
MANAGEMENT DISCUSSION SECTION

Operator: Please standby. Welcome to the Chindex International Second Quarter Fiscal 2010 Conference Call. This call is being recorded. I would now like to turn the call over to your host, Roberta Lipson, the CEO; and Larry Pemble, the CFO of Chindex. Please go ahead.

Roberta Lipson, Chief Executive Officer and President

Good morning. I would like to welcome you all to our conference call to discuss Chindex International's second quarter and first half results for the fiscal year 2010. As in the past, we have prerecorded our initial comments, which will be followed by a live Q&A session. Joining me today on the call is Larry Pemble, our CFO.

Before we proceed with the summary of operating results for the period and an update on recent events, I'll ask Larry to read the Safe Harbor statement. I'll make some brief comments and then Larry will review the quarterly financial results and our outlook for the year. I'll then comment on current initiatives and the business environment and then we will turn to Q&A.

Larry, will you please proceed with the Safe Harbor statement?

Lawrence Pemble, Executive Vice President and Chief Financial Officer

Yes, thank you, Roberta, and good morning everyone. Statements made in this conference call relating to plans, strategies, objectives, economic performance and trends and other statements that are not descriptions of historical facts, may be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 as amended, the Securities Act, and Section 21E of the Securities Exchange Act of 1934 as amended, the Exchange Act.

Forward-looking information is inherently subject to risks and uncertainties and actual results could differ materially from those currently anticipated due to a number of factors which include, but are not limited to, the factors set forth in documents filed by us with the Securities and Exchange Commission from time-to-time, including without limitation, our Annual Report on Form 10-K and interim reports on Form 10-Q.

Forward-looking statements may be identified by such terms as may, will, should, could, expects, plans, intend, anticipates, believes, estimates, predicts, forecasts, potential, or continue or similar terms or the negative of these terms. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. We have no obligation to update these forward-looking statements.

Roberta Lipson, Chief Executive Officer and President

Thanks, Larry. We announced our results for the second quarter and first half of fiscal 2010 in a press release this morning, which included our income statement, balance sheet and divisional results for the quarter and six months period. We will use this call to summarize our operational results and to take some of your questions.

For the first half of fiscal 2010, revenue increased 19% to \$83.5 million. Operating income increased substantially to \$6.7 million, and our net income was 3.8 million or \$0.24 per diluted share. For the second quarter revenue was flat on a year-on-year basis at \$38.1 million. Our

operating income was 1.4 million, and our net income was approximately \$538,000 or \$0.03 per diluted share. Results were roughly in line with our expectations.

We entered Q2 of an exceptionally strong first quarter and our second fiscal quarter is typically our weakest. We have some short-term disruption in both divisions, but also we are on track for continued double-digit growth this year, and our long-term outlook remains exciting, as the demand for premium care and high-end medical equipment in China should continue to grow for many years to come.

In the Healthcare Services division, revenue increased 10% and our operating expenses increased only 4% on a year-over-year basis. We were pleased to see patient volumes increase across our network and operating expenses normalize versus our growth rate, and as a percentage of revenue. There was some construction-related disruption in the Beijing United Family Hospital, as we moved service offerings such as pediatrics to new areas to make way for our expanded facility.

We could see patient volumes suffer in the near-term until we unveil the new facility next year, but this should be well worth the wait. We are doubling the number of patient beds adding for state-of-the-art operating rooms and adding several new services, including neurosurgery, cardiovascular care, as well as expanding our orthopedics sports medicine and infertility departments. While we focus on our Beijing United expansion, we have decided to push out the formal opening of the New Hope facility to spring, but we continue to ramp up our oncology efforts, and we have already witnessed increasing patient volumes in this area.

At our Guangzhou facilities, we continue to drive increasing patient revenues. The new joint venture hospital is progressing well through the design and construction approval stage, and we believe there is the possibility of augmenting the space we have here in the future. As our business in the Shanghai hospital continues to grow, we are assessing new clinical sites in Pudong.

Overall, our vision remains the same, we are confident in our value proposition to provide premium quality healthcare in China, and we are committed to rolling out our United Family Business model in existing cities as well as in second tier cities overtime.

In the Medical Products division, second quarter revenue declined 10% year-over-year to 17.1 million. We have said consistently that quarter-to-quarter results for this division can vary dramatically due to timing of shipments. This quarter was no exception. The order cycle for robotic surgical systems are currently delayed as a result of the Chinese government's review of import approvals for high value capital medical equipment known as Class A devices.

The Ministry of Health reviews Class A expenditure in public hospitals twice a year, and we are currently awaiting approvals for additional daVinci sale. The sequential revenue decline from the first quarter of the fiscal year when we reported \$23 million of revenue with two daVinci unit sale essentially reflects this delay.

I want to emphasize that the sale of two units would put us at our expected run rate for the quarter, and importantly the current review of funding for daVinci is not related to less demand. If anything the very enthusiastic response and the velocity of applications for purchase came as quite a surprise for the authorities. During the period that the daVinci was under SFDA review, Chindex carried out a vigorous pre-marketing program and educated the market on the benefits of robotic surgery.

Within months of receiving the SFDA license, pent-up demand resulted in several sales at a rate much faster than previously seen with the exception and adoption of such new and revolutionary equipment.

Generally, with new technologies and modalities, the authorities prefer to see a few successful installations in the more prestigious institutions before gradually loosening restriction. Additionally, in an environment that is very focused on healthcare reform and decreasing healthcare costs. It is expected that the authorities would take the review of this high value and in-demand equipment very seriously.

Outside of this, we continue to expand medical product sales and our diversified product offerings, as well as from continued growth from government-backed financing programs. These efforts should fuel enhanced performance of the division over the long-term.

I'll now turn the call back to Larry to review the financial results for the quarter.

Lawrence Pemble, Executive Vice President and Chief Financial Officer

Thanks Roberta. Our 10-Q will be filed today and you can also find a detailed overview of our financials in our earnings press release. So I'm going to point out some of the key highlights. In the Healthcare Services division, revenue was 21 million, an increase of 10% over the prior year quarter, and the division reported income from operations of 2.3 million. Please note that in the prior year period, we experienced higher than normal operating expenses related to JCI accreditation, and the year-over-year comparison reflects this.

Our operating expenses also reflect significant cost control in Q2, and we were able to drive significant operating income in the quarter versus the prior year period. In the Medical Products division, revenue decreased 10% to 17.1 million from 19 million in the prior year period. We did not realize any sales of robotic surgical systems during the quarter, and sales of diagnostic ultrasound, women's health imaging, clinical chemistry and cosmetic laser system products increased at lower than expected rates.

Gross margin in this division was 28%, and was in line with historical averages. The division reported a loss from operations in the quarter of 1.5 million. Our results include development and start-up expenses in our hospital division. This quarter, they were 313,000 or approximately \$0.02 per diluted share, and we recognized approximately 852,000 of non-cash stock compensation expense in the second quarter, or approximately \$0.05 per diluted share.

As of September 30, 2009, our unrestricted cash, cash equivalents, and investments were 72.4 million, which included 16.2 million in cash and equivalents, and 55.5 million in current investments. I also wanted to point out improvement in our accounts receivable this quarter, which declined to 41.7 million from 46.8 million at the end of March. Because of our progress in collections by September 30, we generated positive operating cash flow in the period.

We also have provided our six month financial result since we believe they highlight our progress in the first half versus this time last year. Specifically, revenue increased 19% to 83.5 million from 70.2 million. Operating income increased to 6.7 million from 2.4 million, and net income increased to 3.8 million from 700,000 in the prior year period. I'd like to point out that in the six month mark last year, we had generated 41% of our full-year revenue, and we feel we're tracking in line with our progress at this time last year.

Which leads me to guidance for the remainder of the year. As you think about our performance through fiscal 2010, I would keep in mind a few key points. For the Healthcare Services division, we expect that patient volumes will continue to increase across our network, particularly in the Guangzhou clinic, as we scale that location. The build-out of our BJU facility, while greatly expanding capacity for the long run, should dampen our annual performance in the ramp-up period.

As such, we anticipate that we can reach the low end of our range to get us to mid-teens annual revenue growth for the Healthcare Services division for the fiscal year.

For the Medical Products division, our order flow expectations for the daVinci system remains one to two units on average per quarter over time. As Roberta said, the Class A regulatory review does not hinder demand for high-end medical devices, it merely creates short-term delays in orders and shipments. We remain comfortable with the low-end of our annualized growth expectation for this division of low teens top line growth. As always, our quarterly performance is tied to the timing of shipments with the knowledge that the normal procurement cycle is weighted towards the back half of the year. So we prefer to focus on yearly performance versus near-term quarterly performance. As we have stated consistently, we believe that the market for our products is increasingly robust, and we are well positioned to continue a sustainable growth trajectory over time.

That concludes my comments on the finance side. I'll now turn the call back to Roberta for a discussion of operating results and our outlook for the remainder of fiscal year 2010.

Roberta Lipson, Chief Executive Officer and President

Thanks, Larry. Before we go to Q&A, I'd like to emphasize that healthcare reform continues to be an important issue here in China. We believe that the government and media focus on the healthcare reform increases consumer awareness about the quality of healthcare available from both the public and private sector. And while the government is investing heavily on basic services in the public sector, there is a growing support on the policy end from the government in promoting premium services from the private sector. We're also seeing signs from the government of increasing willingness to support our Healthcare Services investments with attractive preferential policies.

Additionally, we continue to believe that the government stimulus plan is a long-term positive for the healthcare sector, and should drive increased spending on medical products and services over time. These trends create a more compelling market opportunity for Chindex all around.

That concludes the prerecorded portion of our call, and we'll now open the floor for live Q&A.

— QUESTION AND ANSWER SECTION

Operator: [Operator Instructions]. We'll take our first question from Anthony Petrone from Maxim Group.

<Q – Anthony Petrone>: Thank you. Good morning, everyone.

<A – Lawrence Pemble>: Anthony...

<A – Roberta Lipson>: Good morning, Anthony.

<Q – Anthony Petrone>: Good morning. I want to begin with Medical Products division, and thank you, Roberta, for reviewing some of the changes there. But could we get into that a little bit more deeply, I just want to understand actually in terms of timing, what these new policies mean in terms of say a sales cycle? And how would you classify the sales cycle extension?

<A – Roberta Lipson>: Well, as far as – as far as has been announced to-date, the review meetings for Class A equipment are supposed to happen at least twice a year. And needless to say, that puts a minimum length of time on the sales cycle. It at least increases the sales cycle to that kind of frequency. I think what needs to be emphasized is these policies, is just a – something that does increase the sales cycle time a bit, but doesn't necessarily reduce the demand or the volume. And sometimes, in fact, there's a physiological effect that when something is harder to get, it's even more special, and it might simulate demand over time.

<Q – Anthony Petrone>: You also mentioned the tendering process. So I'm just wondering how some of these upfront policies of importing the devices are impacting that actual tendering process among hospitals?

<A – Roberta Lipson>: Well, the tendering process isn't new, not for our products. Our products have always had mandatory tendering requirements, and it's something we're quite used to. And even in the case where there's only one supplier, hospitals need to go through the motions of actual formal tendering, which may sound silly, but that's just what the rule is. But that's something we're quite used to. There are new central purchase requirements in the pharmaceutical field, central tendering requirements in the pharmaceutical field and high price medical consumable field, which seems to be really getting the industry quite concerned because that's a system that's evolving into all kinds of new permutations right now.

But in medical capital equipment of a certain value, the tendering process is not new. It's always been there, it's always existed. Maybe the other thing you could be referring to is provincial tendering for stimulus money and for healthcare reform money. And what you've probably been hearing from other domestic manufacturers and others is that that spending seems to be rolling out a little bit more slowly than they originally expected, and that in fact is true. Most likely, because the early stimulus funds are going toward capacity building, and there's huge commitment to building new facilities. Now, from the time that you decide that you're going to build a new facility to the time that it's built, and to the time that then it starts being equipped with medical equipment, there's really quite a lag. So what you may have been hearing in the market is that government tendering for healthcare reform and stimulus package, especially for equipping new facilities, is rolling out a little bit more slowly than people expected.

<Q – Anthony Petrone>: That's very helpful. If I could follow-up just on the guidance for Medical Products division, if we're looking for low-teens growth, it suggests some kind of certainly sequential improvement from this quarter. How evenly distributed would you say, do you see more variation for the back-end of the year or is the pipeline full enough with, say, contribution from Biotest, Vital Images in your existing distribution agreements, where you feel comfortable that we should see more of an evenly distributed performance in the back half of the year?

<A – Roberta Lipson>: Well...

<A – Lawrence Pemble>: Let me step-in on that one. If you look back over our last fiscal year, we had – I think that that might give some – the quarterly distribution of our annual income varied greatly over the course of our last fiscal year from 14% in one quarter to 43% in another quarter. And so, we talk all the time about timing of revenues and how that impacts the division. So I think what we're – obviously, we expect as we saw last year, a more heavily weighted performance in the second half of the year, how that distributes over the final two quarters of the year is, I don't think we can get into – I don't think we have any expectation of how that might play out.

<Q – Anthony Petrone>: Sure. One follow-up on Healthcare Services, and I'll hop back in queue here. How much was a factor in the quarter was patient physicals at the Guangzhou clinic? I know you secured that license. And did you secure the license for vaccinations in the quarter?

<A – Roberta Lipson>: Yes and no.

<Q – Anthony Petrone>: Okay.

<A – Roberta Lipson>: Yeah. The vaccination license is still forthcoming, but we've seen some really great progress, and I really expect it to be forthcoming very shortly. It's something that progresses every day. And so – no, it hasn't come yet, but yes, it should be coming very, very shortly. And we expect that will make a very big difference in the numbers, although the numbers are growing nicely, considering we don't have that license yet.

<Q – Anthony Petrone>: And patient physicals were still a factor in the quarter?

<A – Roberta Lipson>: For sure. Yeah.

<Q – Anthony Petrone>: Okay.

<A – Roberta Lipson>: Yeah. I mean, patient physicals continued to grow from last quarter, but they will grow by a much great factor as soon as the vaccination license is in hand.

<Q – Anthony Petrone>: Thank you so much.

Operator: [Operator Instructions]. And we'll go ahead and take Howard Sterling with Hudson Spec

<Q>: Hi, Roberta. How are you?

<A – Roberta Lipson>: Good, Howard. Hi.

<Q>: I'm calling from Israel. So I came in a little late, and if this has been answered, please forgive me. As you might think I would ask, how is it going on the oncology focus?

<A – Roberta Lipson>: Well, the facility, we expect to be open some time right around Spring Festival Chinese New Year in February timeframe. We're really excited about the prospects. The new facility not being open yet, our Cancer Practice at the hospital is already growing. And so we're still feeling really enthusiastic about it, getting great feedback from everybody we speak to in the government about it, and patients are beginning to respond. Although the real wow factor of the new facility is still a few months off, cancer patients are starting by word-of-mouth to come to the hospital.

<Q>: And your U.S. oncologist is in place?

<A – Roberta Lipson>: Yeah, he has been – I think about nine months now. And yeah – and he's doing a great job, and really making very deep connections with the Chinese cancer community, and we've identified a lot of the extra talent we hope to bring on, and yeah, it's going great.

<Q>: Are you in China or are you in U.S.?

<A – Roberta Lipson>: I'm in Shanghai today.

<Q>: Very good. Okay. Thank you very much, and I think that's a big and exciting development.

<A – Roberta Lipson>: Thank you, nice to talk to you Howard.

Operator: We'll take our next question from Mark Zinski with 21st Century Equities.

<Q – Mark Zinski>: Yeah, good morning, everyone.

<A – Roberta Lipson>: Hello, Mark.

<Q – Mark Zinski>: Just wanted to touch first on the Medical Products Division. It seems like the operating expenses for that division, I think were up about 20% year-over-year. I'm just wondering, if there are more fixed costs related to that segment? I'm just wondering why, with the sales declines, the costs didn't decline a little more in line?

<A – Lawrence Pemble>: Well, Mark, the, if you look at the – actually, if you – although costs were up, your observation is correct. If you look back at kind of the run rate of the total operating expense of the division over the last four quarters, we're up slightly, but not dramatically over the last period of time. So, yes, the majority of the expense in the division is essentially fixed. It's a – we're talking about people and sales channels. The issue is really the sales volume obviously drives the return of the business.

<Q – Mark Zinski>: Okay. And so, I think Roberta made a comment about the daVinci. If you had maintained the trend of two daVinci systems, would revenue have been somewhat flat sequentially than in that division?

<A – Lawrence Pemble>: Sequentially, it would have been, yeah, I mean, you can – we can do the math, we know what those – the unit sales price averages for those systems. So yeah, sequentially, it would have been...

<A – Roberta Lipson>: A slight growth.

<A – Lawrence Pemble>: Would have been a slight growth, but we – as I said, we are – as we did last year, one of the comments I made during the scripted part of the call was that, at this point last year we were at 41% of annualized revenue. So that just is indicative of the strength of the second half of the year, and we had a very dramatic second half of the year, as you know for in the MP, in the Medical Products division last year.

<Q – Mark Zinski>: Okay. And just in terms of trends, what's in the health insurance sector in China, have you seen any definitive movement in particular for private health insurance?

<A – Roberta Lipson>: Nothing startlingly new, we've seen the private health insurance companies sort of gearing up, chomping at the bid, probably coming out with certain kinds of conservative policies, and we continue to see that. But perhaps the only thing I can tell you that's new is that the government has been much more vocal about their support of development of private health products. And whereas I've – in fact, just in the last few days met with a major U.S. health insurance provider who was on their trip to talk to the CIRC about – about their

developments in China. And in the past, the CIRC would have – would have not been as positive and enthusiastic as they seem to be now about encouraging companies to come and to make their investment, making it – not making it look like a license would be impossible but rather encouraging.

<Q – Mark Zinski>: Your perception is that the regulatory environment or perspective, let's say, foreign based health insurance carriers will not be that less daunting at this point?

<A – Roberta Lipson>: Less daunting than it was before, for sure. I mean it's now just as the government has clearly written into the health reform policy that they will be encouraging private investment for certain tiers of healthcare services, they've also said that they will encourage private investment and commercial insurance. So there is a – there is a basis for those regulatory bodies to be less discouraging now.

<Q – Mark Zinski>: Okay. And then, Larry, just a couple of, I guess, housekeeping questions, as we say. What was CapEx for the quarter?

<A – Lawrence Pemble>: CapEx for the quarter was about 1.1 million.

<Q – Mark Zinski>: Okay. And then operating cash flow?

<A – Lawrence Pemble>: Operating cash flow was about four million.

<Q – Mark Zinski>: A quarter?

<A – Lawrence Pemble>: Correct.

<Q – Mark Zinski>: Okay.

<A – Lawrence Pemble>: Well year-to-date.

<Q – Mark Zinski>: Year-to-date?

<A – Lawrence Pemble>: Yeah, 4.2, actually 4.6 year-to-date.

<Q – Mark Zinski>: Okay. And how should we think about the tax rate going forward, was this kind of a one-time blip?

<A – Lawrence Pemble>: Well, we've had – if you go back over our interim reporting over the several quarters, you see that we have a – we do have fluctuations in our tax rate due to the legal entity status related to the division. And so, although it's a fairly complicated calculation to get where we are, basically we have entities that carry a full valuation allowance on their deferred assets. And so we cannot recognize benefit of losses. So we – and that's been a – although we expected that will be resolved as we go forward, and the Medical Products continues to show positive results. At the current time we still face this fluctuation phenomenon, when we have losses in entities where we can't reflect a benefit.

<Q – Mark Zinski>: Okay, great. That's it from me, thank you very much.

<A – Lawrence Pemble>: Thanks.

Operator: [Operator Instructions]. We will take our next question from Hongbo Lu with Piper Jaffray.

<Q – Hongbo Lu>: Yes, hi Roberta and Larry, how are you?

<A – Lawrence Pemble>: Hi, Hongbo.

<A – Roberta Lipson>: Good to hear, Hongbo.

<Q – Hongbo Lu>: Yeah, how are you? I have two questions, probably one is for Roberta, in terms of Class A equipment purchases twice a year review, Roberta, you just said, what time during the year would that be, is that rather fixed or pretty flexible? That's first question. The second question for Larry, if we back out daVinci sales, medical products sales from other products, how did that change between first quarter and second quarter in terms of year-over-year and what are the underlying reasons? Thank you so much.

<A – Lawrence Pemble>: Okay.

<A – Roberta Lipson>: In terms of the scheduling of the meetings, I suppose the official answer, it's supposed to be once in the spring and once in the fall. And the real answer is they held the meeting whenever they want.

<Q – Hongbo Lu>: Yeah.

<A – Lawrence Pemble>: Correct.

<Q – Hongbo Lu>: Thank you.

<A – Lawrence Pemble>: Right.

<A – Roberta Lipson>: Which means, I'm sorry, it also means that, I don't mean to be so flip, but it also means that it's possible to have supplementary meetings when enough people put pressure for them, so.

<Q – Hongbo Lu>: All right.

<A – Lawrence Pemble>: Right. And we have – I think what we're seeing in medical products this year is, although we have backing up the daVinci story, we actually see fairly substantial growth year-on-year in virtually all of our product categories: ultrasound, mammography, clinical chemistry, aesthetic lasers are all growing year-on-year. What we've seen is actually a kind of counterintuitive phenomenon, in that the rate of growth for imported devices in China has slowed recently. And last year the statistics showed that the rate of growth for imported devices increased more than 30%, and we see this annualized growth through the first seven months of the calendar year slowing to the mid-teens, and we think that this has a lot to do with oddly enough, some trepidation in the purchasing cycle as the stimulus and reform programs move forward, particularly for the high-end devices. We believe this is really a temporary kind of phenomenon. So what we can say is, as it relates to our results is that, what we've said is that the growth rates are not as high as we expected them to be year-to-date. And that we'd mentioned a couple of times that we normally have a much stronger second half of the year, we would expect that to continue in this fiscal year as well.

<Q – Hongbo Lu>: Okay, good. Larry, just two follow-up, the first quarter was expectation, right, 23 million?

<A – Lawrence Pemble>: No, I don't think it's exceptional. If you look at our run rate and the guidance that we've issued for a low teens improvement year-on-year, you do the math on that and that comes out to something in the neighborhood of 104 million. So in that, if you – then again if you just do the math on 104 million, the \$23 million a quarter is not exceptional. And so that's why we're

talking about, I think in the script, Roberta, mentioned that the addition of a couple of daVinci's in this current quarter would have been on our run rate on an annualized basis.

So that's, we always have these quarterly fluctuations that I mentioned to Anthony earlier in the call that we have significant quarter-to-quarter timing of revenue issues, and always have had, but so – but just to do the math on the concept of a run rate revenue, the mid 20 million revenue production would be the mathematical run rate on our current expectation for the division.

<Q – Hongbo Lu>: Okay. Thank you. I need to have a follow-up with you later offline. Thank you.

<A – Lawrence Pemble>: Okay, all right.

Operator: We'll take a follow-up question from Anthony Petrone from Maxim Group.

<Q – Anthony Petrone>: Thank you. Just in terms of New Hope clinic, you mentioned the delay there. Just in terms of the actual timing now, when are we looking for that facility to be up and running? And what has been the additional staffing in terms of oncology year-to-date?

<A – Roberta Lipson>: Hi. Well, as I mentioned, we expect to start seeing expectations there, assuming everything goes as planned right after Chinese year, which is February timeframe. And the reason that it's taking a bit longer is that, I think we underestimated a bit complexity of installing or building a building that can accommodate for any accelerator equipment that has go in there. It's the first linear accelerator that we're putting into one of our facilities, and it calls for certain structural construction issues that we haven't completely anticipated, but that's well underway and doing fine.

In terms of extra oncology staffing, well, Dr. Brooks is our only full-time medical oncologist, but we've already identified the radiation physicists to radiation oncologists, as well as some choices for the assistant medical oncologist that should be coming on within the next few months in advance of opening the facility. In addition, we've been training up extra oncology nurses who will be working in the facility.

<Q – Anthony Petrone>: So and far, just in terms on the cost side of the Healthcare division, some of the one-time development expenses, is that included in the 17.3, and if not what should we expect maybe that to sequentially go or through the back end of the year, as you begin to continue to staff up on oncology?

<A – Lawrence Pemble>: Well, I think we're – we will – just prior to the opening of the center itself, obviously we will have some additional staff as we normally do. So you'll see some significant uplift on G&A cost, on healthcare costs, right at that time prior to that. Most of the – although our current development – current quarter development costs are 313,000. It includes some non-capitalized expense running through the period for all development programs, including the New Hope Center, but up until the – up until shortly before the opening, we shouldn't see – it shouldn't see any significant cost here, uplift.

<Q – Anthony Petrone>: Thank you.

Operator: [Operator Instructions] And at this time there are no further questions in the queue. Thank you for your participation and have a great day.

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 solely 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. 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 CallStreet, 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 2009. 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.