



## DB Corp Limited

### Q3FY20 Earnings Conference Call Transcript

January 23, 2020

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**Moderator:** Ladies and gentlemen, good day and welcome to DB Corp Ltd Q3 FY2020 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “\*” then “0” on your touchtone phone. I now hand the conference over to Ms. Hina Agarwal. Thank you, and over to you Ms. Hina.

**Hina Agarwal:** Thank you and Good Evening to everyone. We welcome you to the 9M and Q3 FY2020 conference call of DB Corp Ltd. We have with us today the senior management team of DB Corp Ltd. Mr. Pawan Agarwal-Deputy Managing Director; Mr. Girish Agarwal-Non-Executive Director; Mr. P. G. Mishra- Group CFO; Mr. Mushtaq Ali- Vice President (F&A); Mr. Lalit Jain-CGM (F&A); and Mr. Prasoon Kumar Pandey, Head Investor and Media Relations will represent DB Corp Ltd on the call. We will be sharing the key operating and financial highlights for the quarter ended December 31, 2019, followed by a question and answer session.

Before we begin, I would like to state that some of the statement made in today's discussion may be forward looking in nature and may involve risks and uncertainties. Documents relating to the company's financial performance have already been e-mailed to you.

Now, I invite Mr. Agarwal to share his outlook on DB Corp's performance for this quarter. Over to you Sir.

**Pawan Agarwal:** Thank you Hina, and Good Evening to everyone. Let me begin the call by highlighting the key financial performance for the quarter ended December 2019, followed by key developments in the business and various growth strategies implemented by the company to maintain and strengthen the leadership position across markets.

Beginning with our Q3 FY2020 consolidated performance, last few quarters we have been working on optimizing the overall cost for the company. Our ongoing cost control measure coupled with the lower news print prices has helped in improving the profitability during the quarter. PAT reported a growth of 8% stood at Rs.816 million with a margin of 14%. EBITDA stood at Rs.1447 million with a margin of 24%. Our advertising revenues stood at Rs.4248 million. Circulation revenues at Rs.1321 million and total revenues at Rs.6018 million.

Our circulation expansion strategy is yielding results and we are happy to share that Dainik Bhaskar featured amongst the world's top 3 most circulated new papers in 2019 as per WAN IFRA. The other two newspapers are Yomiuri Shimbun and Asahi Shimbun from Japan. The recognition of being ranked as a third largest in the world and the only Indian new daily to be in the top 3 is a proud development for the entire Dainik Bhaskar Group and a reflection of our hard work and sincere efforts towards driving DBCL to this position.

Further we are continuously working on our strategy to gain dominance and leadership in Rajasthan, Gujarat, and Bihar while maintaining dominance and leadership in other markets through readers-centric approach, idea-based journalism and knowledge-enriched content.

As also mentioned on earlier calls, we remain focused on a latest editorial philosophy "Har Zaroori Khabar Mein Hoga Aapke Kaam Ka Knowledge", which is driven on a knowledge and ideation approach. This constant realignment of editorial content to meet readers evolving expectations has helped us make significant strides in readership.

As per latest ABC results, Dainik Bhaskar Group maintained its position as the largest circulated newspaper group of India. As per latest IRSurvey, Dainik Bhaskar group maintained its position as a largest read new paper group of urban India. Some of the other notable developments of the survey are Rajasthan wherein our lead has increased impressively in urban Rajasthan as well as in Jaipur. In Bihar, we have strengthened our readership base by adding 1.82 lakhs readers over the previous quarter in Gujarat and in key markets of Ahmedabad, our lead has widened to 30% from 19%.

DBCL radio business continues to maintain leadership position in all significant markets. Radio advertising revenue for the quarter stood at Rs.372 million, EBITDA stood at Rs.135 million with an EBITDA margin of 36%. PAT stood at Rs.62 million with a margin of 17%.

Lastly, the overall market conditions continue to be challenging led by weak consumer demand and a general economic slowdown. However, our prudent editorial and circulation strategies have enabled us to build a strong readership base and gain market share. With all our fundamentals in place, we are well prepared to capitalize on the upcoming opportunities and would strive to enhance our performance. My colleagues and I will now be happy to respond to questions.

**Moderator:** Thank you very much. We will now begin the question and answer session. The first question is from the line of Raghav Bharadwaj from HNI Investments. Please go ahead.

**Raghav Bharadwaj:** Hi Sir, thanks for having the opportunity. Can you just provide details in brief about the break up of advertising revenue in terms of growth in various segments, particularly both state government and the central government advertising.

**Girish Agarwal:** I will give you the numbers for YTD 9 months. In this 9 months, the government contribution has been almost 18% and education, automobile, response and government put together are roughly around 55% all put together. Unfortunately, government overall we have seen a decline

of almost 8.5% overall, but if you look only print and we have seen a decline of almost 7% in this 9 month. Look at this number, government advertising has declined by almost 15% while education has maintained, automobile also has seen a decline of almost similar 8%-10%. Real estate categories surprisingly has stayed flat which means does not decline on the real estate category while some other categories also has declined.

**Raghav Bharadwaj:** In terms of particularly for central government advertising do you see any revival on in the current quarter vis-à-vis the same quarter last year, or it is still down if we compare on like to like basis that central government advertising?

**Girish Agarwaal:** If I break the government in to two halves, one is central government and one is state government, so state government is still maintaining. There is no major decline on the state government, but central government decline is pretty sharp.

**Raghav Bharadwaj:** Given for the current quarter or vis-à-vis quarter of the last year?

**Girish Agarwaal:** Yes yes on the current quarter also.

**Raghav Bharadwaj:** Okay got it. Yes that is it from my side. Thank you.

**Moderator:** Thank you very much. Next question is from the line of Prateek Barsagade from Edelweiss Securities. Please go ahead.

**Prateek Barsagade:** Yes, so my first question is on the radio and print advertising, so we have seen at radio last quarter also was 16% down, and this quarter also 20% down, so is this largely because of the local advertising not picking up in the current slow economy, so what is your sense on the radio decline?

**Pawan Agarwaal:** So radio has of course there is a big chunk of the central government advertising also in radio. For the last quarter, the decline was about as you rightly said about 16%, if I remove the DAVP format, it was about 3%. This quarter this decline is about a low double digit without the central government while it is degrown by 20% but if I remove the DAVP it is in a low double digit just about 10-11%. Automobile seems to be a concern this quarter while real estate continues to stay a little positive, but automobile was of the concern this quarter and deteriorating.

**Prateek Barsagade:** Apart from the central government and if you leave aside the government bid, so what other categories are you seeing the cutting, add spends massively apart from auto is there any other category or segment you want to highlight that which you know is not advertising as much?

**Pawan Agarwaal:** Auto and a little bit of FMCG and lifestyle, but other sectors like education, infrastructure, real estate they have been fine. Electronics they have been fine.

- Prateek Barsagade:** Okay okay and also Sir one more question I had on the circulation revenue, so we saw the circulation revenue grew marginally this quarter so is this function of increase in the number of copy sold or you have taken any cover price hike.
- Girish Agarwaal:** See in the circulation, if you notice we have in this quarter for Q3 there is revenue growth of 1.6% this is largely because of the certain rate hike taken in the fewer markets especially in Madhya Pradesh market. If you see the overall circulation of last year quarter and this year quarter the number has remained almost the same, we were at 56.58 lakhs copies last year and in this quarter, Q3 again it is 56.4 lakh copies, so circulation has not gone down at all. In fact we are maintaining the circulation, but in certain areas cover price what we have increased is the reason the growth has come at 1.6%.
- Prateek Barsagade:** What would be the extent of this price hike?
- Girish Agarwaal:** I think around Rs.6 to 8 in a month we have taken in Madhya Pradesh market.
- Prateek Barsagade:** Okay Sir that is all from my side.
- Moderator:** Thank you very much. Next question is from the line of Vikram Ramalingam from MayBank. Please go ahead.
- Vikram Ramalingam:** Sir, my question is for the central government ads. I mean is there any particular reason why they are not advertising and I will tell you reason for me to ask this question, because I want to know whether it is just this year or is it a temporary phase or is the government reallocated its advertising budget toward other medium at any sense I am sure you will have it?
- Girish Agarwaal:** So let me give you a perspective that when we spoke to the government I think the large chunk of advertising which has gone down is because there are no schemes from the government, there are no announcement to be made, so that is the reason large chunk of advertising has gone down, now coming to your point that is there a reallocation happening to any other medium, radio has seen a sharper decline even television has seen a decline from the government category, so I do not think government is reallocating the money anywhere. It is just that because they do not have much of reason right now to make announcement and hence the advertising is not needed by the government.
- Vikram Ramalingam:** Okay, but is it not usually fourth quarter where-in they try to push their adds because various department have their budget and they need to fulfil the budget and is that not?
- Girish Agarwaal:** No there is no compulsion to exhaust the budget unless until they have a reason to make an announcement and for whatsoever reason in last few quarters, we have seen they do not have much of schemes to be announced and all that and that is the reason I think probably they are not advertising.

**Vikram Ramalingam:** Okay, so my next question is on the cost of raw material. When the government had increased the duty you said that all the print companies had made a representation and trying to ask the government to withdraw it, any development on that one?

**Girish Agarwal:** So we are hopeful that this budget, which is going to be announced soon, would bring us some relief.

**Vikram Ramalingam:** Okay and the price hike that was taken that was only in Madhya Pradesh or was it in?

**Girish Agarwal:** Only in Madhya Pradesh.

**Vikram Ramalingam:** Only in Madhya Pradesh. All right, that is it from my side.

**Moderator:** Thank you very much. Next question is from the line of Rohit Dokania from IDFC Securities. Please go ahead.

**Rohit Dokania:** Just two quick questions from my side. One is have you done some analysis or if you are in the know as to by how much the overall government advertising would have fallen at an aggregate level, at a DAVP level lets say it was 100 last year, or the last first 9 months it is down like to 50-60 or 80 anything that you can talk about Sir?

**Girish Agarwal:** So we do not have any certified data from government as yet, but the way to find out when we go to the DAVP website, they keep mentioning there that how much value they allocate to each publication and when you total it up, you come to know the number, so that way it looks like the DAVP volume is down by almost 40%-50% across.

**Rohit Dokania:** So volume is down by 40%-50% and they had given a 25% hike from 1<sup>st</sup> of January.

**Girish Agarwal:** I am sorry not volume, value. Value is down by almost 50%.

**Rohit Dokania:** Okay okay, value is down, so which would mean that for us it that is not case. For us, you said government is probably fallen by 9%-10% if I am not wrong?

**Girish Agarwal:** No government has fallen by almost 15%, but that is overall government. State governments are almost maintaining, but central government is in the same tune.

**Rohit Dokania:** Okay so far also central government would have fallen to that extent?

**Girish Agarwal:** Yes.

**Rohit Dokania:** And Sir what is the contribution of state versus central government? Can you share that?

**Girish Agarwal:** I will not able to give you that number, but I can tell you generally speaking ratio of the central and the corporate and retail in the ratio of almost 30-70.

**Rohit Dokania:** Sorry, can you repeat that. Central, corporate and?

**Girish Agarwal:** Corporate advertising and the retail advertising, the ratio is generally 35-65.

**Rohit Dokania:** And where do you club government in out here in corporate?

**Girish Agarwal:** The corporate government happens in corporate and the state government comes in retail.

**Rohit Dokania:** Okay understood. Thanks for the, the other question that I had was if I am not wrong over the last sort of two years you have significantly increases the number of copies circulated almost to the extent of 10-15%, but at that point in time, the justification was that it will clearly help in terms of with a lag in terms of ad growth, but if I look at your sort of ad revenue growth over the last sort of 3-4 quarters, obviously there is a overall economic impact, but I do not see any benefit per se vis-à-vis peers as well who had not probably increased the circulation by as much, so is there a rethink on the strategy do you think we could handle it differently or did it help at all is what I want to understand Sir?

**Girish Agarwal:** I would like to defer with you on this because we clearly see the advantage, now unfortunately, the overall economy is down and hence the numbers are down, but if I look at the market share of my advertising volume in each of the state, right from Rajasthan to Gujarat to Haryana, to Punjab, Bihar, Jharkhand, in all these markets, we have grown the volume, pretty good like in, I cannot give exact number of each state but the market volume has really gone 10-20% growth in last in last 2 years time in most of the markets, so I think what you are taking about is there a difference in that, had we have not taken this kind of circulation growth then maybe these numbers could have been different.

**Rohit Dokania:** Okay but Sir then so it is heartening to know that the volume increase has been so good across...

**Girish Agarwal:** What I am saying market share, so for example if in a Rajasthan market there was one client who was releasing 10000 cm in 2018-2019 and I was getting say 55% of it, today I may be getting 60-65% of it, now unfortunately this year from 10000 the guy has gone down to 8000, but the overall volume of the market has gone down, but my share of that volume has gone up.

**Rohit Dokania:** Okay, okay. Understood. Fair enough. I think it is probably more sort of...

**Girish Agarwal:** And further to reiterate our confidence in this is that we are today at a particular number and we believe that we must grow at least by 2-3% copies every year. Now, 2-3% copies would mean at least 1.5 lakhs copies every year. Our endeavor would be that that we must grow by at least 1.5 lakh copies every year in the critical markets of Rajasthan, Gujarat, Punjab, Haryana, Bihar, Madhya Pradesh, Chhattisgarh and all.

**Rohit Dokania:** Understood Sir, so great Sir, so any indication that you can give about the future in terms of how one should think of ad revenue growth for the next fiscal. Obviously this fiscal has been very challenging, but now that the bases also sort of favorable in the sense because of the decline that

you have reported in this fiscal. Next fiscal can we expect some bit of growth to come thought at least in terms of....

**Girish Agarwaal:** Yes. I would like to answer it this way that whatever the situation of the economy going forward, we are poised to get the larger benefit out of it, so if the numbers grows up, if the automobile company start selling more, then we have position ourselves to get their advantage, now whether the number will go up in one quarter or two quarter frankly speaking is not possible for me to comment on the larger economy.

**Rohit Dokania:** Fair enough this is very helpful. Thank you and wish you all the best.

**Girish Agarwaal:** Thank you.

**Moderator:** Thank you. The next question is from the line of Chirag Jain from Goldman Sachs. Please go ahead.

**Chirag Jain:** Thank you for the opportunity. Can you please comment on the newsprint prices, how they trended and what was the blended cost for this quarter?

**Girish Agarwaal:** The newsprint prices fortunately for us in this quarter, went down by almost 16% and so the price for example blended price per ton was Rs. 45390 which came down to almost Rs. 38000, so there has been a 16% decline in the newsprint prices and our team is very confident that in the next quarter which is Q4 of this year, we should be able to bring this prices down by another 3%.

**Chirag Jain:** From Q3?

**Girish Agarwaal:** Yes. There are at least 1 rupee more per kg saving.

**Chirag Jain:** Thank you.

**Moderator:** Thank you. The next question is from the line of Ankit Shah from White Equity. Please go ahead.

**Ankit Shah:** Sir thanks for taking my question. Just want to get a view on a 3 year, 4 year perspective of our digital strategy, so we understand that we are trying to completely realign ourselves but can you give us more on how do we see ourselves positioned over 3-4 years to benefit from the digital wave?

**Girish Agarwaal:** As we discussed with you couple of quarters back, that we are revamping our entire digital strategy and that is the reason you must have noticed from last 2-3 quarters, we are not also giving out any digital standalone numbers to you. We would request you to please bear with us for next two quarters more, once we have something concrete to show you I can update you in the way that we are doing lot of work internally, we are updating our app, lot of things are changing, we have appointed a new CEO for the digital, new CTO was also joined in the digital wing, so lot of things are happening and I think they will take some more time to start showing

the results. Once we have the results rolling out, then we will rollout the entire picture for you for the next 2 year's time.

**Ankit Shah:** Okay.

**Girish Agarwaal:** Till that time we would request you to please bear with us.

**Ankit Shah:** Sure, thank you so much.

**Abneesh Roy:** Thank you.

**Moderator:** Thank you very much. The next question is from the line of Vikram Ramalingam from MayBank. Please go ahead.

**Vikram Ramalingam:** Sir during such challenging times, I am sure the smaller players are facing much worse so why not look at M&A around this time.

**Girish Agarwaal:** Good thought. We have been open to M&A but till now nobody has really raised the hand saying that they are willing to merge or get acquired, so we shall wait for the opportunity to be posted to us and then we should try to discuss that.

**Vikram Ramalingam:** If not M&A, are we looking at any geographies in the near future?

**Girish Agarwaal:** See the market where we are already present, I think that market has a huge potential and depth, so we are looking at further growth in Gujarat, Bihar, Rajasthan, Madhya Pradesh, Punjab, Haryana, so I think we have enough to grow in these market itself from the revenue perspective as well as circulation, so we would like to focus in these markets only.

**Vikram Ramalingam:** Okay alright Sir, thank you.

**Girish Agarwaal:** Furthermore, I just wanted to add on to the point of yours that since we are not looking or there is M&A lying on table right now, and hence whatever the cash company has we are distributing it as a part of the dividend.

**Vikram Ramalingam:** Yes actually that is why my question instead of the dividend why are not we are looking at M&A and giving out cash

**Girish Agarwaal:** Yes we are giving out cash, so we have done 6.5/- rupees, today board was kind enough to announce another 3.5 rupees as a interim dividend so second interim dividend, so company policy is very clear. If we do not need cash for the running the affairs of the company, then we should give out the cash to the stakeholders.

**Vikram Ramalingam:** That is much appreciated by the investors. Thank you.

**Girish Agarwaal:** Thank you Sir.

**Moderator:** Thank you. The next question is from the line of Pavnit Singh from Skyline Equity Manager. Please go ahead.

**Pavnit Singh:** Yes my question is regarding over the past decade, the newspaper has seen big splurge of readership and like what happened to radio all together like despite increase in business share and increase in the radio stations, why is the advertiser not interested to increase the volume into radio segment particularly and seeing the past experience of the industry, how do you see the things spanning out over the next like 4-5 years, would you see a splurge in the advertisement standalone for the product itself or like your competitor it has been planning for ramping up solution business for the radio segment so are you planning to do or envisage something pertaining to that?

**Pawan Agarwal:** So in the radio business, this year, the central government revenue that created the dip and also the two large sectors, I said lifestyle and auto most importantly auto that was big dent to the overall growth, however, when we look at the volumes in the stations the volumes are inventory levels are they are not operating at a 40-50% inventory, they are operating in a decent 60-65% inventory levels and we are hopeful the automobile and the lifestyle categories would come back to radio because the other category like real estate, education, healthcare, electronics, those are really benefitting from radio, because those are small advertisers getting a good audiovisual experience targeted in the smaller cities, with a whole on-ground activation fees and we also have just to share with you, we also have about 20% our revenues coming from non-air time, so they are all activation and sponsorship tags and we see those also creating a good 20-25% revenue to the overall business other than the air time, so those are the innovations which are also helping the business growing and we have always been a tier 2, tier 3 companies. Our focus has been a lot on the combination of local as well as national revenues.

**Pavnit Singh:** The kind of dip we have seen over the past couple of years, this is like enormous and when do you think that it should be like over coming the situation in next few quarters, how many quarters do you think it would like to get that to the same position as a couple of years back?

**Pawan Agarwal:** I wish I had that answer because the central government advertising...

**Pavnit Singh:** We cannot solely depend on the government advertising per se after all we have got new channels in our kitty, so we cannot complain about government not contributing?

**Pawan Agarwal:** On the automobile and lifestyle, we are running few experiments to get them back. They are down because they are not able to sell enough cars as they wanted to sell from last year, so we are still working on some of those sectors to see how we can boost their response now and get them value from radio.

**Girish Agarwal:** I think one fundamental question what you raise that why advertisers are reducing the volume in radio.

**Pavnit Singh:** Absolutely.

**Girish Agarwaal:** Is because of one reason I would say is the currency. If you notice print has a currency, television has a currency. Radio does not have a currency, which means the measurement of radio impact if there is no currency available where a client or agency can say that I played so many spots and this month or in a quarter what was my response to that. I think this is one thing which radio struggling with is about the currency. Second thing, we have been discussing with government that maybe this is the high time government need to allow the free flow of news in the radio, because please understand in a television or in a print genre , these players are free to do certain experiment with their content so far example, if I am GEC, general entertainment channel, if a particular kind of operas are not working for me, I can change the format, I can go to the horror shows, like in the print I can still do combination of edit changes, but in radio they cannot play anything beyond the music, so I think if government allows news to come to the radio in some good format, the earlier format announced by government that we can take the news from All India Radio was really not working out. So if they do some changes, I think this category will see a new engagement with the readers, with the audience.

**Pavnit Singh:** Do you have some discussion with the government regarding this?

**Girish Agarwaal:** Yes, we have been talking to them, but they have their own restrictions on this, how to control the transparency and all that, so we have been discussing it, lets see when the results comes out.

**Pavnit Singh:** And one second question was pertaining to this DGRT, Directorate General of Trade Remedies admitting the plea of Indian Newsprint Manufacture Association, so they have taken into cognizance that over the past 3-4 years, the foreign manufactures have been dumping, because Indian manufactures are using recycled paper and they are doing from the wood pulp and they have pretty horrendously put a charge that the company do not reveal the exact cost of the procurement so they never able to get to know what kind of production cost is involved and that DG admitting the complaint though it is think so serious issue on one side we are thinking that the government may wave up import duty and other side DGRT is admitting the complaint.

**Girish Agarwaal:** So there are two things, government has not taken any call on the final issue, what they have done the Indian newspaper manufactures, newsprint manufacture have been complaining to the government and government says fine, we want to investigate to see whether this compliant hold some truth or not, so that is where it is right now. They have given 30 days time to everybody to submit the data and all that and Indian Newspaper Association also representing it and individual newspapers are also representing it and lets see what the outcome is, what the clarity emerges out of that.

**Pavnit Singh:** One important point is putting up is that earlier your plea was that please remove this custom duty because the local manufactures do not provide us with the....

**Girish Agarwaal:** Block sheet format?

**Pavnit Singh:** Block sheet format like the double sided format more than like 56 cm.

**Girish Agarwaal:** That was one of the plea not the only plea.

**Pavnit Singh:** But these have admitted their plea because it says particularly that in strips or rolls of which exceeding 28 cm or in rectangular including square sheets with one size exceeding 28 cm and another side exceeding 15 cm, not unfolded state, so is that single sheet they are referring to or the double sheet which you are expecting?

**Girish Agarwaal:** This is the single sheet, they are referring to.

**Pavnit Singh:** Okay.

**Girish Agarwaal:** No newsprint manufacture in India has the ability or the size to print a double width that is a proven fact. There is no technology, maybe hardly one or two guys here and that.

**Pavnit Singh:** What kind of capacity do we have a double sheet, what kind of capacity do we have a single sheet for printing our papers?

**Girish Agarwaal:** So our papers?

**Pavnit Singh:** Yes our papers.

**Girish Agarwaal:** Out of 60 lakhs copies we have the printing facility to print almost 15 lakhs copies to 18 lakhs copies on the double width.

**Pavnit Singh:** Okay.

**Girish Agarwaal:** Almost 20 lakhs copies on the double width.

**Pavnit Singh:** Almost like 25-30%.

**Girish Agarwaal:** More yes, around 35-40% plus actually.

**Pavnit Singh:** Okay. Thank you.

**Moderator:** Thank you. The next question is from the line of Raghav Bharadwaj from HNI Investments. Please go ahead.

**Raghav Bharadwaj:** Thank you for the opportunity to follow up, Sir you have explained your cash distribution policy, in that most of the cash has now been distributed in the form of dividend, now given the fact that buyback and dividend from a taxation perspective is more or less on equal footing just want to understand why you have chosen dividend over buyback because probably buyback at an attractive price might be of value accrediting to the remaining shareholders?

**Girish Agarwaal:** I can certainly put up your point in the next board meeting because this decision is taken by the board and I will certainly put up your point to the board.

**Raghav Bharadwaj:** I think board has historically never kind of evaluated the benefit that buyback can provide at attractive price versus a dividend if that case?

**Girish Agarwaal:** Just for your understanding and knowledge we have done the buyback in one and half year back.

**Raghav Bharadwaj:** Yes at current prices I just wanted to understand what is the consideration of assuming dividend over buyback?

**Moderator:** Thank you. As there are no further questions, I will now hand the conference over to the management for closing comments.

**Pawan Agarwal:** Thank you all for your participation and time on this earnings call. I hope we have responded to your queries adequately today. We will be happy to be of assistance through our Investor Relations Department headed by Mr. Prasoon Pandey for any further inquiries. Thank you gentleman.

**Moderator:** Thank you very much. Ladies and gentlemen, on behalf of DB Corporation Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.