over 414,000 customer conversations, answering 228 different questions.

We are also investing now to build an evolution of Cora, giving her a visual avatar, acting as the interface with customers. Now, turning to GRG, following the publication of the Skilled Person Report, we must now wait for the conclusion of the FCA's investigation.

The report makes for very difficult reading. And as I've said before, we're deeply sorry that customers did not receive the experience they should have done while in GRG, and are focused on putting things right for those customers impacted through the redress and complaints process agreed with the FCA.

We also have no further update on our outstanding investigation with the Department of Justice. But before I hand over to Ewen to take you through the numbers in a bit more detail, I'd like to leave you with just some key takeaways.

Firstly, our strategic plan is working, and for the first time in 10 years we've delivered a full year attributable profit. We have more to do, but are making good progress.

Secondly, costs are down, income is up and our capital position is stronger. And we're growing in the markets we like. And colleague engagement is high.

Thirdly, as we continue to put the past behind us, we are giving ourselves a great platform to become a much safer, simpler and innovative bank for our customers.

Fourthly, customer behaviour is changing rapidly and the market is more competitive than ever, but we are responding proactively.

And finally, as the number of legacy issues reduce and the business performance improves, the investment case for this bank is clearer and the prospect of rewarding shareholders is getting closer.

Thank you for joining us and I'm now going to hand over to Ewen.

.....

Ewen Stevenson, Chief Finance Officer

Thanks, Ross. Morning, all. In summary, best set of full year results in many years. Operating profits returns up materially. We achieved a bottom line profit. And we delivered a strong build in our core capital ratio.

As Ross and I set out a year ago, we had four objectives for 2017. To grow income, to cut costs, to reduce risk weighted assets and substantially finish the legacy clean-up. On income, our adjusted income was up 4 percent. On adjusted operating costs, we took out a further 810 million pounds of costs, that's an 8 percent reduction.

Our adjusted cost income ratio fell materially, from 66 percent in 2016 to 58 percent last year. On risk weighted assets, they were down 27 billion pounds last year. That's a 12 percent reduction. And our core tier one ratio pro-forma for a 30 basis point benefit from IFRS 9 is now at 16.2 percent, as of 1st January this year. That's up 280 basis points, relative to the end of 2016.

On our legacy issues, we continue to make substantive progress. Three years ago, when I presented how our capital was allocated, for every one pound we had invested in the core bank, we also had 1 pound tied up in legacy. Today, we have eight times more capital invested in the core bank compared to legacy.

A significant event for us last year was agreeing the alternative remedy for Williams & Glyn. Its financials are now fully reflected back into UK Personal & Business banking. Most major litigation is now resolved, including both settling with FHFA on US RMBS and with claimants in relation to our 2008 Rights Issue.

On our Q4 results, a 512 million pound adjusted operating profit and an adjusted return on equity of 4 percent. Structurally, Q4 will always be a softer quarter for us. We've got the annual bank levy to pay, some 215 million pounds last year. And it's seasonally normally the weakest quarter for NatWest Markets due to lower customer trading volumes.

Impairments were higher in the quarter, some 234 million pounds or 29 basis points, including additional provisions in Ireland, ahead of a sale of non performing loans that we're reviewing.

There were 531 million pounds of restructuring charges in the quarter and 764 million pounds of conduct charges. The three largest conduct items were an additional 175 million pounds for PPI, 584 million dollars of additional US RMBS provisions and 153 million euros in Ulster Bank.

On guidance, we're reconfirming our 2020 targets on cost income and returns, namely a cost income ratio below 50 percent and a return on tangible equity of 12 plus percent.

We now expect restructuring charges to be around 1.5 billion higher over 2018 and 2019, relative to previous guidance of 1 billion pounds – 300 million pounds of that relates to the Williams & Glyn remedy and reintegration. That was not in our previous guidance.

Of the remaining 1.2 billion pounds of additional restructuring charges, around two thirds of that is for costs associated with accelerated transformation, consistent with rapidly increasing levels of digitisation of the bank.

So to conclude, we consider these to be our best annual results for many years. The core bank is performing well. Income up 4 percent. Costs down 8 percent. Adjusted operating profits up 31 percent last year. And our first bottom line profit in a decade.

Before I hand back to Ross, I just wanted to say, on a personal level, this is a very special day for the bank. I've seen first hand over recent years how hard all of my colleagues have worked to achieve this, and I must say I'm really delighted for all of them across the bank today. So with that, I'd like to hand back to Ross.

.....

Ross McEwan, Chief Executive

Thanks Ewen. OK, Sharon, let's open up for question, please.

.....

Operator

Thank you, Ross. Ladies and gentlemen, if you would like to ask a question, please press the star key followed by the digit 1 on your telephone keypad. We will pause for a moment to give everyone an opportunity to signal for questions. We will take our first question from Emma Rumney at Reuters. Please go ahead.

.....

Emma Rumney, Reuters

Hi there... thanks for doing the call. Looking ahead to 2018, are you forecasting a full year profit for that year or is that completely dependent on the outcome with the DoJ? And one other question, the sort of digitisation of the bank, can you say a little bit about what impact you think that will have on the size of the branch network and headcount? Thank you.

.....

Ross McEwan, Chief Executive

Ewen, do you maybe want to take the first one around profitability around DoJ and I'll take digitalisation and branch network?

.....

Ewen Stevenson, Chief Finance Officer

Yes, look I think it's speculative to say what our results will be for 2018. Obviously you saw from today's results, the core bank, there was 4.8 billion pounds of adjusted operating profits, so the core bank's doing very, very well.

That's before conduct and restructuring, so I think how 2018 works out will in part, depend on the Department of Justice. But, we're controlling what we can control, which is continuing to improve the profitability of the core bank.

.....

Ross McEwan, Chief Executive

Just on the digitisation at branch network, as I said, customers are really changing the way they operate. In the last three years, we've seen usage of our branch network for transactions down 36 percent.

I mean that is a huge drop, and at the same time, just in the last year there has been 14 percent increase in mobile transactions. So, you're seeing a big swing

towards mobile. It is now our most dominant and used channel. Payments through there, four every second. So, you know, this is a real swing.

Branch network is very important to us because it is our sales and service operation that is operated there. We do need to have physical distribution for customers. We're talking on the terms of high tech and high touch. When customers need help, we need to be there, but there's a big change in the way that we are there for customers.

For example, we have a very big network now of mobile vans that get around to over 600 communities and towns and villages in the rural areas. We have 100 Community Bankers that actually have stayed back in those communities to work with those who are struggling with mobile or don't have the facilities.

We've also linked in with the Post Office where we've got 11,000 post offices – people can go and put money in, take money out, including small businesses, so there is a big change in the distribution.

But you know, the digitalisation of banking is happening at a pace, and we've announced today that we will be spending more money to make sure that we stay up with it and lead on it as well. Next question.

.....

Operator

And your next question comes from the line of Stefania Spezzati from Bloomberg News. Please go ahead.

.....

Ross McEwan, Chief Executive

Hi, Stefania.

.....

Stefania Spezzati, Bloomberg

Hi, good morning. So, I'd like to question the provisions for the legal conducts. If you can explain some more, if you are planning to take more provision for the DOJ settlement – the upcoming DOJ settlement? And if you can give an update

on where the discussion are with them, if anything has changed since December?

.....

Ross McEwan, Chief Executive

Well look, first off in DoJ, we do not have anything to update today or any change in the position we've already given. The out workings of the DoJ will be when we have the negotiation. We don't have a number for you. As I said, there's no update.

And as Ewen said, you know, it is dependent our results in 2018, are somewhat dependent upon the settlement with DoJ which we hope will happen. Any other thoughts on the provisioning, Ewen?

.....

Ewen Stevenson, Chief Finance Officer

In terms of today's RMBS provisioning, you'll see that 125 million dollars of that relates to a settlement that we've reached with the California Attorney General that we previously disclosed. And we also talk about negotiations that we're in with the New York Attorney General as well.

I think for everyone, apart from the DoJ, there are still several regulatory – smaller regulatory investigations going on, and there are one or two smaller pieces of litigation too that we're still resolving around RMBS.

.....

Ross McEwan, Chief Executive

So, nothing to add on DoJ. Thank you. Next question?

.....

Operator

Your next question comes from the line of Katherine Griffiths, The Times. Please go ahead.

.....

Ross McEwan, Chief Executive

Hi, Katherine.

Katherine Griffiths, The Times

Hi, good morning – morning both of you. Two quick ones and sorry, the first one is again about the DoJ. I mean just to be explicit about it, obviously you'd had a hope that you'd be able to get the DoJ provision into these numbers, that's correct isn't it? I just wonder what you might say about that.

And secondly, on GRG, do you think there's any way the government can sell your shares when uncertainty hands over the bank perhaps, individuals, albeit not at the bank anymore, but certainly the bank itself, from a sort of litigation point of view for GRG issues, can the shares be sold in those circumstances? Thanks.

.....

Ross McEwan, Chief Executive

Well, first off – look, there is no update on DoJ and you know, to be honest that's all we've got to say on it today, because we cannot give you anything else that you don't already know. On GRG, I don't think there's any reason why that should hold any sale back from – a government perspective.

The report was published out this week. Again, we were pleased that that came out. We gave our approval for it to come out, because if it had been leaked out into the marketplace, as we all know – you know, it made for very tough reading. We did not get it right for our customers when they needed us most, when their businesses were struggling.

And I think that's why it's really important that we've got the complaints process – that there is a retired high court judge who is completely independent from us as a bank, looking at all complaints that go to him. So, I think – you know, we've – that's been agreed with the FCA.

And I think that's where people need to take their complaint if they have it. We didn't have a good complaints process back in 2008 – 2013. It's there now. But I don't think it'll make any difference to the government sale process.

.....

Ewen Stevenson, Chief Finance Officer

And in terms of a privatisation, it's clearly up to UKFI and Treasury to determine when they want to sell the shares. All we can do is continue to focus on improving the banks. We are pleased with today's results because I think you can see the underlying core profitability of the bank is now really starting to perform in a way we'd like it to.

.....

Ross McEwan, Chief Executive

Next question?

.....

Operator

Your next question comes from the line of Iain Withers from The Telegraph. Please go ahead.

.....

Ross McEwan, Chief Executive

Hi, Iain. How are you?

.....

Iain Withers, The Telegraph

Hi, good morning. Just on the – on the profit, it's obviously a milestone for the bank, but what would you say to people who say this will be temporary because of the DoJ fine that's coming? And also, just as a second question what can you say to taxpayers that might be frustrated the bank is still not in private ownership? Thanks.

.....

Ross McEwan, Chief Executive

Well, first off, the – we've discussed the DoJ, when it does come – you know, will have a major impact on our numbers, depending on its size. But if you have a look at the underlying profitability of this bank, it is very good.

We have income up in 2017 4 percent. Our costs we're down 8 percent. So the actual – what you call jaws of operating this business is up – improved by 12

percent. We've got fantastic franchises across the UK and the Republic of Ireland, and those are performing well.

This last year, we did over 30 billion of lending into the mortgage market, and our business banking portfolios is – you know, just over 100 billion. So, we're the biggest business bank and provider of funding in the marketplace.

So, these are great positions to be in. Whether or not the DoJ comes in 2018, the underlying performance has really improved as well.

We're working very hard on getting the core return on equity up. We've still got some work to do around that cost base, but you know, that – as you've seen, the last four years, we've taken 3.9 billion pounds of cost out of this bank, so we continue to deliver what we said we'd do. So, the underlying story is very good... and on top of that, you know, with all of that restructuring, our staff engagement is at a 10 year high, so our people understand the job at hand. And you know, they'll be delighted with the profit results today, after all the very hard work that they've put into this bank.

.....

Ewen Stevenson, Chief Finance Officer

And from a taxpayer perspective, I mean the – if you go back to where our stock was trading, it was trading just below 1 pound 50 in mid 2016. We've almost doubled the share price since then.

I think investors are beginning to sort of understand the power of the earnings prospects of the core bank, and that is getting reflected in a – in a much better share price, which is obviously having a massive benefit to the valuation of the stock for the taxpayer.

.....

Ross McEwan, Chief Executive

Thanks, Iain.

.....

Operator

Your – thank you. Your next question comes from the line of Laura Noonan from the Financial Times. Please go ahead.

.....

Ross McEwan, Chief Executive

Hi, Laura.

.....

Ewen Stevenson, Chief Finance Officer

Hi, Laura.

.....

Laura Noonan, Financial Times

Morning. I had two quick questions. The first one is just I wasn't entire clear on your answer earlier, in terms of the digital investment and the impact on headcount. And I just wondered if you could clarify if the additional digital investment will have any impact on headcount over and above any job cuts already planned.

And then secondly, in terms of the GRG scenario, just to come back to it again, has there been any brand damage, do you think, from the – from the publication of the FCA report this week?

.....

Ross McEwan, Chief Executive

I'll start with the end one first, I mean the GRG situation for us, of course has had – you know, brand damage. Every time that there is an article in the newspaper, it doesn't help our branding.

But at the same time, we have put in place the recourse for customers through the complaints process, which we agreed with the FCA. And we've paid out – 3,500 customers on the complex fees that were charged. So, we are trying to get it right and do the right thing.

You know, we're also the biggest lender to business. And our business banking operation has been growing in the last year faster than market. So, the

underlying impact on our customer base hasn't been that great. We are seeing more and more customers doing business with us.

And as I said, 3 percent growth in our business banking. That's up from – you know, the market's doing about 1 percent. So, I think we are really serving our customers well now, much, much better than we ever have done.

On the issue of digitisation, I – you'll recall in the last four to five years, I've never given what – the impact on our headcount. I have the conversations with our staff before I tell any media about that, and I'm not changing this year.

But you know, we are digitising the bank. That's what's happening globally in financial services. You see it not just in financial services, but customers want the instantaneous usage of – using their mobile to actually get it – things done. And more and more, this bank is doing that.

You're seeing that through again, business banking. For our customers, it's now taking minutes, not days or weeks to actually get their lending approved, if it's – if it's a yes.

The same with – if you have a look at how many customers now – new customers are taking a transaction – actually taking a new account online, it's well over 90 percent are all doing it online. It saves them 30 minutes from even picking up the phone.

We're the first bank in the UK to do a paperless mortgage. I mean these are all very big impactful issues that make it better for customer and enable our staff to actually concentrate on when customers do have an issue or need help. So, there's a big swing going on across the financial service industry, and we want to be part of it.

.....

Operator

And your next ... oh, thank you, sir. Your next question comes from the line of James Burton from the Daily Mail. Please go ahead.

.....

Ross McEwan, Chief Executive

Hi, James.

.....

Ewen Stevenson, Chief Finance Officer

Hi, James.

.....

James Burton, Daily Mail

Good morning, (guys) – sorry, my questions are on branches and GRG as well, I'm afraid. So, first of all I was wondering, now you're back in profit, the customers who live in the rural areas where you're closing branches as announced recently, might wonder why you can't just stop those closures or reverse them. Do you have a message for those customers?

And secondly on GRG, you talk about being deeply sorry, and I know the senior management team wasn't in place at the time, but a lot of senior people at the bank or certainly several senior people at the bank now, were involved in GRG at the time, I mean why should customers believe that apology, when you're still employing senior people from that era at the bank?

.....

Ross McEwan, Chief Executive

Look, James, first off, let's start on the – on the branches and look – you know, we have some sympathy for customers who are there where we've closed the branches down, but we have put in place, as I said, a series of mobile vans, who are getting into over 600 communities every week to actually help those customers out.

We've also got the Post Office, which we are supporting. And if we weren't – you know, the banks weren't supporting the post offices, I suspect there'd be a lot less post offices, so they're becoming the hub in the community.

And – you know, you are seeing massive change in the way customers behave. Thirty-six percent reduction in the branch network transactions over a three year period of time has to be responded to.

So, you know, we are putting in place – of all banks, I think more facilities for customers to operate with us. It just doesn't have to be a physical branch network that we have. We will have a big branch network and one of the biggest in the UK.

On GRG, there is still a review that the FCA is doing around the people piece, so I'm not going to comment on that. You've seen the report. I'm pleased the report is out there. It does make for tough reading. My job is to make sure that we're dealing with those customers who have a complaint.

There's a great process there in place that they can go through. And I would encourage them to do so. Today, we have 1,200 customers going through that complaints process. It will take time, because every one of those files is very complex.

But you know, we need to tidy those things up and put it right for customers where we got it wrong. But you know, we need to actually get back also in dealing with the economy that we have here. And a big – we're a big part in supporting that and going forward.

And as I say, we've got a very large customer base in business banking that we're doing a great job with every day. I've got 16 million customers. I've got 1,200 that are going through a process at the moment. And I'm delighted they are, so we can either put it right or make sure that they're aware of why we made the decisions we did. Next question?

.....

Operator

Your next question comes from the line of Rosamund Urwin, The Sunday Times. Please go ahead.

.....

Ross McEwan

Hi, Rosamund.

.....

Rosamund Urwin, Sunday Times

Hi – hi, thanks very much for taking the call. Your annual report says that in 2017, you were recognised as the Diverse Company of the Year, and then – it then points out a not very flattering number of 37.2 percent, which is your gender pay gap. What are you doing to close that?

.....

Ross McEwan, Chief Executive

Well, the issue around the gender pay gap of 37.2 is not where we want it to be. But what it shows is that we need to have more females in senior roles. And we've set ourselves some pretty, I think ambitious targets over the next three years to improve that level. And that's what fixes the gender pay gap.

And – the other piece that we've been working on too is other areas of diversity that we need in this business. So for example, in our BAEM statistics, while I'm not at all happy with them being as low as they are, we've set ourselves a target of having 14 percent of our senior management team – that's our top 5,000 being of black, Asian or minority ethnic groups.

And we were one of the first to come out with that target. So, it's not just male, female, it's across many, many other areas of ethnic requirements as well, because we want to reflect the community we operate in, and that's what we're trying to do.

We also want diversity into our bank, and I want every person to bring the best of themselves to this organisation to help our customers. Lots of work to do, and we are working very hard to get more senior women and different groupings into our senior rankings.

.....

Ewen Stevenson, Chief Finance Officer

Yes, another area that we're spending a lot of time on is the topic of disability, something I head personally in the bank. I'm actually deaf in my left ear, from a medical misadventure that happened five or six years ago.

Over the last couple of years, we are one of the most improved corporates in the UK on the topic of disability, both for our employees and our customers. So, we

do take the issue of diversity very, very seriously here. We want the most inclusive – I mean it's just good business to have an inclusive work environment.

.....

Ross McEwan, Chief Executive

Thanks for the question, Rosamund.

.....

Operator

Your last question comes from the line of Max Colchester, the Wall Street Journal. Please go ahead.

.....

Ross McEwan, Chief Executive

Hi, Max.

.....

Max Colchester, Wall Street Journal

Morning, both. I had a question just in terms of the economic outlook and your impairments, and your outlook mentioned that Brexit was expected to have a sort of negative impact on the UK economy in the short and medium term. I was wondering whether you were seeing that bear out at all? And also, can you just talk me through a few of the impairments you still got in the last quarter?

.....

Ewen Stevenson, Chief Finance Officer

Yes, I mean there were two – there we're two big things going on in our impairments in Q4. Firstly, as I said in my remarks, we are planning to sell a portfolio of non-performing loans in Ireland. We took some additional impairments against them.

Commercial banking also had some larger impairment numbers in the quarter against a few large one-off impairments, but underlying – you know, we are very, very cautious about the outlook at the moment. I think – you know, the – whether or not we get to a transitional period for Brexit, I think will have quite a pivotal impact on the economy during the year, but we are cautious.

We are watching it. But at the moment, we're very happy with how the bank is positioned. As you know, we've been prioritising secured lending over unsecured on the personal side. You'll see in our stats today, that we've reduced our exposure to commercial lending – commercial real estate lending in the UK.

So, we are continuing to take a very cautious approach to credit.

.....

Ross McEwan,

Thanks very much Max.

Operator, I might just make a few closing comments, but thanks everyone for joining us today.

Look, this is a symbolic moment for this bank. It's our first bottom line profit in 10 years, so you know, it's something we're very, very pleased of. We are putting the past behind us and getting closer to returning capital to your shareholders. There is no more bad bank.

We've tidied up the 2008 Rights Issue, FHFA, Williams & Glyn, we're making progress on. And we've just got the Department of Justice left. It's the big item for us. There are many other smaller ones, but that is our big one.

It's clear that our strategy is working. The costs are down. Our income is up. Our capital position is much, much stronger. And most importantly, I think, is that our staff engagement is at – is at a 10 year high. And our culture in this organisation is changing.

It takes a long time to change a culture. We are getting there. We're learning from the past, and I think that's really important for our people a well. But as I say, we are not where we want to be.

We are going faster on digital. As we build a simpler, faster and more innovative bank for customers, 5.5 million customers are now using our personal mobile app. Electronic payments are up 14 percent.

Branch volumes are down 36 percent in three years. And we have said today, we're investing another 1.5 billion more to simplify the bank and accelerate the exit from the legacy assets.

We play a central role in the UK economy. We are growing our lending responsibly. As I've said, we provided over 30 billion of new mortgage lending in 2017. And we've grown our mortgage lending for the last five years.

And finally, we are the biggest supporter of the UK business, with close to 100 billion net loans and advances.

I'm pleased with the results. Delighted at the profit. Happy to chat later in the day. Cheers.

.....

Operator

Ladies and gentlemen, that will conclude today's call. Thank you for your participation. You may all now disconnect.

.....

END

DISCLAIMER

This transcription has been derived from a recording of the event. Every possible effort has been made to transcribe this event accurately; however, neither World Television nor the applicable company shall be liable for any inaccuracies, errors or omissions