

CCH – Q1 2017 Trading Update

Conference call Q&A transcript – 11 May 2017

CORPORATE PARTICIPANTS

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QUESTIONS FROM

Richard Felton, Morgan Stanley

Sanjeet Aujla, Credit Suisse

Edward Mundy, Jefferies

Kate Kalashnikova, Citigroup

Andrew Holland, Societe Generale

Fernando Ferreira, BAML

Charles Pick, Numis

Stramatios Draziotis, Eurobank Equities

QUESTIONS AND ANSWERS

Telephone Operator

Ladies and gentlemen if you would like to ask a question please press *1 on your telephone keypad. If you change your mind and wish to withdraw your question please press *2. You will be advised when to ask your question.

Our first question comes in from the line of Richard Felton calling from Morgan Stanley. Please go ahead.

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Richard Felton, Morgan Stanley

Good morning, thank you very much for taking my questions. Two from me please. So first of all in Nigeria volume growth seemed to be pretty resilient in Q1, despite the price increases that you're taking. With that in mind would you still consider flat volume for the full year to be a success, or is that perhaps a little bit conservative now given the performance that you've seen in Q1?

Secondly, your volume in Italy was down by mid single digits in Q1 and in your comments you've called out delisting of low value Water brands. Could you perhaps just quantify the impact of the delisting and would your volumes have been flat if that's was removed? Thank you.

Dimitris Lois, Chief Executive Officer

Thank you Richard. Looking at Nigeria we're very pleased to see the mid single digit in Q1, taking into consideration the high single digit price increases last year and the teens increase in Q1. We still believe that flattish volume in Nigeria would be a good result for the year. We have taken another teens increase in April, so we do expect in the short term that volumes will slow down. So we reiterate what we said back in February with regards to flattish being a positive outcome for Nigeria.

Going to Italy there are a couple of elements there. The low value brands are one part and I would say it is 50% of what you are seeing, but there is the Easter part, which is considerable. What we have seen overall in the Established and Developing markets is Easter playing an effect of between 2 to 3%.

Now out of that, because that covers both Established and Developing, out of that there are two markets where Easter is far more evident and that is Poland and Italy. And I'm saying that because looking at the trading in April we have seen the effect of Easter, the positive effect of Easter in both Established and Developing with a very positive outlier being Poland, but in all of the countries we have seen a very positive effect. So that's where we are with regards to Italy.

Richard Felton, Morgan Stanley

Thank you that's very clear.

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The next question comes in from the line of Sanjeet Aujla, calling from Credit Suisse. Please go ahead.

Sanjeet Aujla, Credit Suisse

Thanks Dimitris, I just wanted to follow up on Russia, clearly a decent start to the year. Again, you still seem to be erring on the side of caution for the rest of the year, can you just give a little more colour on what you're seeing on the ground there?

Secondly, just coming back to Developing, even if you strip out the Easter impact it seems like volumes are still down. At the full year results you committed to volume growth in Developing and Emerging, can you still get there in Developing and what are the moving parts there? Thanks.

Dimitris Lois, Chief Executive Officer

Starting with Russia we are very pleased. We are very pleased with the low single digit growth we've seen in Q1 and in principle looking back what we have been discussing over our full year results, starting with Q4 last year, it was the first quarter that we have seen a positive GDP after two years. Obviously this will take some time to start filtering to consumption. Having said that this is a weak market still, so it hasn't filtered through to consumption. The overall NARTD for Q1 was minus 3.6, so we are very happy, outperforming, but this is a weak market.

As we move along we reiterate that this is going to be a flattish year, we will outperform a weak market. At this point in time the estimates for the full year is negative for NARTD, minus 1%. We do believe that as we move along the year towards the second half of the year we will see consumption being a bit more evident, reflecting the overall positive macros. So reiterating a normalisation, the stabilisation with a flattish year, which is a good overall outcome taking into consideration the high single digits that we have seen in 2016.

Now going to Developing, Developing in Q1 was affected by Easter and here the main negative contributor is Poland with high single digits negative. In Poland our own estimation calls for Easter contributing negatively in Q1 3 to 4%. So a key element is Easter in Poland. And as I said a little while ago we're very happy to see April, with Poland being by far the best positive outlier reflecting this Easter effect.

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We do reiterate what we have said with confidence, what we have said in February, that Developing with continue to grow and obviously Poland being 40% of Developing will also be growing as well.

Sanjeet Aujla, Credit Suisse

Thanks, just coming back to Russia, I'd just like to understand better what's driving your strong outperformance in the market?

Dimitris Lois, Chief Executive Officer

Well in Russia there were three things that I would like to leave behind, we are very happy to see Sparkling moving strongly. The second element if I would double click that's organised trade, which is a trend that we have seen, I would say consistently in the past. And there is a third element there which is an acquisition of a regional retailer in the Urals. All of those have contributed to the low single digits, again in a market that has been declining by 3.6%.

Sanjeet Aujla, Credit Suisse

Got it, many thanks.

Telephone Operator

The next question comes in from the line of Edward Mundy, calling from Jefferies. Please go ahead.

Edward Mundy, Jefferies

Morning everyone, three questions please. Just on the commercial initiatives that are driving the improved category and packaging mix, I think in your opening comments, or certainly the comments in the release are this is adding to your confidence of going into the remainder of the year. My question is are you confident in this level of revenue per case growth for the year?

The second is, again back to pricing and in the Emerging I think you've quantified that Nigeria are growing probably mid teens, which would imply that you're getting pretty decent pricing across the rest of the Emerging business and the 10% revenue per case

growth is not just purely due to high inflation in Nigeria. Perhaps you could comment on what type of pricing you're getting in the rest of that division?

And then the third is just on your FX guidance, you don't mention it, presumably there's no change to your minus €15m for the year?

Dimitris Lois, Chief Executive Officer

Ed, on the category and pack mix we are extremely happy and we are extremely happy because this is core to our commercial initiatives and we have seen that consistently being in the right direction. This is another quarter where we have seen that the package mix has been positive both in Sparkling and in Water across the different segments.

Now with regards to revenue per case we're very happy with Q1. The revenue per case growth in Q1, we expect that will slowly, gradually reduce as we go towards the end of the year. And here is why, there are a couple of elements that contributed positively to the 4.5% FX neutral revenue per case growth. Let me start with the two big ones and that's Russia and Nigeria. In Russia we have been taking prices also last year, so it's a cumulative effect. And then we also took price in Q1. At this point in time and looking at the outside environment and at the positive overall macros, we don't foresee that we will take additional pricing as we move towards the end of the year. So obviously that reflects positively in Q1.

Now going to Nigeria, in Nigeria you will recall that last year we did a high single digit price increase. And that started from H2 onwards. We had a teens increase in Q1 and a teens increase in April. With this in mind, obviously we will be looking very carefully in the market. This is an affordability market. At this point in time we do not believe that additional price increases to the tune of what we have been taking is something that will apply in the market.

So with this in mind, again Q1 was advantaged, taking into consideration the cumulative effect from last year and the two price increases, one in Q1 and the second early in Q2. So as we move on the growth in revenue per case also in Nigeria will slow down.

Now we have been also taking pricing in the rest of Emerging, you are absolutely right Nigeria has been contributing quite a bit. If you take out the Nigeria effect then the 10.7 or 10.3 - apologies the 10.3% in FX neutral revenue per case growth becomes 6.7%. So we see that there is a strong element from the rest of the emerging. And with that let me turn to Michalis for your FX question.

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Michalis Imellos, Chief Financial Officer

Hi Ed, so the short answer is no real change to the FX guidance, we are still in the ballpark of £15m. The ruble has not moved substantially in terms of spot price since February, we are at around 57, 58 to the dollar. And with regard to the naira we continue to make internally an assumption of around 30% devaluation from where the official rate is today. We see some positive moves in the FX market in Nigeria, but it is very early to really say whether this will materialise into something positive for the rest of the year. So more or less we are at the same place in terms of the full year FX guidance.

Edward Mundy, Jefferies

Thanks, could I just follow up on Russia. You've taken some share in the quarter, you've also taken some pretty good pricing, perhaps you could flesh out exactly what's happened in Russia, so that you've got both of those two factors? And then the second follow up is around revenue per case, I mean clearly quite strong, I know it's going to moderate in the second half, but perhaps you could talk about the implications on margins from the very good pricing you're getting.

Dimitris Lois, Chief Executive Officer

Okay, with regards to Russia, again as we said we are very happy to see the overall macro consistently being in the right trajectory. Still, as I said we are talking about negative overall market, 3.6, and still we see that the market will be negative for the full year. So what we are saying is, reiterating that the second half of the year would be the one that would allow us to seek this stabilisation which we currently believe will happen for the year.

Now going to the second question, I will connect that with what you asked me before, and that is the revenue per case on an FX neutral basis. Taking into consideration that the growth, as I said, in Q1 had a lot of elements taking us to 4.5 and as we move this growth of the revenue per case will slowly go down. On top we reiterate that with regards to volume Established more or less flattish and that's what we still see, Emerging and Developing will continue into growth. So it's these two elements in combination that allows us to reiterate our confidence on margins for the year ahead.

Edward Mundy, Jefferies

Okay thanks.

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Our next question comes in from the line of Kate calling from Citi. Please go ahead.

Kate Kalashnikova, Citigroup

Hello this is Kate Kalashnikova from Citi. First of all just a follow up to Richard's question on Nigeria. The court of Nigeria has ordered CCH to place warning labels on Fanta and Sprite bottles to warn consumers against drinking with vitamin C. I know you're appealing the case but do you see a risk that volumes could deteriorate as a result of these negative headlines with some consumers boycotting your products potentially, and have you seen any impact of this in April? And I understand it's difficult to segregate this impact [...] from mid teen price increases you've taken in April.

Dimitris Lois, Chief Executive Officer

We have seen good growth in Nigeria and we have seen good growth in Q1 driven from Sparkling, driven from Water. Within Sparkling all brands grew and we see this trend being consistent. Now with our April third I would say price increase and that was a teens price increase, as I said a little bit earlier we do expect that in the short term volume will slow down but we reiterate that this is going to be a year where we are going to be happy to see flattish volume. So nothing really changed from what we've originally shared with you back in February. Good start with the mid single digits and good start in a strong quarter for Nigeria. And reiterating what we have said back in February.

Kate Kalashnikova, Citigroup

Okay. In this case can you talk about the competitive environment in Poland? I understand that some of your competitors have been discounting close to price points of private label but CCH obviously had a very strong price mix which shows that CCH has been very rational. What was the market growth in Poland in volume terms this quarter and what have you seen in April during the Easter trading in Poland?

Dimitris Lois, Chief Executive Officer

Okay so a couple of things in Poland. In Q1 we saw high single digit decline. I would like to give you a bit more colour on this decline. In principle there are three elements there that I could identify. I'll start with Water. Water went down high teens and in principle there are two reasons there. First is that we have shifted our frequency pack from the

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1.75 to the 1.5. So obviously that had an evident effect with regards to volume. There is a second part with regards to de-listing couple of variants.

Then moving to Sparkling, there are a couple of areas there. All of those areas are behind our consistent focus on value. The first thing is that we have been investing our promo intensity a lot more on smaller packs than bigger packs so we have in principle taken investment out of the support on the 1.75 litres to the 1.5, the 1 and the single serve multipacks. And additionally continuing our efforts to further optimise our route to market we have moved volume from cash and carry to wholesalers. So in the short term this has the volume effect which is a pipeline effect, then additionally this has a positive effect as far as the revenue per case. That's why we are extremely happy to see a very good revenue per case in Poland in Q1.

Kate Kalashnikova, Citigroup

Okay that's very clear. Thank you very much.

Telephone Operator

The next question comes in from the line of Andrew Holland. Please go ahead.

Andrew Holland, Societe Generale

Can I just sort of build a bit on what Ed's question was sort of getting at around your margins? So if I use your usual growth algorithm then based on 4.5 percentage points of growth in revenue per case your margin would have gone up over 300 basis points in the quarter if we had been able to see that. Am I right in thinking that that algorithm still works? And if it does is that growth in margin coming where the revenue per case growth is coming, i.e. in the Developed and Emerging market segments?

And just further to that I think the current consensus is for about 100 basis points of margin growth, and again using that algorithm that would suggest price mix if it's largely coming from price mix of around just north of 1% compared to the 4.5% that you've done in the quarter. Is that sort of direction of thinking sensible as we look at the full year forecasts?

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Dimitris Lois, Chief Executive Officer

Andrew let me take your second question and Michalis will take your first question. The consensus is not 100 basis points increase. As a matter of fact the consensus is between 560 and 565 million EBIT. So this does not translate to 100 basis points. Now looking at how we started the year we are very happy. Now we all know that Q1 is a small quarter and with that we do feel comfortable with what we see as far as the consensus is concerned. Let me pass now to Michalis for your first question.

Michalis Imellos, Chief Financial Officer

Hi Andy. Again the algorithm works for Hellenic in total; it's an average for the whole Group. Clearly if you look segment by segment those factors change so in total for the Group and for the full year, on a full year basis, not necessarily quarter by quarter. Looking at the performance in quarter one, looking at the trends that Dimitris mentioned earlier about how things will evolve in terms of the volume and the revenue per case currency neutral growth we reiterate what we said at the beginning of the year in February that this will be another year of margin expansion.

Andrew Holland, Societe Generale

Okay thank you.

Telephone Operator

Our next question comes in from the line of Fernando Ferreira. Please go ahead.

Fernando Ferreira

Hi thanks for the questions. A few questions on Nigeria please. Can you please remind us what's the naira assumption that you have for the year? And also if we assume another devaluation for the year, the pricing that you have taken so far is it enough to cover a potential additional currency devaluation?

And lastly if you can comment about your raw material cost in Nigeria as well? I mean I understand that some of your suppliers have not been able to access the official rate so have you seen already a raw material inflation assuming the parallel market rate?

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And then just lastly please if you could comment on an update on the bidding process for CCBA would be great, thank you.

Dimitris Lois, Chief Executive Officer

Well let me start with the last one. You know our policy; our policy is not to comment on speculations of the market on potential M&As. And with that let me pass to Michalis for the rest of your questions with regards to Nigeria.

Michalis Imellos, Chief Financial Officer

So the official rate for the naira at the moment is around 315 to the dollar, 315 naira to the dollar. And we said that our usual methodology in estimating the FX impact is to take the actual stuff that's happened up to this point in time and project the spot rates to the rest of the year. Now specifically with Nigeria we've made an exception because obviously the official rate is not the rate that we find when we transact with suppliers locally, so we have embedded in our estimates a further devaluation of 30% which takes us to a rate of around 450 naira to the dollar.

And this is very much a rate or a ballpark I would say that we have been experiencing in Nigeria with suppliers. We buy the vast majority of our raw materials in naira, in local currency, and clearly the suppliers ask us to embed into the naira price a rate which is obviously a lot worse than the official rate, exactly for the reason you mentioned, that they cannot source dollars at the official rate and they obviously need to source the dollars at the higher rate in order to make the imports of their raw materials. So we feel that this is an appropriate rate to incorporate in our calculations because it is the rate that we see in our transactional exposures when we buy raw materials locally in naira.

Now on the pricing and whether it's enough to recover this. As we have seen also with the example of Russia when there are very sharp devaluations in emerging markets it's impossible to take enough pricing straight away to be able to recover the impact of the negative FX very quickly. So it happened in Russia, it took us two to three years to really get to the point that we could say that we have covered fully the depreciation of the rouble. It will be the same situation in Nigeria, it will take some time. We have taken some considerable price increases last year, in January this year and also in April. Please bear in mind that we had not taken pricing for quite some time in Nigeria so there is an element of a catch up as well. It will take some time to say that we have really recovered fully the impact of the forex devaluation there.

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Fernando Ferreira

Great, thanks a lot.

Telephone Operator

The next question comes in from the line of Charles Pick calling from Numis. Please go ahead.

Charles Pick, Numis

Good morning, thanks everyone. Just a bit of clarification please on a number of points. The 4.4% volume decline for Juice, is it possible just to elaborate on what was driving that please?

And then with the Water decline of 0.1%, given Poland and given the Italian de-listings you would have actually have thought there'd be a worse figure for that. Why basically is that figure not sort of even worse than - well not much lower than 0.1%?

And then in respect of the Easter situation is it possible to clarify what the impact on the Group volume figure was, what that 0.7% increase would otherwise have been? And ditto from the one fewer selling day which I think featured too in Q1 of this year?

And finally on the input costs, you were talking in February of high single digits in terms of the FX neutral per case increase for this year, is that still valid please?

Dimitris Lois, Chief Executive Officer

Yes let me start with Juice and here we have seen a negative performance and that is coming in principle from the established markets and I would pick Ireland and Greece. In developing markets we have seen a good growth in Poland and Czech, and eventually it's the emerging where we have seen losses in Russia and Nigeria. So if I would kind of consolidate that, it is Ireland I would say, Russia and Nigeria.

If I would like to give a bit more colour here, in Ireland there is a very specific part, we call it dilutes, and here we are working on repositioning ourselves in the market. That's a very small part of the overall Juice for the Group but that has affected this small first quarter. Then in Developing as I said I'm very happy with Poland and Czech. Hungary was a bit slow but the key element was Nigeria and Russia. Now in Nigeria I would leave two elements behind, the first element is that we are cycling a 45% increase in Q1 so definitely there is a cycling phenomenon there. And we also had some issues with

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regards to production which eventually as we move on this is not going to be the case. In Russia it's the overall external environment, and looking at Juice what we see is a trend which is decelerating the decline. So as we move on and take into consideration the overall positioning in Russia, especially on the second half of the year, we do expect that also Juice in Russia will be a part of the overall stabilisation.

Now going to Water, a very marginal decline and you're absolutely right, looking at the two areas or I would say two and a half areas giving you a bit more colour, and that the first area is the low value in Italy and we are cycling that in Q2. There is a second area which is Poland and here there is an operational part and a non-operational part. The operational part is the shift from the 1.75 to the 1.5. Obviously as we move along the year this will improve versus the high teens decline that we have seen. And we have as I said some de-listings of some variants. And also I would conclude in Water by saying that in Romania we also de-listed our five litres pack so that contributed to the overall situation. So that's why as we move along we believe that Q1 is not really the one that is indicative of the overall Water performance.

Michalis Imellos, Chief Financial Officer

And coming to the question on the input costs, everything that we have seen in the first quarter points to the same guidance, no reason to change the guidance for high single digit increase on input cost per case currency neutral. We said also in February that this is going to be at the lower part of the high single digit range. We have seen a little bit of volatility in terms of the oil price which obviously affects the resin prices. Also aluminium has been edging a little bit upwards but overall give or take we are still at the same levels in terms of the full year guidance.

Dimitris Lois, Chief Executive Officer

Let me conclude with the last part of your question with regards to Easter for the Group. That's approximately 1%.

Charles Pick, Numis

Thank you very much, very comprehensive answers. And the one fewer selling day effect?

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Dimitris Lois, Chief Executive Officer

Well here this one less selling day that's one less consumption. So as far as we are concerned we don't take that into consideration, it's even to even.

Charles Pick, Numis

Okay right, thanks.

Telephone Operator

We have another question coming in from the line of Edward Mundy. Please go ahead.

Edward Mundy, Jefferies

Thanks for taking the follow up. Sorry to labour the point but coming back to Russia again, just so I understand it clearly. The market was down 3.6 in NARTD in Q1. You grew low singles. You think the market is going to be down 1% for the year yet your guidance is still for a year of volume stabilisation. Clearly there's an element of conservatism here, Q1 is a small quarter, but perhaps you could flesh out why you're being conservative at this stage. Are you expecting competitive response or is there anything behind your conservatism given that the market ought to improve in particular into the second half?

Dimitris Lois, Chief Executive Officer

Well Ed Q1 is a small quarter. As I said we are very happy and I gave a bit more colour on Q1 with regards to where this growth is coming from, happy to see Sparkling, happy to see organised trade, there is an additional element with the retailer that we have acquired in Q1 so that positively contributes to the very low single digit performance.

Now with this in mind the 1% is a forecast. Right now the actual is 3.6%. We do believe that it will take a bit of time to see the overall positive macro filtering through. That's why at this point of time with a very small quarter we reiterate that stabilisation is what we see for overall Russia for the full year.

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Edward Mundy, Jefferies

I'll perhaps ask it a different way. Have you seen any significant change in trend into Q2 in Russia so far?

Dimitris Lois, Chief Executive Officer

It's far too early. It's far too early with regards to April. We need to see the rest, especially June that's a big month. So that is not changing our overall position.

Edward Mundy, Jefferies

Great, thank you.

Telephone Operator

The next question comes in from the line of Stamatios calling from Eurobank Equities. Please go ahead.

Stamatios Draziotis, Eurobank Equities

That's Stam Draziotis from Eurobank. Just a quick follow up on your FX neutral revenue per case, the 4.5% growth registered in Q1. You mentioned that category and pack mix were supportive along with pricing. Could you maybe split between the two factors, i.e. price mix?

Dimitris Lois, Chief Executive Officer

Stam, IR will take that offline with regards to the details on the contribution. What we said is that we are very happy to see the overall commercial initiatives being so strong and consistently contributing, and that's another quarter. I will sort of reiterate that this is something that eventually drives a part of this 4.5%. Definitely there is a pricing element and this pricing element is coming both from Developing, very happy to see the 4.1% growth in Developing, and the 10.1% in Emerging.

As I said a little bit earlier Emerging has a strong contribution from Nigeria. So out of this 4.5%, if you take Nigeria out that is a 2.7% growth. So we are very happy to see the underlying business excluding the Nigeria effect being very strong, and with that I will reiterate that the growth we have seen in Q1, we expect that that will gradually slow down as we move towards the end of the year, still seeing very good underlying trends. On the details that you have asked please do connect with IR to give you the different contributions.

Stramatis Draziotis, Eurobank Equities

That's very helpful actually, thank you.

Telephone Operator

We have another question coming in from the line of Andrew Holland. Please go ahead.

Andrew Holland, Societe Generale

Hi, sorry to labour the point again but I've just gone back into the Vuma consensus that you sent round a couple of days ago and so you're quite right, I was looking at the wrong bit for the EBIT margin. The comparable EBIT margin for 2017 on the consensus is 8.7% and that's comparing with 8% last year, so 70 bps up. But then if I look at the changing total FX neutral net sales revenue per case that's plus 3.3. And so again using your algorithm that would imply somewhere north of 200, 250 bps of margin growth and that's without any volume contribution to the margin and there is an expectation of some volume growth as well. So what is the disconnect there, what is coming into limit that EBIT margin growth?

Michalis Imellos, Chief Financial Officer

Hi Andy. So we have to look at the full year and we have to look at the full year trends, because as Dimitris was saying earlier what we saw in quarter one is not exactly the progression that we will see for the rest of the year in terms of the volume growth and also in terms of the revenue per case currency neutral growth. So potentially looking on a full year basis at a small improvement in the trend in terms of the volume, and we will see still growth in the revenue per case currency neutral but as Dimitris said earlier with a slowdown in the rate of growth. So we have to look at those rates of growth in order to derive the margin dynamics.

And on the other side we have also the combined effect of FX and input cost. And we said in February that even though FX is easing dramatically compared to where it was last year, because of the input cost per case growth acceleration versus what we saw last year, very significant acceleration, the combined effect of input cost and FX is higher than in prior years. And this is what offsets the faster growth of the top line and the increased contribution to the bottom line. So overall that's why we are coming to expansion of margin for this year as well.

Now you mentioned where the consensus is. At this point it's too early to really say and take a position whether it will be significantly more or less than that. Certainly the results of quarter one give us confidence about margin expansion for the year.

Andrew Holland, Societe Generale

Okay so I should be thinking in terms of an offset to that algorithm coming from FX and coming from input costs. So it is possible to have a consensus forecast of 3% on price mix but to have some of that lost to FX and higher input cost?

Michalis Imellos, Chief Financial Officer

Yeah as I said we do expect overall as you said that we will see in the top line better trends because also of the impact of Nigeria pricing. Dimitris mentioned how significant the contribution of the Nigeria pricing is to the overall algorithm. But as I said the combined impact of FX and input cost, negative impact, is higher than prior year and that's how those two are working against each other.

Andrew Holland, Societe Generale

Okay, thank you very much.

Telephone Operator

We currently have no further questions in the queue so I will just give a final reminder. If you would like to ask a question please press *1 now.

Okay we have no further questions coming through so I shall hand it back over to yourselves for any concluding remarks.

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Dimitris Lois, Chief Executive Officer

Thank you operator. I want to thank you for joining us today and for all your questions that facilitated a good discussion around our first quarter performance. Trading has started as expected and we have a number of initiatives that are delivering well for the Group. We look forward to sharing more results with you in the coming periods. Thank you and have a great day.

Telephone Operator

Ladies and gentlemen thank you for joining today's call. You may now replace your handsets.

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This transcription has been derived from a recording of the event. Every possible effort has been made to transcribe this event accurately; however, Coca-Cola HBC shall not be liable for any inaccuracies, errors or omissions.