

BRASIL TELECOM HOLDING CO  
Form 6-K  
April 02, 2008

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**SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 6-K**

**REPORT OF FOREIGN ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**THROUGH April 02, 2008**

**(Commission File No. 1-14477)**

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**BRASIL TELECOM PARTICIPAÇÕES S.A.**  
*(Exact name of registrant as specified in its charter)*

**BRAZIL TELECOM HOLDING COMPANY**  
*(Translation of Registrant's name into English)*

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**SIA Sul, Área de Serviços Públicos, Lote D, Bloco B  
Brasília, D.F., 71.215-000  
Federative Republic of Brazil**  
*(Address of Registrant's principal executive offices)*

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Indicate by check mark whether the registrant files or will file  
annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(1).

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(7).

Indicate by check mark whether the registrant by furnishing the  
information contained in this Form is also thereby furnishing the  
information to the Commission pursuant to Rule 12g3-2(b) under  
the Securities Exchange Act of 1934.

Yes  No

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If "Yes" is marked, indicated below the file number assigned to the registrant in connection with Rule 12g3-2(b):

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**Brasília, April 2<sup>nd</sup>, 2008.**

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## **Overview and Strategy**

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Brasília, April 2<sup>nd</sup>, 2008.

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## **Main Actions in the Restructuring Process**

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## Single Supplier Project

## Single Supplier Project

REDUCES RISKS	SIMILAR MOVEMENTS WORLDWIDE	
Reduces risks of suppliers (financial)instability	<b>New Zealand</b>	
Reduces labor risks and costs	Fixed, mobile, data Alcatel-Lucent plans, operates and maintains the network	Fixed, mobile IBM operates IT area
Has no risk of dependency, for technological density is low	Mobile Ericsson plans and operates the network	Mobile Alcatel-Lucent plans, operates and maintains the network

## BrT Call Center and Ryan Project

SITUATION	COMPLICATION	SOLUTION
Service areas with quality rates below expected	Constant introduction of new products (mobile, broadband, providers, IPTV )and promotion packages	Implementation: <b>RYAN PROJECT</b>
Rate of satisfaction with service is of 67%. Dissatisfactory, considering the company receives 34 million* calls per month	Contractor (Teleperformance)manages the Call Centers	Creation: <b>BrT CALL CENTER</b>

\* 16 million retained at URA and 18 million received by an operator



## BrT Call Center and Ryan Project

### RYAN PROJECT

Mapping of the problems faced by customers in their experience with BrT

Correction of systems, processes and training failures found

### BrT CALL CENTER

Termination of agreement with Teleperformance

Internalization of this operation with the creation of a wholly-owned subsidiary (> 10,000 operators)

Direct control over operation

New business unit as of 2009

### FIRST RESULTS

**Quick service (customers serviced in up to 20 seconds)**

<b>DEC 06</b>	<b>DEC 07</b>
<b>69%</b>	<b>82%</b>

**Customer satisfaction with the Call Center service**

<b>DEC 06</b>	<b>DEC 07</b>
<b>67%</b>	<b>74%</b>

**Global cost of the service operation: (R\$ million/month)**

<b>JAN 06</b>	<b>JAN 07</b>	<b>JAN 08</b>
<b>25.1</b>	<b>21.0</b>	<b>17.9</b>

## Videon Launch

Strategic Movement

Pioneer initiative in the country

Pilot project in Brasilia

## 2006 and 2007 Results

	2005	2006	Δ %	2007	Δ %
Gross Revenue (R\$ million)	14,687	15,111	+3%	<b>15,997</b>	<b>+6%</b>
Operational Expenses Cost (R\$ million)	7,429	6,803	-8%	<b>7,262</b>	<b>+7%</b>
EBITDA (R\$ million)	2,709	3,494	+29%	<b>3,797</b>	<b>+9%</b>
EBITDA Margin (%)	27%	34%	+7p.p	<b>34.4%</b>	<b>+0.4p.p.</b>
Net Income (R\$ million)	-30	470	N.A.	<b>671</b>	<b>+43%</b>
CAPEX (R\$ million)	1,978	1,451	-27%	<b>1,399</b>	<b>-4%</b>
Net Debt (R\$ million)	1,955	1,312	-33%	<b>490</b>	<b>-63%</b>
Mobile Accesses (thousand)	2,213	3,377	+53%	<b>4,263</b>	<b>+26%</b>
Broadband Accesses (thousand)	1,014	1,318	+30%	<b>1,568</b>	<b>+19%</b>

## **Movements for 2008**

## **Corporate Governance**

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Brasília, April 2<sup>nd</sup>, 2008.

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## Actions Implemented by the Corporate Governance Program

Redesign of the Governance Portal (layout, navigability, new contents, user manual and etc...)

Consolidation of procedures for the holding of corporate events (Board of Directors, Fiscal Council and Shareholders Meetings), with definition of the corporate chronogram, agenda and call notices.

Support to the implementation of good corporate governance practices

- Creation of the Board of Directors Internal Regulation
- Creation of Advisory Committees to assist the Board of Directors (Processes, Risks, Compensation and People Management), and elaboration of the respective regulations
- Support to the Board of Directors self-evaluation

## Actions Implemented under the Corporate Governance Program

Support to the implementation of good corporate governance practices

- Revision of the decision process with the implementation of the Company's Area of Authority.
- Implementation of the Joint Management concept, with amendments to the Company's Bylaws.
- Revision of the Company's Information Disclosure and Use and Securities Trading manual.
- Deepening of discussions and initiatives regarding Sustainability in the Company.
- Maintenance of the quality standards in corporate events.

## **Corporate Risk Management as a way to improve the Governance Model**

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## **Risk Management Attributions and Pillars**

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## **Evolution of SOx for Corporate Risk Management**

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## **The Industry and Regulatory Matters**

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Brasília, April 2<sup>nd</sup>, 2008.

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## Agenda

Initial Considerations

Key Trends of the Business

Regulatory Matters

Brasil Telecom's Strategic Axis

## **Transformation in the Telco Sector**

The new network generation (multi-service IP) and mobility allow for the so-called ubiquitous services: anything (voice, data and video), anytime, anywhere.

Consumers and companies will increasingly be attracted by service providers who offer complete solutions, accessible anytime, anywhere.

Innovative business models, more adequate to modern times, end up being a matter of survival.

## Key Trends of the Business

	Drivers and Evidences
Fixed-mobile substitution	<b>The fixed-mobile substitution keeps growing in Brazil and worldwide</b>
Broadband growth	<b>On the basis of the pyramid and in the young segment, the substitution effect is more accentuated</b>
New technologies (wireless)	<b>Attack movements of mobile operators, such as Home Zone encourage the traffic migration even more</b>

## Key Trends of the Business

	Drivers and Evidences
Fixed-mobile substitution	<b>In Brazil, penetration increased 32% in 2007:</b> - Economic expansion, credit, incentives, etc. <b>Diffusion of computers is a fundamental requisite for universalization</b> <b>Governmental actions might speed up the universalization process</b> <b>Municipal initiatives to promote free access start to be worrisome</b>
Broadband growth	
New technologies (wireless)	

## Key Trends of the Business

Fixed-mobile substitution	<b>Drivers and Evidences</b>
Broadband growth	<p><b>3G already has global scale and was bid by the end of 2007 in Brazil</b></p>
New technologies (wireless)	<p><b>WiMAX is an opportunity for network supplementation, threatening concessioners with the entry of new players</b></p> <ul style="list-style-type: none"> <li>- Fixed WiMAX is already in operation in some countries, while mobile WiMAX will be a reality by 2009</li> <li>- It will have an opportunity for success in 3 specific applications: alternative networks, developing regions, and rural zones</li> <li>- However, these opportunities tend to represent a marginal stake of the global market</li> </ul> <p><b>In Brazil there are licenses already, acquired in 2003, and a new bid might be held within the upcoming months</b></p>



## Other Key Trends of the Business

VoIP Emergency	Drivers and Evidences
Advance in TIC chain	VoIP poses a threat to the fixed voice market, and tends to increase with the broadband expansion
Erosion of the business frontiers	Phone-to-phone model via cable operators is clearly the largest threat among the VoIP players
Content and aggregation	Broadband penetration and price are the key drivers of VoIP adoption

## Other Key Trends of the Business

VoIP Emergency	Drivers and Evidences
Advance in TIC chain	IT & Telecom joint purchase is a reality
Erosion of the business frontiers	Supplementary logic for the entry of new telecom operators includes: differentiation, profitabilization, attack and defense
Content and aggregation	Telecom providers positioning in the TIC chain and the means of entry might change, but some successful cases start to consolidate

## Other Key Trends of the Business

VoIP Emergency	Drivers and Evidences
Advance in TIC chain	<b>Bundles play a key role in the market:</b> - In the USA they represent 30% to 40% of the market, while the triple play accounts for 20% to 25%.
Erosion of the business frontiers	<b>Bundles have a very strong rationale for operators and customers</b>
Content and aggregation	<b>Triple play will be the most expressive bundle and TV will play a core role</b>

## Other Key Trends of the Business

VoIP Emergency	Drivers and Evidences
Advance in TIC chain	
Erosion of the business frontiers	<b>Strong growth of mobile ARPU in the USA; 71% of the content revenue is from traffic</b>
<b>Content and aggregation</b>	<b>In Brazil, SMS is still little diffused</b>

## **Regulatory Matters**

### **VOICE:**

**Numberportability in fixed and mobile**

**Resale of minutes**

**VoIP Regulation**

**Efficient use of spectrum**

**PGO Revision**

### **DATA:**

**Invitation to bid for remainders of 3G (H Band)**

**WiMAX invitation to bid**

### **VIDEO:**

**PL/29 Pay-TV sector and Cable Law**

**Grant Plan for cable TV and MMDS**

### **RATES:**

**Cost models for interconnection of network use (fixed and mobile)**

**WACCRegulation**

## Strategic Axes

<b>Portfolio</b> <i>Develop increasingly convergent services for each customer segment</i>	<b>Fixed voice</b>	<i>Limit erosion through segmentation, loyalty, retention, use of installed capacity and with products for the low-income segment</i>
	<b>Broadband</b>	<i>Grow with profitability, exploring capillarities, expanding wireless coverage, striving against competition, and seeking the lower-income segment</i>
	<b>Mobile</b>	<i>Maintain growth with offers which are appropriate for each region and segment, increasing scale and assuring profitability</i>
	<b>Data</b>	<i>Remain in the forefront in the offer of innovative services, encouraging the migration to IP solutions and developing new markets and businesses</i>
	<b>Internet</b>	<i>Explore the market opportunities, increase the ARPU and take steps towards being a Web 2.0 provider</i>

**New Technologies** *Use emerging technologies (Wi-Fi, WiMax, 3G, FFTX, etc.) so as to keep a portfolio which is always up-to-date and innovative*

**Acquisitions** *Seek inorganic growth opportunities in telecommunications and correlated segments*

**Regulatory**  
*Having a harmonious and constructive relationship*

**Operating Efficiency**  
*Managing inputs and resources so as to ensure the value generation goal*

**Customer Service**  
*Internalizing the service so as to improve quality and the sub-segmented treatment to customers*

## **Operations, Network Evolution and New Services**

Brasília, April 2<sup>nd</sup>, 2008.

## Operation Strategic Macro Guidelines

### Growth Drivers

Keep on expanding the mobile operation so as to gain scale, assuring profitability.  
Expand the broadband operation with segmented bundles, improving the profitability.

### Business Defense

Minimize the drop in the fixed voice operation through convergent customer loyalty and expansion in low- income segments.



## Mobile Operation

**Keep on expanding the operation so as to gain scale, assuring profitability**

## Mobile Operation Growth

## **Brasil Telecom s 3G Operation**

## 3G Positioning

3G means more than data, speed and even voice

**Improved spectral efficiency**

**Reduced network cost**

In addition to advanced products such as Mobile Video and Mobile TV, Brasil Telecom will use 3G to leverage core products in the Brazilian market, such as voice (FLAT FEE) and SMS.

## **Broadband Operation: High-Speed Internet Access**

**Keep growth with profitability**

**ADSL Broadband**

**Mobile Broadband**

## Broadband Growth and Penetration

### Broadband access growth

#### Broadband Accesses (x 1,000)

Company	2006	2007	Variation
<b>Brasil Telecom</b>	<b>1,318</b>	<b>1,568</b>	<b>+ 19%</b>
Telemar	1,128	1,518	+ 35%
Telefônica	1,607	2,053	+ 28%
GvT	137	246	+ 79%
Net	862	1,423	+ 65%

### Broadband penetration in fixed lines

#### Broadband / Lines in Operation (%)

Company	2006	2007
<b>Brasil Telecom</b>	<b>16%</b>	<b>20%</b>
Telemar	8%	11%
Telefônica	13%	17%

## **Broadband Operation: High-Speed Internet Access**

**Keep growth with profitability**

**ADSL Broadband**

**Mobile Broadband**

**Mobile Broadband: Internet Everywhere**

## **Brasil Telecom Videon IPTV: Coverage Expansion**

**1<sup>st</sup> Operator to launch in Brazil in Sept-07**

**The expansion of the service is subject to a positive sign of the possibility that we can offer a complete product, including pay-TV (PL 29).**



## **Fixed Voice Operation**

**Limit the shrinking of fixed voice**

## Total Control

### Concept & Characteristics

-100% fixed prepaid plan, targeted at the low-income segment (C, D and E). There are 3 plans: 50,100 and 200 minutes, which can be used for local calls to any BrT fixed or mobile phone;

- 43% of the clients who acquired the product never had fixed telephones, and the others (57%) were out of the base for at least 5 months.

Sales action: Door-to-Door (Arrastão)

## Single Phone: Fixed-Mobile Convergence

*Fixed and cell phones in one single device*

## **Single Phone Evolution: SIP/WiFi**

**Mobility of fixed telephone**

**Savings, convenience and simplicity**

**Flat tariff on WiFi network, with no geographical restrictions**

**Automatic Handover from the WiFi to the mobile network**

**Automatic connection in Wi-Fi networks**

## Brasil Telecom **Bundles of Convergent Offers**



Focus on sales growth and customer loyalty of the current base

## Pluri Bundles

## Pluri Bundles

## **Results and 2008 Guidance**

Brasília, April 2<sup>nd</sup>, 2008.



## Agenda

Results Evolution

Balance Sheet Analysis

Financial Management

Cash Flow

2008 Guidance

Market Disclosure Policy

## **Results Evolution**

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## Financial Performance

\* Dividends of Brasil Telecom S.A. excludes payment to Brasil Telecom Participações.

## Operating Costs and Expenses

## Revenue Growth

## **Balance Sheet Analysis**

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**Balance Sheet - Assets**

	2006	2007
	<b>R\$ million</b>	
<b>CURRENT ASSETS</b>	<b>7,498.1</b>	<b>7,436.0</b>
Cash and cash equivalents	4,063.4	3,893.5
Accounts Receivable (Net)	2,127.7	2,189.7
Deferred Taxes and Taxes Recoverable	944.1	804.5
Other	363.0	549.3
<b>LONG-TERM ASSETS</b>	<b>2,128.4</b>	<b>2,967.1</b>
Loans and Financings	2.9	6.2
Deferred Taxes and Taxes Recoverable	1,649.5	1,793.2
Other	476.0	1,167.7
<b>PERMANENT ASSETS</b>	<b>8,167.3</b>	<b>7,026.2</b>
Investments (Net)	330.1	201.5
Property, Plant & Equipment, and Intangible (Net)	7,698.8	6,713.8
Deferred Assets (Net)	138.5	111.0
<b>TOTAL ASSETS</b>	<b>17,793.8</b>	<b>17,429.3</b>

**Balance Sheet - Liabilities**

	2006	2007
<b>R\$ million</b>		
<b>CURRENT LIABILITIES</b>	<b>4,852.4</b>	<b>4,727.4</b>
Loans and Financings	1,109.5	496.8
Suppliers	1,474.7	1,483.0
Taxes, charges, and contributions	893.3	832.2
Dividends Payable	614.4	1,016.5
Other	760.5	898.9
<b>LONG-TERM LIABILITIES</b>	<b>5,852.7</b>	<b>5,629.7</b>
Loans and Financings	4,265.6	3,886.6
Other	1,587.1	1,743.1
<b>MINORITY INTEREST</b>	<b>1,811.1</b>	<b>1,825.7</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>5,277.6</b>	<b>5,246.5</b>
Capital Stock	2,596.3	2,596.3
Capital reserves	309.2	309.2
Profit reserves	306.3	266.0
Retained Earnings	2,086.6	2,095.9
Treasury Shares	(20.8)	(20.8)
<b>TOTAL LIABILITIES</b>	<b>17,793.8</b>	<b>17,429.3</b>



## **Financial Management**

## **Financial Management**

Cash Management

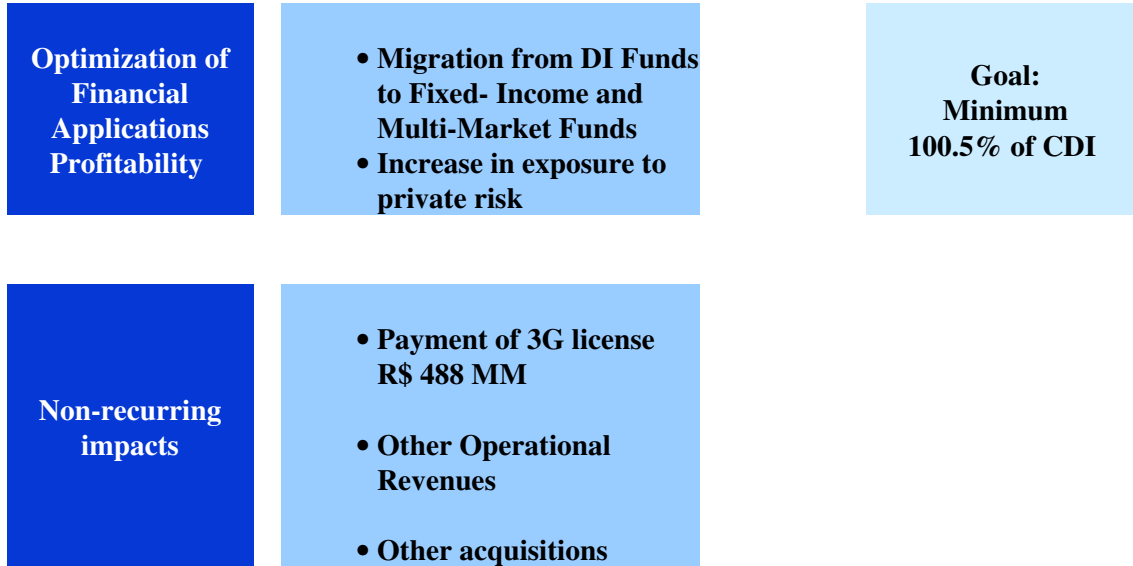
Debt Management

Financial Services

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## Cash Management



**Debt**

Main Creditors\*

Amortization Schedule

As of 12/31/2007

As of 12/31/2007		R\$ Million
YEAR	TOTAL	%
2008	496.8	11.3%
2009	608.5	13.9%
2010	719.7	16.4%
2011	778.5	17.8%
2012	640.9	14.6%
2013	641.7	14.6%
2014 forward	497.3	11.4%
<b>TOTAL</b>	<b>4,383.4</b>	<b>100.0%</b>

\* Without hedge adjustments

## Debt Management

<b>Access to attractive financing sources</b>	<ul style="list-style-type: none"><li>• <b>Cost of debt is lower than Cash profitability</b></li></ul>	<b>Cost of Debt: 80% of CDI</b>
<b>Liability Management</b>	<ul style="list-style-type: none"><li>• <b>Advance payment of the 4th issue of debentures (R\$500 million)</b></li><li>• <b>Bonds Repurchase in 2009</b></li></ul>	<b>Settled Debt Cost: 108.4% of CDI</b>
<b>Low foreign exchange exposure</b>	<ul style="list-style-type: none"><li>• <b>Cash exposure to foreign currency: 9%</b></li></ul>	

## Ratings

Fitch Ratings		Rating
BTP	IDR Issued Default Rating (Global Scale) National Scale	BBB
BTSA	IDR Issued Default Rating (Global Scale) PRI Notes (Political Risk Insurance) National Scale Debentures 5 <sup>th</sup> issuance	BBB BBB AA+br AA+br
S&P		Rating
BTP	National Scale	brAA+
BTSA	National Scale Debentures 5 <sup>th</sup> issuance	brAA+ brAA+
Moody s		Rating
BTSA	Global Scale Debentures 4 <sup>th</sup> issuance    Global scale National Scale Debentures 4 <sup>th</sup> issuance    National Scale	Ba1 Ba1 Aa1 Aa1

## Financial Services and Relationship Program

**Initiatives to generate new income sources and Retain Clients**

**Main Initiatives**

**Financial Services**  
- BrT s co-branded Credit Card  
- Consumer Credit - CDC  
- Personal Loans  
- Insurance  
**Relationship Program**

**Main Goals**

**Generate new source of revenue**  
**Reduce churn**  
**Shield base for portability**  
**Increase products sales**

**Other Initiatives**

**Mobile Payments**  
**Online Payments**

## Cash Flow

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## Cash Flow

R\$ million	2006	2007	Variation
Operating Activities	2,385	2,409	<ul style="list-style-type: none"> <li>• Court deposits R\$ 872 MM</li> </ul>
Investing Activities	(1,490)	(1,270)	<ul style="list-style-type: none"> <li>• CAPEX Management</li> </ul>
Financing Activities	454	(1,309)	<ul style="list-style-type: none"> <li>• Advanced amortization of Debentures R\$ 500 MM</li> <li>• BNDES Amortization R\$ 800 MM</li> </ul>
Cash Flow in the Period	1,349	(170)	<ul style="list-style-type: none"> <li>• Dividend Payment R\$ 493 MM</li> <li>• New BNDES Financings R\$ 600 MM</li> </ul>

## **2008 Guidance**

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## Result Indicators Consolidated

	2006	2007	2008 Guidance Variation %
Net Operating Revenue (R\$ million)	10,297	<b>11,059</b>	~ +3.4%
Operating Costs and Expenses (R\$ million)	(6,803)	<b>(7,262)</b>	~ +2.8%
EBITDA (R\$ million)	3,494	<b>3,797</b>	~ +4.5%
Number of Fixed Accesses	8,418	<b>8,034</b>	Stable
Number of Broadband Accesses	1,318	<b>1,568</b>	~ +22%
Fixed ARPU (R\$)	71.12	<b>78.97</b>	~ -5.0%
ADSL ARPU (R\$)	67.10	<b>71.70</b>	Stable

## Mobile Telephony

	2006	2007	2008 Guidance Variation %
Services Net Revenue (R\$ million)	1,247	<b>1,746</b>	~ +8%
EBITDA (R\$ million)	(142)	<b>54</b>	~ +200%
Number of Mobile Accesses (thousand)	3,377	<b>4,263</b>	~ +30%
Mobile ARPU (R\$)	31.30	<b>34.20</b>	Stable

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## CAPEX / Net Revenue

CAPEX (R\$ million)	Guidance
Operating / Regulatory / 3G	1,700
3G License	500
<b>TOTAL</b>	<b>2,200</b>

Permanent negotiation with suppliers

Creation of Internal Investments  
Committee

Positive impact of exchange variation

## **Market Disclosure Policy**

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## Market Disclosure Policy

Financial Reports	Additional Disclosures	Focus on Investor
Quarterly Results Management Report (yearly) Filings with CVM, SEC, NYSE All information released in Portuguese and English (BTP and BTSA) IFRS	Key business drivers and non-financial measurements Website in line with the best corporate governance practices Guidance: Board of Executive Officers financial forecasts	Customer satisfaction surveys Quarterly conference calls and webcasts Participation in local and international roadshows and conferences Meetings with analysts and investors Annual Investors Day event

## **Exhibits**

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## Cash and Cash Equivalents

LIQUIDITY PER COMPANY	Cash		Net Debt	
	2006	2007	2006	2007
Brasil Telecom Participações	1,432.3	<b>1,462.9</b>	(1,432.3)	<b>(1,462.9)</b>
Brasil Telecom Cons. (except for Mobile)	2,172.1	<b>931.8</b>	3,183.4	<b>3,431.3</b>
Brasil Telecom Celular	459.0	<b>1,498.8</b>	(439.2)	<b>(1,478.5)</b>
<b>TOTAL</b>	4,063.4	<b>3,893.5</b>	1,311.9	<b>489.9</b>

## Sundry Assets

<b>SUNDRY CURRENT ASSETS</b>	<b>2006</b>	<b>2007</b>
<b>Other Amounts Recoverable</b>	104.2	<b>124.2</b>
<b>Court Deposits</b>	119.1	<b>329.4</b>
<b>Inventories</b>	64.2	<b>32.7</b>
<b>Other</b>	75.5	<b>62.0</b>
<b>TOTAL</b>	363.0	<b>548.3</b>

<b>SUNDRY LONG-TERM ASSETS</b>	<b>2006</b>	<b>2007</b>
<b>Income Securities</b>	3.3	<b>3.7</b>
<b>Court Deposits</b>	429.9	<b>1,069.1</b>
<b>Other Assets</b>	42.8	<b>94.9</b>
<b>TOTAL</b>	476.0	<b>1,167.7</b>

## *Disclaimer*

This presentation contains forward -looking statements. Such statements are not statements of historical fact, and reflect the beliefs and expectations of the Company's management. The words anticipates , believes , estimates , expects , forecasts , intends , plans , predicts , projects and targets and similar words are intended to identify these statements which necessarily involve known and unknown risks and uncertainties. Accordingly, the actual results of operations of the Company may be different from the Company's current expectations, and the reader should not place undue reliance on these forward -looking statements. Forward -looking statements speak only as of the date they are made, and the Company does not undertake any obligation to update them in light of new information or future developments.



**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: April 02, 2008

**BRASIL TELECOM PARTICIPAÇÕES S.A.**

By:           /s/ Paulo Narcélio Simões  
                  Amaral

Name: Paulo Narcélio Simões  
Amaral  
Title: Chief Financial  
Officer

**FORWARD-LOOKING STATEMENTS**

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

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