

Pan American Silver Corp.
First Quarter 2006 Earnings Call
May 4, 2006

Operator: Good morning ladies and gentlemen. My name is Martita, and I'll be your conference facilitator today. At this time, I would like to welcome everyone to the Pan American Silver Corp. First Quarter 2006 Earnings Conference Call. All lines have been placed on mute to prevent any background noise. After the speakers' remarks, there'll be a question and answer period. If you would like to ask a question during this time, please press star, one, on your telephone keypad. If you would like to withdraw your question, please press the pound key. Thank you.

It is now my pleasure to turn the floor over to your host, George Burns, President, CEO. Sir, you may begin your conference.

Geoff Burns: Thanks operator. It's actually Geoff Burns, President and CEO, but perhaps I'll go to comedy in the future. Anyways, good morning and welcome to Pan American Corp. First Quarter Earnings Release and Conference Call. Joining me this morning here in Vancouver are Andrew Pooler, our Senior VP Operations; Steve Busby, Senior VP Project Development; Robert Doyle, our CFO; and Michael Steinmann, our Senior Vice President, Geology and Exploration.

They are here to help answer any questions you might have after I finish my opening remarks. As always and usual, all amounts I talk about will be in U.S. dollars, and with that, let's get started.

We are off to a great start in 2006, as we continue to deliver on the production, growth and financial commitments we made to you over the course of last year. Each and every one of our operating mines increased silver production in the first quarter of 2006 as compared to the year earlier period. On a consolidated basis, we had a new company record for silver production of 3.3 million ounces. Buoyed by this increase in production and higher silver and base metal prices, we recorded new records for mine operating earnings, for cash flow from operating activities and for cash cost per ounce.

Mine operating earnings, a key metric in judging the profitability and operating performance of each of our mines, quadrupled to \$18 million in the first quarter. Cash flow from our operating activities, excluding working capital adjustments was almost 9 million, and our cost to produce an ounce of silver declined to their lowest level in the company's history at \$2.47 an ounce.

Let's take a quick tour of each of our operations. Starting in Peru, our Morococha mine continued to improve with each and every quarter. Silver production climbed to 735,000 ounces and cash costs were negative \$1.85 per ounce, reflecting the impact of higher zinc byproduct production and record zinc prices. Zinc production actually rose by 36% in the first quarter to over 5,000 tonnes.

The increased production at Morococha is a direct result with the investments we made last year in our mill, which have allowed us to steadily increase our throughput. When we acquired Morococha, a little over 20 months ago, the mill was running at 42 to 44,000 tonnes per month. It is now set to produce at 50,000 tonnes per month, and perhaps if we squeeze, a little bit higher.

We are continuing to aggressively explore our plus 11,000 hector land package at Morococha, and currently have eight drill rigs working on the property. You might recall that we added almost 30 million ounces to our reserve and resource space at Morococha in 2005. While we are not yet ready to fully update our resource base, I can assure

you that we are going to meaningfully add to this total in 2006. Our goal for Morococha remains clear. We are planning to double production from the mine over the next three years.

At Huaron, also improved. We had a difficult year in 2005. Cost had increased and production declined, largely as a result of the fact that we encountered some ore with particularly difficult milling characteristics. As a result, our zinc recovery suffered and costs went up.

It is great to be able to report that we have seen a dramatic turnaround in the first quarter of this year at Huaron. Production in silver was up 6% to 934,000 ounces, and cost declined 22% to \$3.69 per ounce. More importantly, we have rescheduled and rebalanced our Huaron extraction plans, and expect Huaron to continue its first quarter performance throughout this year.

At Quiruvilca, silver production increased to 6,000, about 609,000 ounces in the first quarter, and costs were only \$0.92 per ounce. Pan American's first and perhaps most challenging mine continues to be a meaningful contributor to our production, and is generating in excess of \$1.5 million per month in free cash flow.

Moving to Mexico, we are also very pleased with the performance of La Colorada. Our pure silver mine produced 797,000 ounces of silver in the first quarter, an increase of 16% as compared to last year. Cash costs remain stable at \$5.76 per ounce. Our plan to reopen the sulfide circuit remains on target, and as of last week, we have filled the circle with water, and intend to start producing sulfide ore starting in approximately 10 days time. With both the offside and sulfide circuits running in tandem, we should see La Colorada produce 4 million ounces in 2006 at slightly lower cash costs. The key to mining at La Colorada continues to be our ability to manage the water inflows underground. This is a battle we have been fighting for the last 18 months, and the reason we wrote down the value of this asset at the end of last year. I am happy to be able to tell you that we are now winning this battle, and have completed our main underground pumping installations, and are handily managing the water. We have also refocused our explorations at La Colorada, and have recently had some very encouraging results. I'm sure we'll be able to share some very good news with you on this front in the coming months.

Overall, we are right on track to achieve our forecasted 2006 silver production of over 14 million ounces, and with continued strength in base metal prices to see our cash cost continue at the same levels as we have seen in the first quarter.

As important as achieving record results from our operating mines, we are moving ahead full speed with our growth plans. Plans that will help diversify our production base and deliver fundamentally lower cost production. Plans that will see us double our production at 26 million ounces annually by 2008.

At Alamo Dorado, in Mexico, construction and mine development remains on schedule. We have been pre-stripping since August of last year in the open pit, and are now starting to stockpile low grade ore in anticipation of plant startup. In fact, our mining sweep is performing better than expected, and as a result, we have now been able to hit our plan mining rates, but also able to utilize our own equipment to assist with other silver work on the site. This is a real cost saver.

On the process side, the mills are in place, the leach tanks have been erected, the filtration plant and electro (inaudible) plants are going up, and within the next few weeks, we'll have connected both our main power line supply as well as our main process water supply. We are on schedule for start up in the fourth quarter of this year, as planned, and perhaps as important, we are on our original capital cost estimate of 76.6 million.

This is a pretty amazing feat, given that construction cost inflation has been running at almost 1% per month since we started building in February of 2005. I have nothing but praise for the team that is building our next silver mine in Alamo Dorado. All this, without recording one lost-time accident since we started developing this operation.

In Argentina, we are off to an excellent start at Manantial Espejo since acquiring the other 50% of this asset, to own 100%, and making the decision to proceed with the project's development. We are permitted, we are financed, and we are building. We have already secured open pit hauling – already secured the open pit and hauling fleet. We started basic engineering, and the key personnel to take this project forward are being hired. Starting in 2008, approximately 20 months from today, this mine is expected to produce 4.3 million ounces of silver and 62,000 ounces of gold on an annual basis, and at these costs added decidedly negative cash cost per ounce. I'm sorry - at these prices, at a decidedly negative cash cost.

This will be Pan American's biggest project to date, with a capital cost of just over 130 million, including the 18.1 in value added tax which is refundable. We have a long way to go at Manantial Espejo, but we have the support of both the local community and the province and the federal governments, and with the right people now in place, I am confident that we will deliver on our plans.

You have all seen the financial results, so I'm not going to go through them in detail. Revenue was up 57% to 45.7 million. Mine operating earnings, as I previously mentioned were 18 million, but we did record a loss of \$2.8 million. Almost exclusively, as a result of the loss we recorded on our forward commodity contracts of 11.8 million. The contracts are primarily related to our zinc forward sales. As you may remember, we had been applying hedge accounting treatment to these four positions, and only recognized the gains or losses from selling these positions against our actual zinc production when we physically sold the metal. Under the current accounting treatment we have now been forced to use, we have to value the entire forward book relative to the closing price of zinc at the end of the quarter. This is somewhat confusing, even to me.

Here is a simple way to look at things. We realize the real cash loss in our program, in the first quarter were approximately 5 million. In other words, we sold our zinc in the first quarter for less than we could have, if we'd sold it on the stock market. The balance of the loss relates to contracts which we will settle over this rest of this year. Excluding this unrealized portion, we actually had net income in the first quarter of \$4 million. We will receive almost \$1,800 per tonne, or \$0.80 per pound for the remaining zinc forward contracts we have in place, which is for 10,500 tonnes during 2006. This represents only 35% of our estimated zinc production for this year. The mark-to-market value of these remaining positions will continue to be recorded in income at the end of each quarter, and could go up, or could go down, depending on what the price of zinc is. The company will sell the balance of its zinc or 65% at the stock price throughout this year.

There would be two other things I would like to touch on before I conclude my remarks and open the lines for questions. The first is politics and the second is the silver market.

As a miner, I feel a little undermanned to be talking about politics, but there is no question that politics are and will continue to be an important aspect of our abilities to manage our business and deliver value to our shareholders. There has been much press over recent days, on both the developments in Bolivia under the leadership of Evo Morales. There is no question that the nationalization of the oil and gas industry in that country is cause for concern. The information that I received suggests that the mining industry in general is not a target for nationalization, but that information seems to be changing on almost a daily basis. There's clearly uncertainty. Uncertainty that we recognized a long time ago, and it is why we

have managed our San Vicente investments in Bolivia the way we have. We've limited our investments. In fact, it's only \$4.3 million at this point. We found a local partner who holds 45% of our operation. We have been generating cash flow in the country from some limited scale mining, which we have reinvested. We have a plan to expand the San Vicente, but we aren't going to spend until we have greater certainty, and until we are generating cash in country to pay for it.

On to Peru, where we do have significant interest. There has been the first round of elections, in which Ollanta Humala came out in the lead with just over 30% of the vote. There will be runoff between Ollanta Humala and Alan Garcia, who came in second in the first round of voting. This election is planned for approximately 30 days from today. It is important to note that Alan Garcia is comfortably leading in the poles at this point in time, and he is clearly the more moderate of the two candidates.

In any event, either party, either man, should they win, will not have the support of the congress. The congress is determined by the results of the first round of voting, which were split widely across each of the different parties. My own view is that we won't see the extreme things that we have seen in Bolivia or in Venezuela happening in Peru. Peru's mining industry is long and well established, and represents almost two thirds of the country's gross domestic products on an annual basis. I do believe we may be subject to small tax increases, and I do believe that tax royalties that were implemented last year may be applied to more companies, tax royalties that we are already currently paying, but I am not concerned, not concerned at all that our investments in Peru are at risk.

Lastly, the silver market. The ETF is a reality. It started trading just a few days ago, and to date, almost 32 million ounces have been sold in the ETF. Investment demand remains incredibly strong, as does uses on the industrial side. In fact, just recently, Motorola has introduced a silver based antimicrobial coating to the handsets for its cell phones. Silver laden textiles are being introduced in such things as slippers, drapes, towels, again for antimicrobial purposes. We have seen the start of super conductor activities, where silver is used as, in conjunction with ceramics, which could take off as much as 50 million ounces a year over the next decade, and we have still seen some decline in photography, but this is also netted out with declines in recycle. Silver prices are at a 23 year high. Only 40 minutes ago, they were just about \$14 million, or \$14 million I wish, \$14.00 per ounce. As we all know, they've been very volatile, but certainly trending up, and I would expect those conditions to remain over the next two to three years.

In closing, we've had a great start to 2006. As I mentioned, our forecast production is for 14 million ounces and we are on track to achieve this. Our cash costs are at record low levels and with base metal prices where they are, we expect this to continue. Our cash flow and profitability will continue to go up, in fact, much of the production performance we've seen in Q1, doesn't even hit our financials until Q2 and Q3. This is a consequence of the fact that we produce concentrates, which are sold over time, and priced into the future by our purchasers. Our growth plans are on track. Alamo Dorado will start up in the fourth quarter this year. Manantial Espejo is just getting going, but it's off to a great start.

26 million ounces by 2008. That is our goal, with structurally lower cash costs and that is where we are going to get to. Operator, questions.

Operator: At this time, I would like to remind everyone, if you would like to ask a question, please press star, one, on your telephone keypad. We'll pause for a moment to compile the Q&A roster. Once again, if you would like to ask a question, please press star, one, on your telephone keypad at this time.

Our first question comes from Howard Finkler of Finkler & Company.

Howard Flinker: It's Flinker, and I would like to ask a question or a couple. If you did not have the silver credits at the Manantial Espejo, what would your cash cost approximate? I mean, not silver credits, zinc credits. You know what I meant, but I said it incorrectly.

Geoff Burns: Sorry, at Manantial Espejo, they would be gold credits.

Howard Flinker: Gold credits, okay, I forgot.

Geoff Burns: That's correct, yeah. That would be, actually, I haven't looked at that in this sense, because it then becomes a tricky question of how to allocate the full costs between your gold, which should carry some burden of the cost, as well as the silver.

Howard Flinker: Right.

Geoff Burns: Offhand, if we were to split our costs on a 50/50 basis, I would suggest that our cash costs there would be in the \$2.00 per ounce range, and gold would also be significantly low cost productions as well.

Howard Flinker: Okay. Second, one thing that worries many of us, not only in Bolivia or Peru, but Venezuela and Argentina, is Kirchner, who is also a buddy of Uva Chavez. What are the rumblings you hear there about either higher taxes, or higher royalties, or just, give us more? We want more.

Geoff Burns: No problem. Actually, we are very very comfortable in Argentina for a couple of fairly specific reasons. The first one is our location in terms of where we are in Argentina, we are very - in the province of Santa Cruz, which is probably one of the few provinces that actually has a mining...

Howard Flinker: Right, right.

Geoff Burns: That's right, so that is sort of number one, but going directly to your question with respect to Kirchner. Kirchner is from the province of Santa Cruz, and as are many of his very closest advisors and cabinet ministers, and we have had unbelievable support at the federal level, including, we just signed an agreement wherein the federal government, as well as the province, are going to contribute one third, and us one third to the building of a power line to the local community, which is right beside our mine, a little town called Gobernador Gregores, so we have since seen support at the municipal level. It's just very interesting. The Intendente (mayor) in Gobernador, a small community of less than 3,000 people has access to Kirchner. He can go in, he can see Kirchner and talk about specifics in his community as well as our project, access that would be somewhat surprising, and it's that tie between Kirchner's sort of origins in that province, and the support we've seen that make us very comfortable in Argentina right now.

Howard Flinker: What's the tax rate for mining in Argentina? What's the royalty regime right now?

Male Speaker: That's a fairly complicated question. I can certainly get back to you if you want to give me call, if you want to give me a call after this conference call, I can give you a rundown of all the various...

Howard Flinker: Give me a number.

Geoff Burns: It's roughly 35% all in on a net basis. Not dissimilar from actually Peru or Mexico for that matter, slightly higher but not dissimilar.

Howard Flinker: That's the taxes or the taxes and royalties.

Geoff Burns: That would be the net of all the taxes, less tax credits, import, export credits etcetera, 35 plus comes to mind.

Howard Flinker: And, is there an additional royalty or not?

Geoff Burns: That's inclusive of the royalty.

Howard Flinker: Oh, that's all in. Okay. So, just like we could expect this in Africa or anywhere else, there's a possibility that that could rise, because that seems to be the movement around the world. Would you agree?

Geoff Burns: I would tend to agree. I mean, you certainly, you hope that there are, that logic prevails, but there is no question that taxes around the world have been escalating.

Howard Flinker: Yeah. And, one point. You say you are confused by the accounting on hedges. At the same time, you cite, quote, negative costs, unquote, on the Manantial Espejo, I can't say it well. They're one and the same, so if you understand one you understand the other.

Geoff Burns: I certainly do understand them. I just find the accounting treatment that we are using right now is not clear with respect to what we're doing as a company, and presenting that to our investors.

Howard Flinker: No, it's not clear in both cases, actually.

Geoff Burns: Yeah, and...

Howard Flinker: I mean, no business can have a negative cost. There's no such thing. But, in the mining business, we somehow figure out a way to call it negative costs.

Geoff Burns: Fair enough.

Howard Flinker: That's all I have. Thank you.

Geoff Burns: Thank you.

Operator: Your next question is from Haytham Hodaly of Salman Brothers.

Haytham Hodaly: Salman Partners, Haytham here for Geoff, How are you?

Geoff Burns: Good Haytham, yourself?

Haytham Hodaly: Just a few quick questions. Can you give us just a breakdown of your production forecast for this year? Of where, where your production was coming from specifically?

Geoff Burns: I mean, the total that we're anticipating is 14 million ounces, or just slightly above. Four million ounces is La Colorada. At Huaron, you can pretty much take the first quarter and multiply it times four. Similarly, with La Colorada, similarly with Quiruvilca, Haytham as well as Morococho. At the pyrite stockpiles, we're looking at somewhere about 650,000 ounces. We will see a little production, or anticipating a little production from Alamo Dorado late this year in the neighborhood of 550 to 555,000 ounces, and to a small degree, some production from San Vicente. We saw some of that in the first quarter. About 80,000 ounces, we are hoping to get that limited production going again, and might see as much as 4 to 500,000 ounces out of

San Vicente, I think. And, I am hoping if you total all that up, I'm pretty sure you're going to get over 14 million.

Haytham Hodaly: Okay, and could you just maybe just go through, by 2008 now, how you would expect those to grow?

Geoff Burns: Haytham, that's a pretty detailed question to – I'd be more than happy to have Rob or someone respond to you...

Haytham Hodaly: How about this. How much do you expect from your major operations in 2008? What's going to be your largest two or three contributors?

Geoff Burns: Well, certainly, Alamo Dorado with over 5 million ounces is number one. Manantial Espejo at 4.2 to 4.5 million ounces. Huaron at almost 4 million ounces. Morococho closing in between 5.5 and 6 million ounces. La Colorada continuing at about 4 million ounces, and then the pyrites, pretty much at the same rates we're seeing right now, and then, San Vicente, depending on our development options there, with respect to government, at somewhere between 1.8 to 2 million ounces to our account.

Haytham Hodaly: Okay, that's perfect. And, you've recently come to the market, obviously (inaudible). Could you just outline what you're seeing out there in terms of opportunities these days?

Geoff Burns: On the acquisition side, Haytham?

Haytham Hodaly: Yes, that's right.

Geoff Burns: Yeah, the – in general as you know, silver assets are very, primary silver assets are very rare in nature, and that hasn't changed. What we have seen is a large, large escalation in valuations, which are making it, I'm going to say, very difficult for us to aggressively pursue opportunities. Unless there's, as always, unless there's some sort of ability to add value above and beyond the base asset that we've been looking, some of the base assets that we've looking at, it's really hard to be paying, you know, two to three times their underlying value. So, I guess, there are still opportunities there, valuations are hard and we're trying to exercise some discipline in our approach to looking at those.

Haytham Hodaly: Okay, one final question, I guess. Morococho, Manantial Espejo used to be in a category which required higher silver prices. You've still got a couple of those deposits, if I recall, which I'm assuming you do, stories like Hog Heaven and Waterloo. What ever happened to those?

Geoff Burns: We actually have, there's probably three assets that we're showing on our resource reserve book that certainly now have potential at these prices. The first, and what may be foremost opportunities with respect to the pyrite stockpiles, which we have a 50% interest in Peru, there's, you know, over 100 million ounces of silver locked up in those pyrites, and we actually have been doing a fair bit of work on the metallurgical side, looking for, perhaps a hydro metallurgical process to unlock the silver from the pyrite. It's always been a function of the cost of doing that, but certainly at these prices, the technology exists to make that a reality, so that's the one we're probably looking at hardest of the three we have on our books.

The other two are Hog Heaven, which is in Montana and Waterloo, which is in California. Both of them fairly large resources, and frankly Haytham, both of them we have not done much work on over the past several – certainly since I have been with the company, but we will be, you know, at these price levels, we are going to start to have a look at those once again, because in these, at sort of eight, our initial aspects are sort of 8, \$9.00 prices.

All of a sudden, the economic started to turn positive, so we haven't done much yet, but it's something we are going to get to.

Haytham Hodaly: Certainly, thank you Geoff.

Geoff Burns: You're welcome.

Operator: Your next question is from Mark Monroe of Adar Investment Management.

Mark Monroe: Hi, and thanks for taking my question. If I exclude all of the development mines, and just look at Peru and La Colorada, was thinking of, how can I look at the annual maintenance Cap ex for those mines?

Geoff Burns: I have a pretty decent handle on those. I guess, why don't I just go through them, sort of individually.

Mark Monroe: Okay.

Geoff Burns: The, maybe, the simplest way is to think about is a dollar an ounce between sustaining capital for equipment and between ongoing developments, and that would exclude some projects that are more longer term in nature, where we might be developing new accesses to lower parts of the ore body, but a dollar an ounce is not a bad way to look at it, and indeed, that's probably similar for, similar for Morocochoa. Quiruvilca is less, it's a more fully developed mine, and less capital requirements, probably in the neighborhood of \$0.50 an ounce, maybe \$0.60 an ounce on the silver side, so a million to a million and a half in capital sustaining basis. La Colorada has been relatively high over the first two years of this operation, and that should decline. I would again use something between sort of 75 to \$0.80 an ounce in sustaining capital there.

Mark Monroe: Okay, and that's ounce of production per year.

Geoff Burns: That's correct. Per ounce of production.

Mark Monroe: Okay, great, thanks.

Geoff Burns: You're welcome.

Operator: Once again, if you would like to ask a question, please press star, one on your telephone keypad at this time.

Our next question is from Ronald Scheidelman who is a private investor.

Ronald Scheidelman: Yes, I have tuned in late, and so you, very likely, you've already covered this, but in a broad sweep, I've been following the stock very closely, and you've been buying like crazy sites that will accumulate silver in particular, and yet, the stock for the last two or three days has dropped sharply, and there's no news to support that, and no insiders selling, et cetera. What's happened here?

Geoff Burns: Certainly, that's a good question Ronald. We've seen certainly very volatile silver prices over the last couple of weeks, as well as, but still trending in the upward direction, even though, swinging sometimes 50 to \$0.70 per day. In general, we've seen within our peer group a decline across the entire, I'm going to say, the entire silver sector, pretty much equivalent with what's happened with our stock. On a couple of days, we saw silver up sharply yet none of our peer group nor ourselves actually following along with the price, so there's been

a, I'm going to say, what appears to be a short term, sort of, divergence between the stocks and the underlying commodity. I think part of that is directly related to some of the developments in South America. There are a couple of our peers who are very very exposed in Bolivia. As I mentioned, we have a very small and limited exposure, and have been managing it on that basis for a while in San Vicente, and there has been some, you know, I think maybe some concerns in terms of a couple of the other South American countries, and I hope my comments earlier have to a certain degree calmed some of those concerns, at least as they relate to Pan American, but I would tend to, I tend to think that that factor, maybe more than anything, has de-coupled the price with the sector. My expectation would be if we continue to see strong prices, continue from Pan American's point of view of delivering excellent performance, I would like to think we see that share price moving up again in tandem with the silver price.

Ronald Scheidelman: When do you see that happening?

Geoff Burns: Ronald, I wish I had that crystal ball. I certainly see it over the long term. Whether it's next week or the week after, I mean, I can't say. I mean, the market is a dynamic beast. Like you, I certainly follow the trends, particularly related to our own stock. I'd like to see that reestablished. I think that relationship will be reestablished. I can't tell you when.

Ronald Scheidelman: Alright, thank you.

Geoff Burns: You're welcome.

Operator: Once again, if you would like to ask a question, please press star, one on your telephone keypad at this time.

Your next question is from Kurt Bealer who is a private investor.

Kurt Bealer: Yes. Will you be doing any hedging against the dollar?

Geoff Burns: Relative to, I guess, relative to the two, I guess, three primary currencies that we deal in, one is the sole, obviously in Peru, the peso in Mexico and the peso in Argentina. We did put in a peso, Mexican peso hedge in conjunction with the, excuse me, with the development of Alamo Dorado to protect against, I guess, strengthening of the peso relative to the U.S. dollar. That has performed relatively well for us, although, in reality over the sort of, I'm going to say 16 month period since we put that in place, there hasn't been a huge swing in the relative valuations of those two currencies, particularly, I'm guessing, given that the close trade ties between United States and Mexico. We likely will look at doing another program. Our business is not, in essence is not in taking currency risks. Our business is in taking mining risk, so I think we'll probably reinstate a portion of that program going forward. We are going to look at a similar program for the Argentine peso relative to our development of Manantial Espejo. The scenario there is somewhat different. Inflation is quite high in Argentina right now, and the peso has not really responded to that fact, which is a bit concerning, and it has been trading almost flat relative to the U.S. dollar, so we're looking at that, but at this stage, we haven't decided whether or not to jump in Kurt.

The last area is the sole in Peru. So much of the Peruvian economy is tied directly to commodity prices, which are all quoted in U.S. dollars. The sole has really traded in a very very narrow range relative to the U.S. dollar over the last couple of years, and I think our view is it's going to continue to do so, so we aren't likely to do anything on that front.

Kurt Bealer: Thank you very much.

Geoff Burns: You're welcome.

Operator: At this time, there appear to be no further questions.

Geoff Burns: Thank you operator, and thank you everyone for joining us this morning. I am very much looking forward to updating you again sometime in late July, early August, when we have our second quarter results. We have a lot going on. Prices are certainly buoyant, and I look forward to talking about even better results in about three months time.

Operator: Thank you. This does conclude today's conference call. You may now disconnect.