THOMSON REUTERS STREETEVENTS

EDITED TRANSCRIPT

ADM - Archer Daniels Midland Co Conference Call to discuss the acquisition of WILD Flavors GmbH

EVENT DATE/TIME: JULY 07, 2014 / 01:00PM GMT

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

CORPORATE PARTICIPANTS

Case McGee *Archer Daniels Midland Company - VP of IR*

Pat Woertz *Archer Daniels Midland Company - Chairman and CEO*

Ray Young *Archer Daniels Midland Company - SVP and CFO*

Juan Luciano *Archer Daniels Midland Company - President and COO*

CONFERENCE CALL PARTICIPANTS

David Driscoll *Citigroup - Analyst*

Ann Duignan *JPMorgan Chase & Co. - Analyst*

Tim Tiberio *Miller Tabak - Analyst*

Vincent Andrews *Morgan Stanley - Analyst*

Robert Moskow *Credit Suisse - Analyst*

Michael Piken *Cleveland Research Company - Analyst*

Ken Zaslow *BMO Capital Markets - Analyst*

Diane Geissler *CLSA Limited - Analyst*

Farha Aslam *Stephens Inc. - Analyst*

Adam Samuelson *Goldman Sachs - Analyst*

PRESENTATION

Operator

Good morning and welcome to the Archer Daniels Midland Company conference call. All lines have been placed on a listen-only mode to prevent background noise. As a reminder this conference call is being recorded. I would now like to introduce your host for today's call, Mr. Case McGee, Vice President Investor Relations for Archer Daniels Midland Company. Mr. McGee, you may begin.

Case McGee ***- Archer Daniels Midland Company - VP of IR***

Thank you Melissa. Good morning and/or good afternoon everyone and welcome to today's call. Starting tomorrow a replay of today's call will be available at ADM.com.

For those following the presentation please turn to slide 2, the Company's Safe Harbor Statement which says that some of our statements reflect Management's current views and estimates of future economic circumstances, industry conditions, Company performance, and financial results. Some of the statements in this presentation also reflect Management's views of the parties' ability to consummate the transaction described in the presentation. These statements are based on many assumptions and factors that are subject to risk and uncertainties.

ADM has provided additional information in its reports on file with the SEC concerning assumptions and factors that could cause actual results to differ materially from those in this presentation. And you should carefully review the assumptions and factors in our SEC reports. To the extent permitted under applicable law, ADM assumes no obligation to update any forward-looking statements as a result of new information or future events.

On today's call our Chairman and Chief Executive Officer Pat Woertz will discuss our acquisition of WILD Flavors and our enhanced ability to serve customers' evolving food and beverage needs. She will be joined by Juan and Ray to take your questions.

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

We do want to restrict the discussion today to the WILD acquisition as we are now in our quiet period leading up to our Q2 earnings results on August 5. Please now turn to slide 3; I'll turn the call over to Pat.

Pat Woertz *- Archer Daniels Midland Company - Chairman and CEO*

Thank you, Case, and welcome everyone. We are extremely pleased to be announcing today that ADM is acquiring WILD Flavors, the world's leading provider of natural flavor systems to the food and beverage industry. It will be a growth engine for ADM. It will enhance our research, innovation, and marketing capability. It will accelerate our earnings growth. We think this is a highly strategic and highly complementary to our existing business. Rarely does an asset of this quality and this scale become available in the ingredients space.

Before we get to some of the specifics of the economics, I'd like to take a few minutes to talk about the key consumer and food industry trends that are driving this strategic opportunity in our business. I'll talk a little bit about how the this acquisition fits with our strategy to capitalize on those trends. I'll give you a quick snapshot of the WILD Flavors business and how it fits well within our business and I'll talk a little bit about the new business unit we will create to lead and grow this business and the opportunity we see ahead. And as Case said, Juan and Ray are here and we will all be happy to take your questions.

So first let me put this acquisition in context and review some of the global trends. If you turn to slide 4, we all know that consumers, both in developed and emerging markets, are demanding better and more varied diet. And that in turn is driving demand for specialty ingredients. Consumers want more protein, both from plant and animal sources. They want products that promote health and wellness. They want a greater use of natural ingredients. They want more convenience foods and more localization of flavors and more choice.

So we show you on this slide a number of examples. I just like to highlight of few. 62% of US consumers bought foods and drinks that promote health and wellness. 32% of global food and drinks that were launched last year used natural colors and natural flavors. So there is a significant market today for the specialty ingredients that deliver these attributes and this market is expected to grow.

If you turn to slide 5, you'll see that ADM is already a leading provider of specialty ingredients, serving food, beverage, personal care, health and wellness customers as they respond to these global trends. You'll see several of our brands noted on the chart. These are used in healthier snacks and nut bars, energy drinks, convenience foods, some with added proteins and others with added fiber.

Sometimes Juan talks about this as stealth nutrition. And our customers look to us to provide the ingredients that address three of the four food platforms. Now those food platforms are texture, so texture is whether a product is crunchy or crispy, moist or chewy. The second platform is function, these are ingredients that are used for special attributes. For example, emulsifiers that might keep a beverage smooth and creamy; keep it from separating.

The next platform is nutrition, vitamins, minerals, proteins, fiber and the last platform and the piece of the total package that we have not offered to date is taste. And taste is king. It remains the biggest driver of food and beverage buying decisions even more so than price. So with this acquisition of WILD flavors, we are adding taste to that platform and we will be able to offer a complete food system to our customers to help them formulate or enhance their product.

Turning to slide 6, that is why the WILD Flavors really fits the bill for us. They are a global leader in natural flavor systems. As you can see in their logo, they create great taste. So let me spend a minute here on some of the highlights of this fabulous company.

Ranked number one in global natural beverage ingredients, number one in flavor systems for global natural food and beverage ingredients markets. They offer customized hard to copy products with superior taste and natural colors. They are a world class innovator with very deep commercial expertise and the ability to take products from concept to market very rapidly.

They have a high growth customer base, more than 3,000 customers. It is a global Company with global reach; they are headquartered in Switzerland with 2,500 employees operating in 23 countries. Their state-of-the-art research and innovation centers -- there are 28 of them -- and have more than 400 scientist and application specialist. They are quite frankly a global think tank for produce innovation and application.

Their 2014 sales are expected to be greater than EUR1 billion, EBITDA in the mid-teens, and their sales reflect regional diversification, very good reach into higher growth markets. We believe this is a great company with a great team and tremendous ability to be a growth engine for ADM.

Now slide 7 gives you a very comprehensive -- it's actually a dense slide -- product portfolio of WILD Flavors. I encourage you to spend a little time perhaps later on this slide to appreciate the broad array of natural flavors, of extracts, colors, other ingredients, as well as juice concentrates that WILD Flavors sells either individually

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

or as flavor systems or as compounds. We also have another slide in the addendum that shows you how their system aligns to all beverage segments and a broad range of food segments as well.

Now turning to slide 8 let me show you just how well ADM and WILD Flavors fits together. Now WILD has been on our target list for growing our food and wellness business. We think it's the ideal addition. It's a very good cultural fit, raw materials fit, and a growth fit. Now we both focus on adding value to basic agricultural raw materials. And we are both looking to grow in growing markets.

We also have really strong distinctions that complement one another. We are a strong in food; they are stronger in beverages. We are strong in North America; they are strong in Europe. We work particularly well with the large CPG firms; they have very strong relationships with small and medium-sized companies and a lot of opportunity for growth. So we feel we have the right amount of similarity and the right amount of difference to create an exceptional opportunity. Again, just the right fit.

Let me turn to slide 9 and ask the question, so how then do we take this fit and together help our customers meet evolving consumer demand? So slide 9 illustrates a little bit of how together we are uniquely positioned to facilitate new product development and reformulation. You will see here that there is obviously a push in many markets for less sugar, less fat, less sodium.

Today ADM offers the fiber and protein and WILD Flavors offers the taste that can help customers make these reductions and still create very great tasting foods and beverages. So by acquiring WILD Flavors, we are supplementing our already growing specialty ingredients portfolio with world-class flavors, adding great taste, natural taste to ADM strength and nutrition, function and texture.

And by selling food systems complete collections of either blended or co-processed products, we will be able to leverage our combined ingredients portfolio, our combined processing, our technical know-how into very unique solutions that improve margins and perhaps spec in new products at the conceptual level. And you can see here that the wide range of categories these food systems will serve. Together we will offer a broad range of customers from largest to the smallest, some faster growing, some innovators, comprehensive systems-based solutions that serve those trends -- health and wellness, natural ingredients, convenience, location, and choice.

So slide 10, let me describe how we will structure and organize to be able to serve customers in this new way and capture this opportunity. I think this is very exciting. We will establish a new business unit. We will call it WILD Flavors and Specialty Ingredients. It will be a top flavors and specialty ingredients company from day one.

We estimate it will have revenue of about $2.5 billion. The new unit will include many of our ADM specialty ingredients. So that as we've just described we are able to efficiently go to market, go to customers with these complete food systems. The talent and expertise of the WILD Flavors team are critical. They are essential to this business model. We will retain key management and they will be part of the new unit's leadership.

We've also decided to form an advisory board for this business which Dr. Wild and WILD Flavors CEO Mike Ponder will join. We expect that both companies' products will see margins and growth rates accelerate as part of a systems approach with a broader customer base. We think the new business unit will have tremendous entree to these new segments that perhaps were more difficult for us to target separately. And the new business unit will be a great platform for bolt-on acquisitions going forward.

So turning to slide 11, this acquisition is very consistent with our strategy. I know you've seen this diagram many times; it illustrates our core model. What we are showing here are some of the recent investments we've made to balance and expand the size and reach of the model.

So this acquisition further balances and extends our value chain. It accelerates our efforts to expand our food and wellness business, supplementing the ingredients, also the other organic growth investments we've recently made including our Brazil protein complex, our soluble fiber expansions in China. It will help serve fast-growing end markets with stronger margins.

Now slide 12 let me highlight the synergies of these growth opportunities that we see. Overall we estimate synergies of EUR100 million by year three. They're about two-thirds revenue and one-third cost in cost avoidance synergies.

The opportunities will come from cross-selling opportunities, joint product and systems development, joint targeting of new markets. With our expanding research and innovation and development capability we will be able to maximize innovation and impact. And we will drive cost efficiencies as well by leveraging our origination, our logistics, our processing capability. We also see some opportunity in procurement and in vertical integration with some WILD Flavors raw materials, for example.

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Turning to slide 13, the acquisition meets our commitment to grow and diversify our earnings. As you saw in our press release, we will acquire WILD for EUR2.3 billion. It represents about 14 times 2015 estimated EBITDA. It's right in the range for a business like this.

It will be cash earnings accretive year one. It will provide attractive margins and revenue growth with what we believe is very low volatility. Our ROIC will meet our WACC rate of 8% by year three. And our medium term ROIC is estimated to be 10%. We can accomplish this while maintaining significant financial flexibility and we expect to close Q3, Q4.

Turning to slide 14, we will make this acquisition with our continued strong focus on returns. Is very important for us to continue that strong focus. We will fund it with a combination of debt and cash flow from operations. We will also reduce our 2014 capital expenditures to about $900 million. And we will continue our share buyback program with 18 million shares targeted by the end of the year. We believe our credit rating will be unaffected by this acquisition and we also continue to manage our portfolio for value, as you'll see some execution of our ongoing portfolio management noted on the chart.

So let me wrap up with slide 15 with a few thoughts about WILD Flavors' future. We know that one of the keys to success is to maintain and support the WILD Flavors culture. We have great respect for their team, their experience, their business. They've built a global reputation for quality. They are sought after partner for innovation, for insights from ideation through product development.

We are confident that we will be stronger and better together and very confident that together we have the experience and leadership and the commitment to customers to ensure WILD Flavors and specialty ingredients has a very successful, bright future. We look forward to a great launch of this business.

So with that, operator, if you could please open the lines for questions. Juan and Ray are here with me and we are happy to answer your questions.

QUESTION AND ANSWER

Operator

(Operator Instructions)

Your first question comes from the line of David Driscoll with Citi, your line is open.

David Driscoll - ***Citigroup - Analyst***

Thank you and good morning.

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Good morning David

David Driscoll - ***Citigroup - Analyst***

Good congratulations on the deal. Two questions for me, first you just released some of these multiple numbers that we -- that I would've done earlier this morning to get to the answer to this but Ray can you just tell me what a full years worth of accretion is and assuming this thing closes at the end of this year it would then be relevant for all of calendar 2015 what's the penny accretion that you expect from a transaction in calendar 2015 and then I have a second separate question.

Ray Young - ***Archer Daniels Midland Company - SVP and CFO***

Yes maybe will be good David maybe walk through some of the mechanics so that everyone is aligned in terms of how the numbers come together. As we indicated, WILD Flavors expect to have revenue of about EUR1 billion in 2014 and you've seen the growth rates of that company and revenues in the area of 8% to 10%. So you can assume in 2015 and you'll see that type of growth rate.

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

The EBITDA margins for this business are running around the mid-teens. And so when you execute arithmetic you can assume 2015 EBITDA in an area of EUR160 million to EUR165 million.

We are assuming synergies going to be phased over a three year period. Probably in the first year about 20% to 25% of the EUR100 million synergies would be that we would account for that in 2015.

You will get to some sort of number around EUR190 million of EBITDA before including the phase in synergies. We thought about D&A we're going to take over about EUR60 million of D&A.

And then in terms of amortization of intangibles, and we are still analyzing that, I say that would probably be in the neighborhood of EUR20 million to EUR30 million in terms of this additional amortization. So that will get you to a 2015 EBITDA roughly EUR100 million.

We do expect to finance his deal using operating cash flows as well is debt. Because our debt portfolio is very much a fixed rate portfolio right now just frankly due to all the good work that the team has done in terms of generating cash, we're going to put floating rate exposure into our portfolio in factions, so you should assume that we are going finance this transaction using floating-rate debt which as you know is pretty inexpensive for us right now. As a single A Company.

So when you kind of roll that number too and you assume a 30% tax rate we are thinking that in our after-tax amounts would probably be in the area of EUR60 million EUR65 million in that ballpark in terms of accretion. If you translate that to US dollars it be $80 to $90.

We think that in the first year, year one 2015 with phase in synergies would be in the area of $0.10 to $0.15 a share accretion. For this transaction. And this is a GAAP number here, so it fully reflects what we think the amortization would be.

When you look on it cash basis David as you can appreciate there's quite a bit of D&A going to WILD Flavors right now and on a GAAP cash flow basis we think the accretion would probably more the neighborhood of $0.20 to $0.25 per share.

David Driscoll - ***Citigroup - Analyst***

That was extremely thorough. Thank you for that, Pat the strategic question here is, is that over the years and I don't mean this disrespectfully, but I've always thought of ADM more kind of the bulk commodities and in not as a sciencey type organization that had you know 400 plus scientists, I don't think I've ever seen a slide from ADM talking about that. Can you talk about how this changes kind of the culture of ADM and just kind of why you're confident that you can meld this type of organization into the existing Archer Daniels as we know it?

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Yes I think it's a great question actually, I think you are spot on that we have been known often as a commodity business only. Now that's probably a misunderstanding. We have a strong both R&D effort, food scientist ingredients business as I tried to highlight will combine ours with there's.

Why I think this particular acquisition is such a good fit and as we have more recently I'd say in the past two to three even four years have expanded and thought about expanding downstream to the higher-margin, higher growth, more stable types of earnings because as you know the commodity business can have its ups and downs. It has its strengths for sure, but having more of the stability in this earnings growth profile has an opportunity for us to have a much larger piece of this business so we are going to set it up as our fourth business unit so to speak, so you know we have the three that we have. We are going to contribute some of our specialty business into this WILD flavors and ingredients and therefore we think that culture, that drive will be able to be the successful combination, the successful formula to be able to make this fourth business unit stand on its own and be successful, be very much a part of ADM, but a new and different and more innovative customer facing part.

David Driscoll - ***Citigroup - Analyst***

Maybe the key is that this management team is coming along with it so there's lower risk, would you agree with that?

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Is very important that this management team, its group of flavorists it's group of the strength that it brings does come along with it. We have very little overlap in our business. We think of our respective businesses, so it's important that they do come along and it will be a very important part of the success going forward.

David Driscoll - ***Citigroup - Analyst***

Okay thank you I'll pass it along

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Thank you

Operator

Your next question comes from the line of Ann Duignan with JPMorgan your line is open.

Ann Duignan - ***JPMorgan Chase & Co. - Analyst***

Hi good morning everybody.

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Good morning Ann.

Ann Duignan - ***JPMorgan Chase & Co. - Analyst***

Just following up on David's question if you could talk a little more about specifically where the revenue synergies might come from and how you can execute on those just given that there's very little overlap in the business that would be great.

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

Yes good morning Ann this is Juan, we see significant revenue synergies mostly coming from the complementary nature of our customer base and product base and we see a significant opportunity to take for example WILD's European business which is primarily beverage and move into food applications with access to some of the food customers. We also see an opportunity to continue to push WILD'S North American business further into food application they have started, but I think we can accelerate that.

In places like South America, India, and Asia for example we are both working on a scaling up of our businesses and there is enough opportunity to scale them out together and in a most efficient manner, and I think that part of sharing part of our infrastructure in new geographies will significantly accelerate the ability of wild to penetrate those geographies. For example the WILD access to beverage customers in Brazil will bring us or will help bring our dropping specialties new plant into market much faster and help us penetrate nutrition beverage market for isolated sales, so all in all we see geography complements, we have channel complements, we have beverage line complements, so we see a very rich pipeline of revenue synergies there.

Ann Duignan - ***JPMorgan Chase & Co. - Analyst***

Okay that's helpful I appreciate that and then on the cutting of your Cap Ex from $1.2 billion to $900 million, is there any risk that you're cutting back by those Cap Ex to your other businesses to grow or where is that coming from?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Yes, no we look at the Cap Ex and it's important as I said before to keep our financial discipline, so we recognize this as a significant acquisition and that change is also, so we are buying some of the stuff that we were supposed to build before. So we are giving priority to obviously non discretionary investments and proprietorship and we are aligning the other growth portion, but it's just a more focused portfolio growth now that we have acquired this significant growth engine

Ann Duignan - ***JPMorgan Chase & Co. - Analyst***

So in a way it's a cost avoidance is that --

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

A lot of investment avoidance absolutely that we needed to do to be on top of our innovation capabilities and our specialties and now we have acquired them through WILD.

Ann Duignan - ***JPMorgan Chase & Co. - Analyst***

Okay I'll turn it over and follow up off-line, thank you.

Operator

Your next question comes from the line of Tim Tiberio with Miller Tabak your line is open

Tim Tiberio - ***Miller Tabak - Analyst***

Good morning and thank you for taking my question. Congratulations on the transaction.

I guess first off looking at the regulatory approval, situation, can you talk to how comfortable you are with the pre-work in the European Union seems like there's pretty high revenue concentration there and we have seen a recent transaction by one of your competitors in this space as well. Don't want to belabor the point, but obviously coming off the Greencore situation just want to get a sense of how comfortable you are on the regulatory side?

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Yes Sam we have eight jurisdictions that will need to file regulatory approvals obviously we very -- we'll work with the respectful of that whole process the EU is certainly one of them. We have our work planned and ready to file. I think in most of them as we speak getting ready for this announcement.

We do not anticipate any delays in the regulatory approval process based on the work with attorneys and so forth at this point. So we will keep you up-to-date there and I think as I noted maybe end of Q3, Q4 is what our expectations are.

Tim Tiberio - ***Miller Tabak - Analyst***

Great and can you provide a little bit more color around I guess the margin difference between your current specialty ingredients business and what's being brought in through WILD Flavors is it fair to say that EBITDA margins are 2 to 3 times higher than even some of your existing ingredients business I don't think you've officially broken that out in the past but that would definitely be helpful.

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Tim this is Juan good morning. If we look at EBITDA margins we think the combined entity with EBITDA margins in the high teens. I think if you look at this, so this is a combination of different product lines from both sides and there are product lines in the low teens in several in the high teens and maybe even the 20%s so the combine of that gives us, gives us high teens.

But I wouldn't underestimate the quality of the business that ADM is contributing. ADM for the last few years have been concentrated in this food and wellness and although we haven't reported it that's a very profitable side of ADM and fast-growing so our products that are being contributed there are going to be accelerated in their growth rate by this contraction, but they are formidable growth engines and profitable engines as well.

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Tim I might also add to Juan's comments that we kind of had this in our sights that when we had something big enough as an acquisition like this we could separate it out, we could provide that kind of growth rate, that kind of data for you, so when we close you'll be able to see more clearly the combination of the business and what we've contributed from other parts of the business and you'll be able to track obviously that growth going forward, so we are excited that it can start off and maybe it's small way to really compete as a full business unit.

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

And I started to say Tim that we haven't yet completely finalized the list of products that we are going to be bringing into that division from the internal ADM perspective. So we will do so from here to close.

Tim Tiberio - ***Miller Tabak - Analyst***

Great and one last question for you Juan, how quickly can we see the sales force integrated in selling these different building blocks within I guess the food and beverage ecosystem, you now have fiber proteins and now taste can that be done fairly quickly, and then also you have some other specialty products like CLARISOY and Fibersol that you been promoting should we expect that a lot of the R&D will be combined under the WILD Flavors organization the science team that is coming in or will there still be a lot of existing collaboration between those partners?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

Yes, I think that as Pat said before one of the things we admire and respect is the culture that WILD has, but also I think both cultures are very complementary. And we believe that the teams will work together very well. We spent a lot of time in that and you know how these teams click is critical for successful integration.

We've been already doing a lot of work with them. We feel very, very good about the complementary nature. We have very strong relationships with certain accounts we are focused on larger accounts, food accounts, they are focused more on beverage accounts more on even more entrepreneurial accounts more innovation accounts, and we believe that we are going to keep those teams the teams facing the customers in place.

We're just going to have teams that will be provided with a broader public approach for them to create solutions. All that is being worked out. This is a strong revenue synergy acquisition and obviously that will be key to that.

But as said before we have a lot of products like you mentioned fibers so that we been pushing then beverages that we think we received a significant boost by the relationship that WILD have on this in on the same token some of their product they've been pushing in beverage will receive a significant acceleration as we push them into our food complex. We are very, very bullish about the complementary in both lines

---

Tim Tiberio - ***Miller Tabak - Analyst***

Great Thanks for your time

Operator

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Your next question comes the line of Vincent Andrews with Morgan Stanley your line is open

Vincent Andrews - ***Morgan Stanley - Analyst***

Thank you. Good morning everyone a couple questions, first from a financing perspective is there sort of a tax component of this where you're able to use some of the offshore cash, it wasn't clear to me how much are going to finance and how much you are going to paying cash

Ray Young - ***Archer Daniels Midland Company - SVP and CFO***

No I think we will be -- we do have cash balances within our Company. We will use some the cash balance, but we will actually raise some debt as well Vincent as I indicated we really don't have much floating rate exposure right now and we are going to use this transaction in order to basically get our fix floating rate exposure back into a more normal situation for us.

Vincent Andrews - ***Morgan Stanley - Analyst***

Okay but you don't have an idea what the split is going to be between cash and debt yet?

Ray Young - ***Archer Daniels Midland Company - SVP and CFO***

Yes primarily going to be debt.

Vincent Andrews - ***Morgan Stanley - Analyst***

Second question from a stock perspective, you talked about the accretion numbers here kind of $0.10 or $0.15 cash flow of $0.20 to $0.25, as you look at spending the $3 billion, do you think this is going to be a big enough component of your earnings story going forward that the market is going to kind of give you the right credit for it or are you at all worried that as happens in many other companies that have very diversified business models they have high quality high-margin high multiple assets that get held back from a valuation perspective because of more commodity oriented and volatile type assets how do you think about that in relation to spending this money?

Well Vincent I think you raised a question around what will this do for us and what will it do for our stock I think when we think about this being a growth engine, we don't have a lot of other parts of the business that have the high-margin low volatility, high growth markets that can be a growth engine. So I think of this as a very positive effect. You mentioned the first year accretion, there should be higher and greater accretions years two, three, four out into the future so when you think of this being the growth engine to allow maybe some of that re-rating to occur that happens when you have more stable higher growth higher-margin less volatile parts of the business, it will complement our core business I think quite well.

Vincent Andrews - ***Morgan Stanley - Analyst***

I guess maybe just as a last follow up and then I'll pass it along, is this a precursor to we should anticipate a lot of activity going forward in this direction in other words do think you need to do more transactions in this vein to sort of get you to kind of a tipping point where the market will see this as will stop maybe thinking about you as a traitor and think of you more as a -- you know really give you really give you credit for this?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

This is Juan. We think a stagnation before WILD provides us and our specialty business a new division provides us with a platform for innovation. We are following our customers evolution of their needs with this, I think it will also provide the platform for adjacency you can think of other things that we can do after we have our platform and certainly can provide a platform for further bolt on acquisitions, so we have a vision for our specialty business as we have put it together quite some time before, this is just executing on that vision but this is just the beginning.

Vincent Andrews - ***Morgan Stanley - Analyst***

Okay thanks very much a pass along

Operator

Your next question comes reline of Robert Moskow with Credit Suisse your line is open

---

Robert Moskow - ***Credit Suisse - Analyst***

Hi thank you. I was just trying to understand a little bit better about the long-term strategy that you're going forward with here Pat because you know there's a lot of flavor houses out there that are considered very established and have -- are a good flavoring companies. Do you see that this is an area where you could get much bigger in and become more than just a texture company I guess. IFF are these possibilities in the future as well?

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Well keep in mind Rob, that this is a natural flavoring business so it's key that you know Dr. Wild's father who put this was the true founder and had sort of a vision of the future maybe way before it was fashionable to do so. He believed that natural both flavorings and colorings et cetera were the way to go. So in the spaces you comment about flavoring companies, this is the largest world-class natural flavor ingredient.

Now having an opportunity to acquire this Company as sort of the base and you think about the growth opportunity, it is not just in texture and function and nutrition which we already have a very good platform for, adding this taste component adding this taste has the whole system kind of covered for us. So Juan mentioned division. We think about this business being able to grow to revenues that are quite sizable beyond what they will be day one so yes, I think there is a forward-look that ADM can play in this space quite significantly and we will do so and be successful with both this acquisition and the growth that it gives us.

Robert Moskow - ***Credit Suisse - Analyst***

If I could ask a follow up for Ray, you mentioned that you want to tap into the floating rate markets for this and there's a three-year timeframe for achieving your ROI targets. Does the low-interest rate environment today is that what makes this achievable within a three-year timeframe to hit the ROI and did you test what it would look like let's say rates started rising rapidly and you would be exposed in the floating rate markets I assume would this deal have been possible what would have the ROI timeframe have been in that scenario and would it have been possible to, because it's a very high multiple acquisition

---

Ray Young - ***Archer Daniels Midland Company - SVP and CFO***

A couple comments. Don't forget Rob we generate a lot of cash every year. I think as you know we generate about $3 billion of cash every year in our underlying business and so while we're going to raise some debt, we will be able to pay down the debt fairly quickly to so that's part of the logic as to why we want to go with some floating rate exposure in order to give us the flexibility of not locking into a lot of debt that we can't pay back, so that's point one.

Point two is with respect to the multiples that we are paying we mentioned about the fact that it's probably about 14 times 2015 earnings. When we actually layer in the EUR100 million of run rate synergies into that multiple our synergized multiple is actually less than 9 times.

And we feel very confident about the EUR100 million in terms of synergies because as Pat indicated it's two thirds revenue, one third cost and you take a look at the two thirds of the revenue when you actually do the arithmetic, it only adds up to roughly 3.5% of the combined sales of the new entity which is very, very achievable

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

from our perspective. And then we take a look at the cost synergy which is like one-third of the EUR100 million, when you take a look at that as a percentage of targets the targets or WILD Flavors net sales that's about 3.3% of net sales and so when you take a look at a lot of M&A transactions you probably see numbers closer to 10% in terms of synergies and so we actually think that this actually a very good number the EUR100 million of synergies on a run rate basis and enhanced when you look at it on a post energy basis and hence when you look at on a post synergy basis the 9 times multiple we think is actually a very, very attractive acquisition from our perspective.

Robert Moskow - ***Credit Suisse - Analyst***

I guess the only thing I would quibble on is the revenue synergies on most deals tend to be tougher to achieve and cost. But you and Juan and Pat would know the inside better than we would and I will it go from there thank you

---

Ray Young - ***Archer Daniels Midland Company - SVP and CFO***

Thank you

Operator

(Operator Instructions)

Your next question comes from the line of Michael Piken with Cleveland Research your line is open.

Michael Piken - ***Cleveland Research Company - Analyst***

Yes, good morning congratulations on the acquisition I just wanted to see what does this mean for maybe some of the other growth initiatives you've discussed, specifically essentially Graincorp opportunity became available again how do you see yourselves being able to finance the future of growth opportunity, thanks?

Ray Young - ***Archer Daniels Midland Company - SVP and CFO***

Yes, I guess Michael, it's Ray here we have a very strong balance sheet single-A we expect that even with financing this transaction with debt our ratings should not be adversely impacted it should be basically the same we expect our ratings to carryover. As I indicated we generate a lot of cash in our business and it appears we are entering into a US harvest this fall that should be actually a very plentiful harvest as well. We expect that the low commodity price environment to continue which from a working capital perspective is actually very, very favorable from our perspective.

We may actually have even more working capital released as we go through the rest of the calendar year. So from our perspective we've got tremendous financial flexibility even post this particular acquisition.

And as you're aware we are actively engaged in portfolio management so there could be some additional assets that we will do divest over the course of those periods which also generate cash flows. I guess bottom line is we feel that we've got continued financial flexibility to engage in other strategic alternatives even post this particular acquisition.

Michael Piken - ***Cleveland Research Company - Analyst***

Okay great. And then just shifting gears over to a little bit more of a financial modeling perspective as you look at the ingredients business was most of the stuff in sweeteners and starches (inaudible) like a feed business or would this kind of spread out throughout the portfolio to get some sort flavor of what we might expect to see results kind of shifting around when you (inaudible)

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Pat Woertz - *Archer Daniels Midland Company - Chairman and CEO*

Michael your connection was quite weak. Do you mind repeating the question? --

Michael Piken - *Cleveland Research Company - Analyst*

Sure.

Pat Woertz - *Archer Daniels Midland Company - Chairman and CEO*

Thank you.

Michael Piken - *Cleveland Research Company - Analyst*

I was saying which segments of the business is most likely to be impacted by the new WILD foods segment, like is most of it coming out of sweeteners and starches where would your legacy business in ingredients.

Pat Woertz - *Archer Daniels Midland Company - Chairman and CEO*

Got it, got it.

Juan Luciano - *Archer Daniels Midland Company - President and COO*

When you think about health and nutrition part of that is in oil ships, so part of that is soy proteins, licithins, isoflavones, sparols part of that could be also a little bit in corn as you think about things like Fibersol or fibers like that, but I will say more than half will be coming from oil ships.

Michael Piken - *Cleveland Research Company - Analyst*

Okay thank you

Pat Woertz - *Archer Daniels Midland Company - Chairman and CEO*

When we model that when we close will be able to see that more clearly. Thank you.

Operator

Your next question comes from the line of Ken Zaslow with BMO Capital Markets your line is open

Ken Zaslow - *BMO Capital Markets - Analyst*

Hey good morning everyone

Ray Young - *Archer Daniels Midland Company - SVP and CFO*

Hey Ken.

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Ken Zaslow - ***BMO Capital Markets - Analyst***

I had a couple questions one is with the revenue synergies I'm assuming they're going to last longer than one or two years, what is your expected growth rate on the top line growth use that 8% to 10% is the historical rate to expected to increase 100 to 200 basis points, how to think about that?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

We are thinking about 8% to 10% that's the growth rate of the combined we take our products plus their products.

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

We think the underlying market there are probably growing 6% to 8% so we want to grow faster than the underlying market

Ken Zaslow - ***BMO Capital Markets - Analyst***

Okay, okay fair enough I didn't understand that, what is, you talked about the margins being somewhat stable can you talk about the volatility of the margins just have they been volatile what are the key drivers to what we should be thinking about with ups and downs of how we think about them?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

Yes in general our products we can tell by experience, by history have been very stable these are products that was to some degree they are expecting, so a little bit longer to get in but very difficult to be replaced and some of these products we are running behind in terms of our capacity to what demand is requiring. In the case of WILD Flavors solutions, these are very tailor-made solutions and again it takes a little bit longer to formulate, but then once you are expecting you're probably expecting for the duration of the product life. So we feel very good about this ability of both our strains that are contributed to this new business.

Ken Zaslow - ***BMO Capital Markets - Analyst***

So the reality of the growth over the next couple years is really the top line not the margin so the margin should just stick to wherever you start to see them they're not going to expand or decline outside the cost savings? Is that we're trying to say?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

I would tend to agree. There are going to be some cost savings there will cost synergy that will taken out of the division as we get more scalable critical map into the division yes I think you should see at top line growth driving most of it.

Ken Zaslow - ***BMO Capital Markets - Analyst***

Okay and my final question is you talked about market shares, but you didn't talk about regional market shares can you give us like regions more than just Europe, like is there a certain countries that they tend to be very strong and in certain countries you tend to be strong and you know just kind of figure out really where a little bit more of a regional market share would be?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

Yes if you think about WILD Flavors where they sell today about 60% of their sales is in Europe, Middle East and Africa. 27% North America and about 13% Latin America, Asia, and India.

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Some of these developing regions they've been a little bit slowed down in their development because they needed to build infrastructure that we already have. We think that, that will accelerate their penetration of new geographies as we combine both entities.

Ken Zaslow - ***BMO Capital Markets - Analyst***

Are there certain countries Eastern Europe, Western Europe, within a little bit more color to where the expansion would be? Does it depend on the economies like are you going to be expanding to Russia I'm just curious on how you think about it?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

They obviously have -- it depends on the segment. For example we think about North America was very good in these new energy drinks, and that has been something that the entrepreneurial ship nature of North American business people have brought this.

There is a lot about Brazil they have a company in Brazil and is doing very well and I think it's going to be very complementary with our plants there; they have a very vibrant business in Russia that is growing very fast as well. So I would say those are three typical countries you will see a lot of strength in revenue

---

Ken Zaslow - ***BMO Capital Markets - Analyst***

Great I appreciate it thanks.

Operator

Your next question comes from the line of Diane Geissler from CLSA your line is open

---

Diane Geissler - ***CLSA Limited - Analyst***

Good morning.

Ray Young - ***Archer Daniels Midland Company - SVP and CFO***

Good morning Diane.

Diane Geissler - ***CLSA Limited - Analyst***

I have a question and maybe I'm a little bit confused, so the current growth rate in the acquired business is high single digit 8% to 10% is that correct?

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Yes

Diane Geissler - ***CLSA Limited - Analyst***

And your base business that you're adding it to what is the growth rate there?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Probably about between 5% and 7%

Diane Geissler - ***CLSA Limited - Analyst***

5% and 7% and so the combined businesses then with the revenue synergies is the high single-digit is that what you're modeling?

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

8% to 10% yes.

Diane Geissler - ***CLSA Limited - Analyst***

And then I had a question on sort of the functionality of the two portfolios, so I think your existing business as you laid out is more about texture et cetera and the business you're acquiring is more about flavor. So how was that -- how do those two specialities kind of come together in terms of your sales efforts to clients whether that's either customers whether that's either on a geographic basis or product line basis I mean how do you bring those two together seems to be it's like two different functions?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

Diane, what we have here are customer teams and you have sales and you have application development people that go into these we've been working with these customers for quite a long time providing nutrition functionality and texture. But certainly and we are very recognized by the blends of product that we provide to these customer but obviously not having taste was a little bit of a limitation to this, so we expect not only now that WILD people credit people will have a new set of elements to formulate with to charge their ADM ingredients, but also we are going to bring to our own formulation the ability to add flavor in which now you can go deeper into the relationship with your customers and provide a full solution.

So I think you need to think that at the end of the day were going to have joined WILD and ADM Heritage teams working with customers so the face to the customer will not change the ability -- the capabilities that we bring to the table for that discussion will change. We feel very good about it.

Diane Geissler - ***CLSA Limited - Analyst***

Okay and then 60% of sales from WILD currently that are in Europe, Middle East, and Africa is that primarily Europe?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

Yes I will say yes.

Diane Geissler - ***CLSA Limited - Analyst***

So basically we should think 90% develop marketing and 10% emerging at this point and that's where the opportunity is?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

You have some by emerging like if you call it Russia or Eastern Europe in that as well so yes

Diane Geissler - ***CLSA Limited - Analyst***

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Okay, all right thank you, okay thank you.

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Thank you Diane

Operator

Your next question comes from line of Farha Aslam with Stephens your line is open.

Farha Aslam - ***Stephens Inc. - Analyst***

Hi, good morning.

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Hello Farha.

Farha Aslam - ***Stephens Inc. - Analyst***

Congratulations on the transaction.

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Thank you.

Farha Aslam - ***Stephens Inc. - Analyst***

Just a question on leadership, where is that going to be headquartered and who's going to lead that new division?

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Well we will decide that all between now and closing, but we feel like we have very good management team that we want to bring with the acquisition. We will be talking about locations for regions as well as the lead for the WILD flavors and ingredients business, so all that is yet to come. We have some ideas, we've sat down with them much of their team, mapped out a variety of the synergy kind of things that we've talked about from all the cross-selling et cetera and we are truly looking forward to working together, but until today, you know this is our official launch of our announcement so more to come.

Farha Aslam - ***Stephens Inc. - Analyst***

Hopefully. And then in terms of WILD Flavors production capability do they produce most of their flavors in-house or do they coproduce their product? Do they have product or is it really more R&D?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

No, no they produce. They have many, many production facilities and actually you'll be hopefully one day we can walk you through the plant. You will be very impressed very high quality production capability.

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

They start the plants from fruits and they extract the flavors and they produce the flavors and then they have production of the actual systems where they blend all the flavor together so in that sense it's a little bit like ADM they have their origination, they take the plants, they process it, and they further formulate it.

Farha Aslam - ***Stephens Inc. - Analyst***

Okay and then is their capacity in those facilities or will you have to invest CapEx to hit that 8% to 10% growth target?

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

Yes I think they have like every company they have several production sites and some of them may need some investments and some of them investments have been made recently and they have some ability to grow into that, so but yes significantly we will drive the growth in WILD Flavors and including their capacity

---

Farha Aslam - ***Stephens Inc. - Analyst***

Do you think it will need incremental CapEx just over the years above and beyond kind of ADM standard or is it sort of in line with your core business I'm still trying to understand capacity utilization are they constrained.

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

No and to be honest it this is a made to order business so even from a capacity utilization is rather low when we compare to our units. Because it's a business about service, so they pride themselves of 99.9% service accuracy so sometimes they have a lot of spare capacity. So we don't believe that's going to be a big issue for us

---

Ray Young - ***Archer Daniels Midland Company - SVP and CFO***

Farha, just to give you a perspective it's not capital-intensive business I mean annual CapEx is like EUR40 million to EUR50 million so it's not a lot -- even if you spend a little bit more it is not a lot and relative to the ADM balance sheet in terms of what we spend it is not significant.

Farha Aslam - ***Stephens Inc. - Analyst***

Great in my last question Ray what sort of floating rate debt interest rates are you seeing in terms of financing cost?

Ray Young - ***Archer Daniels Midland Company - SVP and CFO***

I mean I think is rounded basis you can see 50 basis points just for your modeling

---

Farha Aslam - ***Stephens Inc. - Analyst***

Great, thank you.

Operator

Your last question country line of Adam Samuelson with Goldman Sachs your line is open

---

Adam Samuelson - ***Goldman Sachs - Analyst***

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

Thanks good morning, everyone. A lot of grounds have been covered here, so I will be quick, Ray you alluded to 30% tax rates to think will have to deal, is this Switzerland-based is her opportunity to consolidate some of the for tax purposes some of your international operation to have an impact on the overall ADM rate?

Ray Young - ***Archer Daniels Midland Company - SVP and CFO***

No we will go through some tax planning. We do also have a Swiss operation in Europe in fact our European operations are headquartered in Switzerland.

We will go through some tax planning. I think right now we are conservatively using the 30% tax rate number and we'll have to go through the whole tax planning exercise to see whether we can drive that number down, but I think for modeling purposes I'd be conservative just use 30% for now

---

Adam Samuelson - ***Goldman Sachs - Analyst***

Okay that's helpful and then just maybe on the follow up on CapEx question, any more color on what areas you're scaling back the CapEx this year. I mean you're halfway through the year at this point and that's a pretty sizable cut at this point in the year where I'd imagine some of the capital plans had to been in process already. So just maybe a little bit more color on the areas where you are scaling back.

Juan Luciano - ***Archer Daniels Midland Company - President and COO***

I think we said this before that this was heavy loaded in the second half, type of plan, but remember we started in the first quarter relatively light so it was not, we didn't have a cost in CapEx (number five), it was just a matter of reprioritizing some and pushing some into next year because some of our people would be very busy integrating this business. We have a lot of things to do right now so it was just a matter of prudence and reprioritization, but it's not cost associated.

Adam Samuelson - ***Goldman Sachs - Analyst***

All right I'll leave it there thank you very much.

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Thank Adam.

Operator

There are no further questions in queue at this time I'd turn the call back to Ms. Patricia Woertz for any closing comments.

Pat Woertz - ***Archer Daniels Midland Company - Chairman and CEO***

Excellent well thank you so much for joining us today as always feel free to follow-up with Case if you have any other questions off-line and have a good day and thanks for your interest bye bye now

---

Operator

Ladies and gentlemen this concludes today's conference call. You may now disconnect.

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS

DISCLAIMER

Thomson Reuters reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES THOMSON REUTERS OR THE APPLICABLE COMPANY 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.

© 2014 Thomson Reuters. All Rights Reserved.

© 2014 Thomson Reuters. All rights reserved. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is prohibited without the prior written consent of Thomson Reuters. 'Thomson Reuters' and the Thomson Reuters logo are registered trademarks of Thomson Reuters and its affiliated companies.

THOMSON REUTERS