

# FINAL TRANSCRIPT

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

## **PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call**

**Event Date/Time: Mar. 12. 2008 / 2:30PM ET**

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

## CORPORATE PARTICIPANTS

**John Sutphin**

*Piedmont Natural Gas - Manager, Fin., IR*

**Tom Skains**

*Piedmont Natural Gas - President, Chairman and CEO*

**Dave Dzuricky**

*Piedmont Natural Gas - SVP and CFO*

**Frank Yoho**

*Piedmont Natural Gas - SVP of Commercial Operations*

## CONFERENCE CALL PARTICIPANTS

**Yiktat Fung**

*Zimmer Lucas Partners - Analyst*

**Jim Lykins**

*J.J.B. Hilliard, W.L. Lyons, Inc. - Analyst*

**Neil Stein**

*Credit Suisse - Analyst*

**Brooke Glen Mullin**

*JPMorgan - Analyst*

## PRESENTATION

**Operator**

Ladies and gentlemen, thank you for standing by and welcome to the Piedmont Natural Gas first quarter earnings call. At this time, all participants are in a listen-only mode. Later we will conduct a question-and-answer session. Instructions will be given at that time.

(OPERATOR INSTRUCTIONS)

As a reminder, this conference is being recorded.

I would now like to turn the conference over to our host, Mr. John Sutphin. Please go ahead.

---

**John Sutphin** - *Piedmont Natural Gas - Manager, Fin., IR*

Thank you, Joyce.

Good afternoon. Thank you for joining our first-quarter 2008 earnings conference call. This call is open to the general public and is being webcast live over the internet. If you would like to access the webcast of this call, please use our website at [www.piedmontng.com](http://www.piedmontng.com) and choose the Investors link. On the right-hand side of that page you will find a link to the webcast.

On the call today presenting prepared remarks we have Tom Skains, President, Chairman, and Chief Executive Officer; and Dave Dzuricky, Senior Vice President and Chief Financial Officer. Other members of our executive management team are also in attendance. At the conclusion of the prepared remarks, we will open the discussion to questions.

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

Finally, this call may include forward-looking statements within the meaning of the securities laws. Actual results may materially differ from those discussed in the forward-looking statements. More information about the risks and uncertainties relating to these forward-looking statements may be found in Piedmont's latest Form 10-Q, which is available on the SEC's website at [www.sec.gov](http://www.sec.gov).

With that, I will turn the call over to Tom.

---

**Tom Skains** - *Piedmont Natural Gas - President, Chairman and CEO*

Thank you, John.

Good afternoon, everybody, and thank you for joining us for our first-quarter 2008 earnings call. I had the pleasure of seeing some of you last week at our annual shareholders meeting.

As you already know, we filed our first-quarter 10-Q and issued an earnings release yesterday morning. We're pleased with our first-quarter performance, which resulted in net income growth of 16% compared to the first quarter of 2007, and diluted earnings per share growth of 19% over that same time period. This growth was generated by strong operating performance in virtually all areas of the company, including top line margin growth, flat O&M expenses, and continued strong performance by our joint ventures. Dave will provide more detail on the financials in just a moment.

The Board last week also continued its commitment to long-term shareholder value by increasing our dividend for the 30th consecutive year. In yesterday's earnings release, we also reaffirmed our earnings guidance for 2008 from \$1.45 to \$1.55 a share. While we are pleased with this quarter and remain optimistic for this year we're going to wait and see how the rest of the winter plays out before making any further refinements to that guidance range. As we stated last quarter, we are filing a general rate case in North Carolina this year, in order to update our costs and revenues and to extend our margin decoupling tariff. We plan on filing that case on April 1, to be effective November 1, and don't have any further details to provide you today.

Finally, last quarter I alluded to Piedmont's next project investment opportunity, and I know many of you are interested in more details on that subject. Unfortunately, we're still early in the development phase and are not in a position to comment on any specifics, other than to say that our business strategy is to evaluate cost-effective energy infrastructure investments through both utility and non-utility avenues. We hope to be able to give you more details on this project by the third quarter of the year.

Now let me turn the call over to our Senior Vice President and CFO, Dave Dzuricky, for a more detailed discussion of our first-quarter results. Dave?

---

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Thank you, Tom.

As Tom said, we had a very gratifying first quarter in 2008. Margin was up \$18.5 million over the first quarter of 2007, reflecting growth in our customer base in the residential, commercial, and power generation markets. Gas costs, inventory, supplier refund, and lost and unaccounted for adjustments went in our favor in the first quarter of 2008 compared to last year's first quarter, where we had adjustments to gas costs that were unfavorable.

We also had the effect of discontinuing demand capitalization charges as required by regulatory order. What that will do is it will positively affect quarters where gas is withdrawn from storage, typically our first and second quarters, and it will negatively affect quarters where gas is being injected into storage, typically our third and fourth quarters. Across the year, it should be neutral to the extent that inputs and withdrawals from storage are equal, but it does change the shape of our quarterly earnings.

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

Our operating maintenance expenses were essentially flat quarter-on-quarter, reflecting our continuing process improvement initiatives. And our ventures provided good growth in the quarter, coming primarily from Hardy storage in Southstar. As you will recall, Hardy was not in service in the first quarter of 2007, since it commenced commercial operations in April last year. Southstar continues to perform well in managing both its basic retail business and its price risk management activities.

And with that, Tom, I'll turn it back over to you.

---

**Tom Skains** - *Piedmont Natural Gas - President, Chairman and CEO*

Okay, John, the floor is yours to conduct the question-and-answer session.

---

**John Sutphin** - *Piedmont Natural Gas - Manager, Fin., IR*

Thank you, Tom. This concludes our prepared remarks, and we now welcome your questions.

---

## QUESTIONS AND ANSWERS

### Operator

(OPERATING INSTRUCTIONS)

And our first question will come from the line of Yiktat Fung from Zimmer Lucas Partners. Please go ahead.

---

**Yiktat Fung** - *Zimmer Lucas Partners - Analyst*

Good afternoon.

---

**Tom Skains** - *Piedmont Natural Gas - President, Chairman and CEO*

Good afternoon.

---

**Yiktat Fung** - *Zimmer Lucas Partners - Analyst*

My first question relate to adjustments to gas costs, inventory and supply refunds. Can you just go into a bit more detail as to what these adjustments are, and whether they're I guess more or less recurring items, or kind of one-time items?

---

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Thank you for the question, Yiktat. It's nice to hear from you. Really these are just normal gas cost accounting adjustments that occur following our prudence reviews. There's really nothing I can add to it other than that. As I mentioned in the first quarter of 2007, we had gas costs accounting adjustments that went the other way, and in the first quarter of 2008, we had gas costs accounting adjustments that went in our favor. I really can't comment on whether they're recurring or not.

---

**Yiktat Fung** - *Zimmer Lucas Partners - Analyst*

So basically these adjustments happen once every year, the first quarter?

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Well, it seemed to in the last two years, Yiktat.

**Yiktat Fung** - *Zimmer Lucas Partners - Analyst*

Okay. And do you generally expect that -- these adjustments to average to zero over time?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Well, it's hard to tell. I mean, the -- the nature of gas costs accounting is fairly complex, plus we're operating across three states, we're served by multiple pipelines and have probably 20 or 25 producers from whom we buy gas. One would think just the law of large numbers is that they would average out, but it's impossible for me to hypothesize about that.

**Yiktat Fung** - *Zimmer Lucas Partners - Analyst*

I see. And were these cost adjustments for 2008 contemplated when the company issued guidance last year?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Yes.

**Yiktat Fung** - *Zimmer Lucas Partners - Analyst*

Okay. My last question is, I was wondering if you could I guess break out the joint ventures that -- each of the joint ventures, especially Hardy and Southstar, maybe more granularity?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Break out their -- their earnings?

**Yiktat Fung** - *Zimmer Lucas Partners - Analyst*

Yes.

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

I can -- I can try. If you refer to page 23 of the 10-Q, you'll see there that the increase quarter-on-quarter is roughly coming equally from both Hardy and Southstar. We had a \$1.7 million increase quarter-on-quarter from Southstar, and \$1.6 million from Hardy. Those are pretax numbers. And as we said, the Southstar increase, again, is being very attentive to their basic retail business, as well as their ability to manage price risks in a volatile market. Hardy, of course, as I mentioned in my prepared remarks, was not in service in the first quarter of 2007. So what you're seeing is pretax earnings coming from the commercial operations of Hardy. And Hardy is FERC-regulated entity that bills -- that has a rate design of straight fixed variable rates. So you would expect that to be a fairly constant number under FERC rate design premises.

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

**Yiktat Fung** - *Zimmer Lucas Partners - Analyst*

I see. And that number should be pretty stable through all the quarters, too, right?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

That's the nature of fixed variable rates design, that's right, Yiktat.

**Yiktat Fung** - *Zimmer Lucas Partners - Analyst*

Okay, thank you very much, and congratulations on a great quarter.

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Thank you.

**Operator**

Thank you. Next we go to the line of Jim Lykins from Hilliard Lyons.

**Jim Lykins** - *J.J.B. Hilliard, W.L. Lyons, Inc. - Analyst*

Close enough. Good morning, everyone.

**Tom Skains** - *Piedmont Natural Gas - President, Chairman and CEO*

How are you, Jim?

**Jim Lykins** - *J.J.B. Hilliard, W.L. Lyons, Inc. - Analyst*

Good, thank. How is everyone down there?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Good. A little warm, but we're fine.

**Jim Lykins** - *J.J.B. Hilliard, W.L. Lyons, Inc. - Analyst*

Just a couple of questions, first of all, on customer growth. I was wondering if you could tell us what your assumption is for guidance, and I know -- or I believe last quarter you talked about being around 2.5% to 3%. Now, I'm just wondering how you foresee the next three quarters and also what's happening with the conversion markets?

**Tom Skains** - *Piedmont Natural Gas - President, Chairman and CEO*

Thank you, Jim. We have discussed on the previous call that we are seeing a slight downturn in our growth in our service area, ranging in the 2.5% to 3% versus the 3% to 3.5% that we've seen over the last several years. That is included in the guidance

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

that we reaffirmed with this release. The trends that we're actually seeing, of course, are downward in residential new construction, and we're very pleased, though, to see an increase in quarter-to-quarter or year-to-year conversion customers, customers that we're serving that we're taking from some other energy source. And we're also seeing an increase in our commercial customer additions compared to last year.

The total number of customers added for the quarter is reflected in the Q. There's a table, and I don't recall now which page it's on. Actually it's on page 21, we show the gross customer addition this quarter versus last quarter. Now I'm going to turn the discussion over to Frank, who can give a little bit more breakout of the residential new construction, commercial and conversion customer additions, within that total. Frank?

---

**Frank Yoho** - *Piedmont Natural Gas - SVP of Commercial Operations*

Yes, Jim, this is Frank Yoho.

As Tom mentioned, it is a challenging market compared what we've seen the past few years but we are hanging in there in the 2.5% to 3% growth rate. We're seeing clearly the hit to the residential new construction, but we are seeing some bright signs out there with the commercial hanging in there along with the conversion, and some of our opportunities are involved with our [NC&G] acquisition going east. We have a lot more propane customers out there, which creates more conversion opportunities. So we see that as a potential opportunity out there. And we would continue our expectation that we're seeing now for the -- at least for the next fiscal year, as we look forward.

---

**Jim Lykins** - *J.J.B. Hilliard, W.L. Lyons, Inc. - Analyst*

Okay. And also, could we get the current CapEx projections for '08?

---

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

No, Jim. You can't.

---

**Jim Lykins** - *J.J.B. Hilliard, W.L. Lyons, Inc. - Analyst*

Okay. [Laughter]

---

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

But, you know, let me just add a little bit to that. First of all, obviously if our customer growth is a little slower than when we prepared the -- the budget, you should see a little dropoff in our CapEx related to revenue producing. Roughly 70% of our budget goes toward revenue-producing investments. The other thing that is a slight anomaly, and it does not relate to our utility operations, is that we had expected to make a contribution to Hardy Storage at the end of fiscal 2007. We made that, as you'll note in the Q, in fiscal 2008 in the amount of \$10 million.

---

**Jim Lykins** - *J.J.B. Hilliard, W.L. Lyons, Inc. - Analyst*

Uh-huh.

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

So, you know, we had a little lower equity investment in '07 and rebalanced it back in '08.

**Jim Lykins** - *J.J.B. Hilliard, W.L. Lyons, Inc. - Analyst*

Okay. All right. I'm sorry --

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

I was going to say but that's a contribution to an equity investment, not really a capital expenditure per se.

**Jim Lykins** - *J.J.B. Hilliard, W.L. Lyons, Inc. - Analyst*

Okay. Got you.

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Yes.

**Jim Lykins** - *J.J.B. Hilliard, W.L. Lyons, Inc. - Analyst*

All right. That's all I've got for now. And congratulations on a great quarter.

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Thank you.

**Tom Skains** - *Piedmont Natural Gas - President, Chairman and CEO*

Thanks, Jim.

**Operator**

Thank you. And our next question is from the line of James Heckler, please go ahead, form Levin Capital Strategies.

**Neil Stein** - *Credit Suisse - Analyst*

It's actually Neil Stein. I had a couple of questions on the quarter. First, it looked like you had a benefit of about \$3 million from lower pension expense. Can you talk about, you know, what was the specific reason for that, and do you expect that benefit to occur in later quarters, and was that in the guidance?

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Let me go backwards on your questions, Neil. Yes, it was in our guidance. Yes, it will be a persistent element as we move through the quarters, and what that is reflective of is a pension redesign project that -- that became effective January 1 of this year, and it's described in the Q. But yes, that is -- that is the quantitative effect of plan changes made here with our pension fund.

**Neil Stein** - *Credit Suisse - Analyst*

So if I'm right and this continues in every single quarter, the year-over-year benefit from pension expense is \$0.10 in this year's guidance? \$0.10 per share?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

I don't know how you're doing that math.

**Neil Stein** - *Credit Suisse - Analyst*

It looked like a \$3 million benefit in this quarter, so if I multiply that by four, it's \$12 million, and if I tax effect it goes to 7, and that's \$0.10 per share.

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Right. I understand. There's also in there group insurance, Neil.

**Neil Stein** - *Credit Suisse - Analyst*

Okay.

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

And let me try to explain to you the phenomenon there. Like most companies, even though we use an insurance provider, we're essentially self-insured. And in January of every year, we have a true-up of our expenses from the prior year. So the -- there was a decrease associated with the group insurance.

**Neil Stein** - *Credit Suisse - Analyst*

Okay. Could you --

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

You can't just multiply that number by four and tax effect it.

**Neil Stein** - *Credit Suisse - Analyst*

Let me ask a different way. What is the benefit in guidance kind of year-over-year from your pension policy change?

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

We don't break out our guidance by individual element, Neil. I'm sorry.

**Neil Stein** - *Credit Suisse - Analyst*

Okay. Then the \$6 million benefit per quarter from the gas cost accounting adjustment; could you explain just a little bit more what that is?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Well, what that is an adjustment to the gas costs based on the results of audits that were performed on the company by our regulatory bodies. We -- we agreed with adjustments, and they had a positive effect on our earnings for the quarter.

**Neil Stein** - *Credit Suisse - Analyst*

Okay. And then it looked like there was another accounting adjustment. You discontinued capitalization and amortization related to storage demand?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Yes. Yes.

**Neil Stein** - *Credit Suisse - Analyst*

That was a couple million dollars.

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

That's correct.

**Neil Stein** - *Credit Suisse - Analyst*

That was also in your guidance?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Yes, it was.

**Neil Stein** - *Credit Suisse - Analyst*

Is that a recurring benefit, or will that recur in future quarters or next year?

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

That -- as explained in my prepared remarks, Neil, that will be income neutral for the year.

**Neil Stein** - *Credit Suisse - Analyst*

For the year, okay. Understood.

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

When we withdraw gas compared to last year, it will look like a benefit. When we inject gas in the summer, it will look like a detriment. It really reshapes the quarters, and not the year.

**Neil Stein** - *Credit Suisse - Analyst*

Okay. And then I'm just trying understand these nonrecurring items or accounting adjustments, but going back to that pension item, that's like an actual lower expense that maybe will continue into next year?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

That's correct --

**Neil Stein** - *Credit Suisse - Analyst*

I don't know how big the number is exactly, but --

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Yes. Not the full amount that you're seeing there, Neil. But yes, that was a permanent planned change.

**Neil Stein** - *Credit Suisse - Analyst*

Is there anything else in the quarter that I'm missing with respect to, you know, these sort of accounting adjustments or a change in policies, like accounting, that benefited your quarterly results? Or is it currently benefiting your '08 guidance?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

No. I think you're -- I'm sorry, go ahead, Neil.

**Neil Stein** - *Credit Suisse - Analyst*

Is it just -- just those three items?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

I believe you've got them all.

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

**Neil Stein** - *Credit Suisse - Analyst*

Okay. Is there anything like this beyond the quarter we should expect in future quarters? I'm just trying to, you know, properly forecast your quarterly results --

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Yes, I understand. I mean, we -- we stand by our guidance. As Tom said in his remarks, let us get through the winter and see where we are at the end of the winter. But we typically do not like to alter guidance after one quarter of the year. We're barely out of the gate. We're not anywhere near the finish line. So stay tuned.

**Neil Stein** - *Credit Suisse - Analyst*

Okay. Thanks very much.

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Yes, sir.

**Operator**

Thank you.

(OPERATOR INSTRUCTIONS)

And we do have a question from the line of Brooke Glen Mullin from JP Morgan. Please go ahead.

**Brooke Glen Mullin** - *JPMorgan - Analyst*

Yes, can you give us a sense of what returns you're earning in North Carolina currently?"

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

We'll be able to give you a perfect example of what we're earning in North Carolina as soon as we file this rate case, Brook. Right now, we're -- we're, as Tom said, we're planning to file that on April 1, so we're only 19 days away from filing the case. I would ask you to bear with us through those 19 days so we can get that document filed and give our commission the -- the opportunity to see it first.

**Brooke Glen Mullin** - *JPMorgan - Analyst*

Can you just remind us -- yes, will that be a forward-looking test year, or is that historical?

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

The -- it will be based on a historical period for the 12 months ended December, but we are allowed to make forward-looking adjustments to it up to and through October 31 of this year. There is a practice in North Carolina that we can update our numbers up to the time of the hearing in the state.

**Brooke Glen Mullin** - *JPMorgan - Analyst*

And just lastly, you commented in the press release that weather was a benefit to the quarter. I had thought that you had weather normalization in your jurisdiction. Can you just review that?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Well, sometimes -- first of all, we have both in South Carolina and Tennessee a weather normalization adjustment clause, as opposed to a decoupled tariff like we have in North Carolina. And sometimes when the weather gets too far out of phase from normal, the weather normalization adjustment clauses don't always work perfectly. You need to be in a band closer to normal, which we were this year, which will - which acted to benefit us in the quarter.

**Brooke Glen Mullin** - *JPMorgan - Analyst*

Okay. So it was really the -- last year's number that was the anomaly?

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

It was an anomaly, yes.

**Brooke Glen Mullin** - *JPMorgan - Analyst*

Okay. Great. Thank you.

**Dave Dzuricky** - *Piedmont Natural Gas - SVP and CFO*

Yes, ma'am.

**Operator**

Thank you.

(OPERATOR INSTRUCTIONS)

And we have no additional questions. Please continue.

**John Sutphin** - *Piedmont Natural Gas - Manager, Fin., IR*

Thank you, Joyce. As always, we thank you for your interest in Piedmont Natural Gas and for taking time to be with us today. We look forward to seeing many of you in May at the annual AGA Financial Forum in Miami. This concludes our first quarter 2008 earnings call.

Mar. 12. 2008 / 2:30PM, PNY - Q1 2008 Piedmont Natural Gas Earnings Conference Call

### Operator

And ladies and gentlemen, that does conclude our teleconference for today. Thank you for your participation, and for using AT&T's Executive Teleconference service. You may now disconnect.

### DISCLAIMER

Thomson Financial 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 FINANCIAL 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.

©2008, Thomson Financial. All Rights Reserved.