

03-May-2016

The Brink's Co. (BCO)

Q1 2016 Earnings Call

CORPORATE PARTICIPANTS

Edward A. Cunningham

VP-Investor Relations & Corporate Communications

Thomas C. Schievelbein

Chairman. President & Chief Executive Officer

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President

OTHER PARTICIPANTS

Jamie Clement

Macquarie Capital (USA), Inc.

Ashish Sinha

Gabelli Securities International UK Ltd.

Brian William Ruttenbur

BB&T Securities LLC

Jeffrey Ted Kessler

Imperial Capital LLC

MANAGEMENT DISCUSSION SECTION

Operator: Welcome to The Brink's Company's First Quarter 2016 Earnings Call. Brink's issued a press release on first quarter results this morning. The company also filed an 8-K that includes the release, and the slides that will be used in today's call. For those of you listening by phone, the release and slides are available on the company's website at brinks.com.

At this time, all participants are in a listen-only mode. A question-and-answer session will follow the formal presentation. [Operator Instructions] As a reminder, this conference is being recorded.

Now, for the company's Safe Harbor statement, this call and the Q&A session contain forward-looking statements. Actual results could differ materially from projected or estimated results. Information regarding factors that could cause such differences is available in today's press release and in the company's most recent SEC filings.

Information presented and discussed on this call is representative as of today only. Brink's assumes no obligation to update any forward-looking statements. This call is copyrighted, and may not be used without written permission from Brink's.

It is now my pleasure to introduce your host, Ed Cunningham, Vice President of Investor Relations and Corporate Communications. Mr. Cunningham, you may begin.

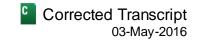
Edward A. Cunningham

VP-Investor Relations & Corporate Communications

Thank you, Denise. Good morning, everyone. Joining me today are CEO, Tom Schievelbein; and CFO, Joe Dziedzic.



Q1 2016 Earnings Call



This morning, we reported results on both a GAAP and non-GAAP basis. The non-GAAP results exclude certain retirement expenses, reorganization and restructuring costs, acquisitions, dispositions, and tax rate adjustments.

In addition to these items, the non-GAAP results exclude Venezuela due to a variety of factors including our inability to repatriate cash, Venezuela's fixed exchange rate policies and continued currency devaluations and the difficulties we face raising prices and controlling costs in a highly inflationary economy.

We believe the non-GAAP results make it easier for investors to assess operating performance between periods. Accordingly, our comments today, including those referring to our guidance, focus primarily on non-GAAP results.

A reconciliation of non-GAAP to GAAP results is provided on page two of the release. More detailed reconciliations are provided in the release in the appendix to the slides we're using today, in this morning's 8-K and on our website.

Page seven of the press release provides a summary of several outlook items, including guidance on revenue, operating profit and earnings per share.

I'll now turn the call over to Tom.

Thomas C. Schievelbein

Chairman, President & Chief Executive Officer

Thanks, Ed. Good morning, everyone. First quarter earnings from continuing operations came in at \$0.30 a share versus a strong \$0.44 in the first quarter of 2015. Revenue declined 9% due to negative currency, which also reduced earnings per share by \$0.06. Strong organic results in Latin America were offset by lower profits in the U.S. and Mexico.

Our 2016 EPS outlook has not changed. We expect improved results as the year progresses, and another year of strong earnings growth; \$1.69 per share in 2015 to a range of between \$2.00 per share and \$2.20 per share on revenue of about \$2.9 billion.

We expect organic earnings growth to be driven by continued strength in Argentina, the improvements in Mexico, and our Payments business, which will turn profitable or should turn profitable in 2016.

Compared to prior guidance, this outlook reflects a profit reduction of about \$15 million in the U.S. that we expect will be offset by additional cost reductions at the corporate level, and a currency impact that we now believe will be more favorable than we previously expected.

My comments today are short. I'll close with a reminder that my retirement becomes effective this Friday, May 6. The search for a new CEO is being overseen by the board's Governance and Nominating Committee, and both internal and external candidates are being considered. The selection will be announced when the final decision has been made.

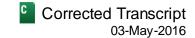
With that, I'll turn it over to Joe, and then we'll open it up for questions. Joe?

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President



Q1 2016 Earnings Call



Thanks, Tom. Good morning, everyone. I'll start with a summary of our quarterly results. Then, I'll review each segment's results and finish with some additional comments on our outlook for the year.

On an organic basis, our revenue grew 3% as continued growth in Argentina and a strong quarter from Brazil were partially offset by a decline in the U.S., and in our Global Services business where we experienced market-driven volume declines across most categories.

The unfavorable currency was related mainly to the Brazilian real, the Argentine peso and the Mexican peso. Although exchange rates are significantly unfavorable year-over-year, they have improved since the beginning of the year.

On a constant currency basis, operating profit declined from \$41 million to \$36 million, as the year-over-year decline in the U.S. and Mexico more than offset the organic improvement in Argentina, Chile, Brazil and lower corporate expenses. The negative impact of currency lowered profit another \$5 million. When you net it all out, EPS came in at \$0.30.

The next few slides provide an overview of our five largest countries and global markets, starting with the U.S. and Mexico. The U.S. had an operating loss of \$2 million for the quarter, due mainly to higher fleet cost, volume pressure, safety and security costs and higher employee related costs.

On our last call in February, we said first quarter results were not expected to improve significantly over the loss we reported in the fourth quarter of last year, and they didn't. Although, the first quarter was a loss, we believe we're taking the necessary steps to deliver improvement in the second quarter, and even greater improvement in the second half of 2016.

The new U.S. organizational structure is enabling us to make changes faster than in the prior structure. We've added more supply chain and continuous process improvement expertise through new hires and intensified focus on helping our branches, and branch managers serve customers more efficiently.

Part of the delay in the profit improvement is the need to add back resources into the branches to focus on core processes, improved revenue capture and manage change. We continue to execute the roll-out of the one-person vehicles and are on track to introduce at least 325 by the end of the second quarter and 460 by the end of the year.

Our route logistics optimization project is on track to reach 40% of all routes by the middle of this year, and 60% by the end of the year. We're taking aggressive actions to reduce our fleet costs through improved fleet management and increased investment in new vehicles instead of retrofitting existing vehicles. We're taking steps to reduce employee turnover and reduce safety and security cost. The expected results of these actions gives us confidence in our revised forecast, which is for profitability in the second quarter, and significantly higher profits in the second half of the year, resulting in full-year profit between \$15 million and \$25 million.

Profits in Mexico declined due mainly to a difficult comparison with year-ago results, which included a gain related to a change in employee benefits. Excluding the impact of this change, Mexico profits were roughly flat versus last year, as higher volumes were offset by timing of fleet expenses and wage increases that took effect late in 2015.

Organic revenue growth in Mexico was 5%, thanks to the volume growth in retail markets. We continue to be encouraged by growth in the retail sector. And given the positive impact of cost actions taken in 2015 and the strong pipeline of productivity projects, Mexico remains on track to achieve its targeted margin rate of 10% in 2016.

France, Brazil and Canada round out our largest five markets. Our team in France continues to perform well under challenging conditions, converting 1% organic revenue growth into 10% organic profit growth, despite operating in a highly competitive, slow growth macro environment. For the year, we expect solid profit growth on flat revenue as we control cost and execute our service offering transformation in France.

Our team in Brazil continues to perform extremely well in a difficult environment, delivering 34% organic profit growth on 12% organic revenue growth. The strong fourth quarter of last year provided momentum entering 2016 and the successful pricing execution helps Brazil deliver a strong first quarter result.

The team continues to execute productivity actions and cost controls that positions them well for the difficult environment they're competing in. We have cautious optimism about the rest of the year in Brazil. Despite facing many macroeconomic headwinds, we're confident our team is up to the challenge. It also helps that the Brazilian real has strengthened by about 12% thus far during 2016, especially considering our Brazilian profits have historically – have been historically strong in the second half of the year.

In Canada, organic revenue and profits improved in the first quarter. We expect significant improvement in second half profits from volume gains and productivity actions already taken.

Even with the negative impact of the strong dollar, along with volume pressure in our Global Services Unit, the steady performance of our Global Markets Unit continued into the first quarter. The combined operating margin rate of the 35 countries that comprise this unit exceeded 14%, up 170 basis points over the year -ago quarter. Most of the improvement was driven by strong results in Argentina and Chile.

Revenue and profits in the EMEA region declined versus last year due to results in Global Services and Ireland, which we are in the process of exiting, and have been removed from our non-GAAP results effective March 1. The impact of reduced shipments for gold, banknotes and diamond and jewelry is reflected in our European results. Despite operating in a difficult macro environment, this region maintained solid margins at 7.2%.

The Latin America region delivered strong organic revenue growth and substantially higher margins. Most of the organic revenue growth and more than half of the first quarter profits in Latin America were driven by Argentina. Results in Chile also improved as we are realizing the benefits of restructuring actions taken in the past few years.

Finally, while profits in Asia were flat due to slower volumes in Global Services, this region continues to deliver strong profits on a consistent basis.

We have not changed our 2016 EPS outlook of \$2.00 per share to \$2.20 per share, but we have changed how we get there. On the revenue side, we increased our guidance to \$2.9 billion which reflects our expectation of a slightly lower currency impact versus our assumptions in February. The improvement is primarily the Brazilian real and the euro.

Our guidance of 5% organic growth has not changed. As Tom noted, we reduced our U.S. profit outlook by \$15 million, which puts 2016 year-over-year improvement in the U.S. in a range of between zero and \$10 million. We expect to offset the lower forecast in the U.S. with savings in corporate expenses and the improvements in the real and euro.

We still expect strong year-over-year organic improvements in Argentina, Mexico on our Payments business to help drive our full year margins to about 7%. The EPS guidance of \$2 per share to \$2.20 per share has not changed.

Year-to-date cash flow from operating activities on a non-GAAP basis decreased by \$8 million, due primarily to the decline in U.S. non-GAAP earnings. First quarter cash flow is usually the weakest of the year due to normal beginning of year payments such as annual bonuses and insurance premiums.

Capital expenditures and capital leases were up \$10 million versus last year because last year was an unusually low spend of only \$15 million as we were redesigning our vehicle in the U.S., and executing global tenders. Our full year estimate of \$120 million to \$130 million has not changed.

Net debt increased by \$58 million from the end of 2015 due primarily to the negative cash flow from operating activities and CapEx spend consistent with prior years.

That concludes my comments this morning. Denise, let's open it up for questions.

QUESTION AND ANSWER SECTION

Operator: Thank you. We will now begin the question-and-answer session. [Operator Instructions] And our first question will come from Jamie Clement of Macquarie. Please, go ahead. Jamie Clement Macquarie Capital (USA), Inc. Tom, Joe and Ed, good morning. Edward A. Cunningham VP-Investor Relations & Corporate Communications Morning. Joseph W. Dziedzic Chief Financial Officer & Executive Vice President Good morning. Thomas C. Schievelbein Chairman, President & Chief Executive Officer Morning. Jamie Clement Macquarie Capital (USA), Inc. Tom, if I could askyou a question, I think it's on a lot of people's minds at this point in time, the annual meeting almost upon us... Thomas C. Schievelbein Chairman, President & Chief Executive Officer

Q1 2016 Earnings Call

Jamie Clement

Macquarie Capital (USA), Inc.

And I think the way the press release read a couple of months ago was that, that would mark your retirement date. If we don't have an announcement of a new full-time CEO in the next couple of days, will you be sticking around or you're going to start enjoying your retirement?

Thomas C. Schievelbein

Chairman, President & Chief Executive Officer

Well, the Governance Committee, the Nominating Committee of the board has been reviewing candidates, and they're both from internal and external. And as soon as they have something to announce, we'll be announcing it. My retirement becomes effective as of the Annual Meeting.

Jamie Clement

Macquarie Capital (USA), Inc.

Okay. Okay. And then just sort of a different part of a leadership question, and obviously this is also – relates to the U.S. full-year guidance reduction assumption. I believe, Christian, left in January. Who exactly is running the U.S. right now?

Thomas C. Schievelbein

Chairman, President & Chief Executive Officer

So Mike Beech has taken that responsibility. He had the five markets. He also now has taken the additional responsibility until we find who we think is the right permanent manager. But Mike has that responsibility.

Jamie Clement

Macquarie Capital (USA), Inc.

Okay.

Thomas C. Schievelbein

Chairman, President & Chief Executive Officer

And Mike has indeed moved to Dallas to do that.

Jamie Clement

Macquarie Capital (USA), Inc.

Okay. Okay. Well, that's encouraging. I appreciate that.

Thomas C. Schievelbein

Chairman, President & Chief Executive Officer

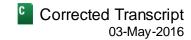
And I think that's going to make a big difference. Obviously, time will tell, but I do believe that it will make a big difference in the performance of the U.S.

Jamie Clement

Macquarie Capital (USA), Inc.

Sure. Okay. Well, thank you for that. And Joe, if I could move on to you. I know you all don't make a habit of guiding quarterly formally, but I know heading from – historically heading from 1Q to 2Q sometimes you've

Q1 2016 Earnings Call



helped us out a little bit, because there's always that phenomenon of wage increases, particularly down in Latin America, sometimes preceding what you can get on the revenue line.

So with all the puts and takes here, would you expect earnings and margin in the second quarter maybe be slightly down compared to first quarter, before the positives in the back half in Latin America kick in and before the real good numbers in the U.S. start to kick in?

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President

A

You're absolutely right. Our historical pattern is second quarter is typically down from first quarter. The one mitigating factor on that would be, we do expect profitability in the U.S. in the second quarter after losing to in the first quarter. So that will help to mitigate some of that historical trend. But I don't see any reason that, that broad trend will change.

Jamie Clement

Macquarie Capital (USA), Inc.

Okay. I appreciate it. And obviously I mean, we got to look at year-over-year, and the second quarter is still not the easiest comp in the world in the U.S., right?

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President

Correct. On the year-over-year basis, that is absolutely true. The second half of the year, the U.S. comps become much easier for sure. But looking at first quarter to second quarter, we should see improvement in the U.S. to profitability, which will help us quarter-to-quarter.

Jamie Clement

Macquarie Capital (USA), Inc.



Okay. Thank you all. I'll jump back in the queue. Thank you.

Operator: The next question will come from Ashish Sinha of Gabelli. Please go ahead.

Ashish Sinha

Gabelli Securities International UK Ltd.

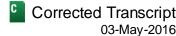


Hi. Thanks for taking my questions. I just wanted to drill a little bit on the U.S. So starting with the market, could you please talk about the market growth dynamics, volumes and the pricing environment, and specifically your pipeline? This morning one of your competitors talked about 5% to 10% organic growth for the U.S. And they've been winning market share, according to them.

Now, we know that they've won one large contract. And if we ex out that one large contract, how different is your organic growth versus them? And then on U.S. margins, a couple of quarters ago you talked about having to hire temps to meet service quality levels, which had impacted margins. And then we were told to expect margins to come back as you maintained those service levels whilst right-sizing the operations.

Now clearly, first quarter margins have taken a step back. So my question is, are those service-quality levels still suffering? And beyond 2016, how should we be thinking about the long-term margin potential for the U.S.? And lastly on corporate costs, so \$5 million to \$10 million - you're talking about your guidance being better by \$5

Q1 2016 Earnings Call



million to \$10 million versus earlier. Is the savings entirely due to currency? And going forward, how should we be thinking about corporate costs either as an absolute number or as a percentage of sales? Thank you.

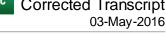
Thomas C. Schievelbein

Chairman, President & Chief Executive Officer

Joe?

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President



Our view of the market in the U.S. from a volume perspective has not changed. We reported in the first quarter negative 3%. Year-over-year there is about 1% unfavorable impact due to fuel surcharges. The competitor reported very strong organic growth that referenced taking market share. Other than the one contract that we talked about in the middle of 2014 that transitioned to that customer, or that competitor largely by the middle of 2015 had fully transitioned. We have not lost market share to that competitor. So if they're gaining share, it's not coming out of our portfolio of business. And our view is that the U.S. market is not growing at that rate.

When we look at the other competitors' published results, we do see a dramatic decline in their organic revenues. So I think we can deduce where the market share growth for that other competitor that discussed their results vesterday and today came from.

We feel we've got a very good pipeline of growth opportunities in the U.S. from differentiated service offerings that we are working on, and we hope to see the impact of that in our results very soon. Addressing your question about service levels in the U.S., we did make change - significant changes in the second half of last year. We made more changes in the first quarter of this year, and we continue to add back some resources in the branches in the U.S. to continue to improve our service levels. We have made dramatic improvement and feel that we are performing at a very competitive level relative to our competitors from a service level perspective. What we have to do now has become far more efficient than what we're doing.

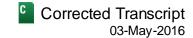
The resources that we've added back into the branches is going to help us better manage our core processes, help us manage the change that we're working on with the various projects that we've talked about, whether it's the route optimization project or the one-person vehicle or some of the other continuous process improvement projects we've talked about, a.m. and p.m time, are examples of them.

These resources are going to help us better execute those changes in the branches, they're also going to better help us – help us better realize the benefits of the billing system implementation where we had hoped to reduce revenue leakage is the one of the key paybacks for that project. So the resources we're putting in place, we expect to help us to realize improvement in revenue leakage.

So as we look at the first quarter results in the U.S., clearly it was in line with what we expected in terms of not much improvement. It got a little worse than last year. We have confidence in the changes we're making. We think it's going to be another quarter or two before we see meaningful improvement. But we believe the actions we're taking are the right actions in the U.S.

With respect to corporate expenses, the savings that we're generating this year, they're real tangible sa vings that we would expect to continue. We have said, all along, we expect to continue focusing on corporate expenses and nominally reducing the amount of corporate expenses in the business. The corporate expenses is made up of several different things. There is some global management oversight. There is some SG&A. There's the public company costs. But there are also corporate specific, corporate-funded projects that we're implementing to try to

Q1 2016 Earnings Call



help the countries. As those projects start to wind down, we'll see a reduction in those costs. And we will continue to focus on reducing the SG&A, the global oversight and public company costs and corporate expenses. We have not provided specific guidance on the amount of reduction to expect. But it's very much in our sights to continue to reduce corporate expenses. Did I miss any of your questions, Ashish?

Ashish Sinha

Gabelli Securities International UK Ltd.

No. That's it. Very helpful. Thank you.

Operator: The next question will come from Brian Ruttenbur of BB&T. Please go ahead.

Brian William Ruttenbur

BB&T Securities LLC

Yeah. Thankyou very much. A couple of questions. Let me first start-off with Mexico and switch countries on you. Ex the one-time employee benefit, what would the profit margin be – would have been in the quarter?

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President

А

The one-time benefit was last year, so it's really a year-over-year comp. So the first quarter margins that you have already exclude that benefit. Last year, if you look at our quarter splits, and we talked about last year in the first quarter, we changed the benefit plans for our employees. We gave them the option of selecting to change or stick with the prior plan, and everyone chose to switch. And that created a gain for us within the quarter that did not repeat on a year-over-year basis. So the margin rates you see are the current first quarter rates.

Brian William Ruttenbur

BB&T Securities LLC

Q

Okay. I'm sorry, let me restate. What were the margins last year ex that one-time benefit? I'm trying to get a year-over-year comparison, and I misstated.

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President

 \nearrow

Yeah. We didn't disclose the exact value of that, but the margin rates are pretty consistent year-over-year, excluding that one item.

Brian William Ruttenbur

BB&T Securities LLC

Okay. And then in the U.S., one-man fleet, you mentioned what you're going to be at in the end of the third quarter, and yourgoals for the year, where are you now?

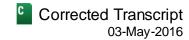
Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President

 \triangle

We're on track with hitting our mid-year targets that we provided, and we're very comfortable with our trajectory to hit our year-end targets.

Q1 2016 Earnings Call



Brian William Ruttenbur

BB&T Securities LLC

Okay. And I'm still not clear on the stumbling block in the U.S. It sounds like, and I'll summarize, that the changes that you're making haven't really taken hold yet, but you anticipate them to take hold in the second half of the year. Is that the summary?

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President

We are getting traction with the actions we're taking. We're not seeing that in the output measures yet. We expect it to be about a quarter later than we had anticipated.

Brian William Ruttenbur

BB&T Securities LLC

Great. Thank you very much.

Operator: The next question will come from Jeff Kessler of Imperial Capital. Please go ahead.

Jeffrey Ted Kessler

Imperial Capital LLC

Thank you. Hi, Tom. Hi, Joe. Hi, Ed. Question on inflation impact on your revenues down in South America, particularly Argentina, a little less so, Brazil. To what extent are your revenues helped by the Argentine peso and the real inflating? Or the economy inflating, I should say? And how sustain —you're not an economist, but how sustainable do you think that is?

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President

I believe as long as inflation rates remain where they are, we will be able to recover the inflation through price increases. It's been a very consistent, historical pattern in Latin America. The industry has been able to do that, and I believe, we'll be able to continue to do that. There's no question, particularly in Argentina, that a substantial piece of our revenue growth was inflation. Last year, we did have physical volume growth in Argentina. We expect to see continued physical volume growth in Argentina as well as recovery in the inflation.

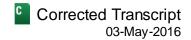
Brazil did an excellent job of completing their price increases late last year that gave them a good start entering into 2016. They actually surprisingly saw better volume than we were anticipating. That gives us cautious optimism in Brazil, but the Brazilian team has also taken necessary cost actions, and they have a strong pipeline of productivity that's helping them and gives us cautious optimism for the year. The wild card in Brazil is simply the geopolitical environment and what happens to their economy if there is a change in the Preside nt's role.

Jeffrey Ted Kessler

Imperial Capital LLC

I just wanted to follow-up on Brazil, because it is – you see, this is – it's an interesting comparison that you're actually doing. You're doing well in Brazil, whereas your competition from what I c an discern, and looking at both private and public companies now, they are not doing well. So it's kind of – well I know we're all focused on the U.S. here, I'm trying to find out what are you doing down in Latin America that's taking share from your competition? Can any of that be translated in terms of operational efficiencies? What you're doing – learning curve up up to the United States?

Q1 2016 Earnings Call



Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President

A

Fair question. We have a strong management team in Brazil that continues to take the necessary actions to deliver the profit improvement. They've managed through the difficult environment very effectively. I think philosophically there are clearly some learnings that can be transferred across lots of countries, and Brazil is an example of dealing with a very difficult environment very effectively and capitalizing on the difficult environment.

Thomas C. Schievelbein

Chairman. President & Chief Executive Officer



And from a strategic – this is Tom, strategic perspective, Brazil is one of the countries that reports to Mike Beech, and so the top five do, and that's the whole reason for that alignment is so that, we can take the best from each of those countries and transition it, move it to the other places where it can be helpful.

Jeffrey Ted Kessler

Imperial Capital LLC



Okay. One final question. With regard to corporate costs, one of the things that this company has been in the process or has attempted to do is take a look at what types of corporate costs can be centralized and what costs have to remain out at the international branches. At what stage are you in getting to that point at which you can take – you can actually begin to get, let's say, what you call the outputs from reducing international corporate costs for what you can centralize, and rationalizing what you have to out in the field.

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President



We're working to find the happy equilibrium of that point.

Jeffrey Ted Kessler

Imperial Capital LLC

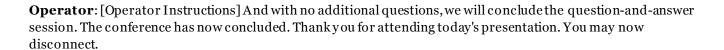


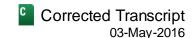
Okay. That's my last question, Joe.

Joseph W. Dziedzic

Chief Financial Officer & Executive Vice President

Thank you, Jeff.





Disclaimer

The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information. This information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published sol ely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet Calistreet, LLC AND ITS LICENSORS, BUSINESS ASSOCIATES AND SUPPLIERS DISCLAIM ALL WARRANTIES WITH RESPECT TO THE SAME, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER FACTSET CALLSTREET, LLC NOR ITS OFFICERS, MEMBERS, DIRECTORS, PARTNERS, AFFILIATES, BUSINESS ASSOCIATES, LICENSORS OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, GOODWILL, WORK STOPPAGE, SECURITY BREACHES, VIRUSES, COMPUTER FAILURE OR MALFUNCTION, USE, DATA OR OTHER INTANGIBLE LOSSES OR COMMERCIAL DAMAGES, EVEN IF ANY OF SUCH PARTIES IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES, ARISING UNDER OR IN CONNECTION WITH THE INFORMATION PROVIDED HEREIN OR ANY OTHER SUBJECT MATTER HEREOF.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2016 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.