Gambling.com Group
Third Quarter 2023 Earnings Conference Call
November 15, 2023

<u>Presenters</u>
Peter McGough, VP, IR
Charles Gillespie, Co-Founder & CEO
Elias Mark, CFO

<u>Q&A Participants</u>
Barry Jonas - Truist Securities
David Katz - Jefferies
Jeff Stantial - Stifel
Clark Lampen - BTIG
Chad Beynon - Macquarie
Ryan Sigdahl - Criag-Hallum

Operator
Greetings, welcome to Gambling.com Group's Third Quarter 2023 Earnings Conference Call.

At this time, all participants are in a listen-only mode. A question-and-answer session will follow the formal presentation. If anyone should require assistance during the conference, please press “*”, “0” on your telephone keypad.

Please note, this conference is being recorded.

I will now turn the conference over to your host, Peter McGough. You may begin.

Peter McGough
Hello, everyone, and welcome to Gambling.com Group's third quarter 2023 earnings results call. I am Peter McGough, the Vice President of Investor Relations. I am joined by Charles Gillespie, Chief Executive Officer and Co-Founder, and Elias Mark, Chief Financial Officer.

This call is being webcast live through the Investor Relations section of our website at gambling.com/corporate/investors, and a downloadable version of the presentation is available there, as well. A webcast replay will be available on the website after the conclusion of this call. You may also contact Investor Relations support by emailing investors@gdcgroup.com.

I would like to remind you that the information contained in this conference call, including any financial and related guidance to be provided, consists of forward-looking statements as defined by securities laws. These statements are based on information currently available to us and involve risks and uncertainties that could cause actual future results, performance, and business prospects and opportunities to differ, materially, from those expressed in or implied by these statements.

Some important factors that could cause such differences are discussed in the 'Risk Factors' section of the Gambling.com Group's filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date the statements are made ,and the company assumes no obligation to update forward-looking statements to reflect actual results, changes in assumptions, or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. Please also, see our references to forward-looking statements in the related presentation and press release.

During the call, there will also be a discussion of non-IFRS financial measures. A description of these non-IFRS financial measures is included in the press release issued earlier today, and reconciliations of these non-IFRS financial measures to their most directly comparable IFRS measures are included in the appendix to the presentation and the press release, both of which are available in the Investors tab of our website.

I'll now turn the call over to Charles.

Charles Gillespie
Thank you, Peter, and welcome, everyone. This afternoon, we reported solid third quarter results driven by another quarter of strong organic growth in North America. Even with Q3 being a seasonally slow quarter, new depositing customers increased 26%, year-over-year, to more than 86,000, which contributed to 19% growth in revenue to $23.5 million, a third quarter record.

Revenue growth was driven by North America and came despite only having three days of revenue from Kentucky's launch of sports betting, compared to a full month of revenue from Kansas' sports betting debut in 2022. Third quarter adjusted EBITDA was $6.1 million and free cash flow was $1.6 million.

September was the coming out party for our strategic media partnerships. Both Gannett and McClatchy performed ahead of our already high expectations.

We have purposely focused on fewer, bigger partners that can give us access at scale to each market's premium digital media properties. This relatively new, high-performance model will help drive continued market share gains that will enhance top line and overall cashflow growth.

The third quarter's performance demonstrates our ability to drive growth in existing regulated markets without the significant benefit of a new market launch. While we did have a tremendously strong start in Kentucky, it is a small state and as just mentioned, only three days of activity fell in the third quarter, given the late September launch.

Turning to our near-term growth opportunities, the trends from our great launch in Kentucky on September 28 has continued into the fourth quarter. We still expect North Carolina to launch in the first half of 2024, and we will include the state in our guidance only when there is firm visibility on a launch date, so likely when we report our fourth quarter results in March.

As our Q3 results indicate, we continue to achieve strong organic growth in North America. Our performance reflects strength in both sports betting and iCasino, although iCasino remains a much smaller percentage of our North American business, compared to our business outside of North America.

Our new category defining brand, casinos.com, was launched during the quarter. While it is still early in its evolution, our vision for casinos.com as a premier brand for everything casino related is taking hold, and we continue to expect a meaningful ramp in contributions from casinos.com, beginning late next year.

In our view, we have developed the best technology platform to monetize online gambling traffic. Every day, we are making improvements to further optimize our search performance while leveraging data, science, and AI to perfect our algorithms used to monetize the high-intent traffic we capture. Our ongoing return-focused investments in our technology and our capabilities continue to help expand our competitive advantage and ensure we continue to deliver industry-leading organic growth.

We're confident in our ability to continue to gain share in our existing regulated markets, and our organic growth will be evident again in the fourth quarter, as we remain on track to deliver on our full year expectations.

It is important to note that we are still very much in the early stages of what is a long-term growth trajectory for the industry and for Gambling.com Group.

So even as we deliver consistent, impressive, near-term, year-over-year growth against more challenging comps for our existing markets, we are confident that we have the right strategies and operating model in place to extend our revenue growth, strong margins, and free cash flow conversion for many years, which will help continue to drive great returns for our shareholders.

With that, I will hand the call over to our CFO, Elias Mark, for a more detailed review of the third quarter results and our guidance.

Elias Mark
Thank you, Charles, and welcome, everyone. As Charles mentioned, we generated another quarter of strong financial results.

Revenue increased 19% to $23.5 million, compared to the prior year, ahead of expectations. In constant currency, revenue grew 11%. North American revenue rose 42% to $12.9 million reflecting growth from our owned websites and a terrific contribution from our U.S. media partnerships, as they scale.

After seven quarters of growth of an average of 28% in the UK and Ireland, we entered a period of more challenging year-over-year compares, and revenue from the UK and Ireland of $6.9 million was similar to the year ago period.

Revenue from other Europe declined by $465,000, or 17% because of compliance driven product changes implemented for the German market. Elsewhere in Europe and in the rest of the world, we continue to see strong growth.

New depositing customers grew 26%, year-over-year, to more than 86,000. As a result of the strength in our media partnership business, cost of sales during the third quarter amounted to $2.1 million, compared to $600,000, last year.

Total operating expenses in the third quarter grew 9%, or 2% in constant currency to $16.6 million, excluding the fair value adjustment from the third quarter of 2022. There was no fair value adjustment operating expenses in Q3 2023, due to the early termination of the earn out related to the BonusFinder acquisition.

While we substantially moderated the pace of hiring, the operating expense increase was primarily driven by higher headcounts. Amortization expense decreased from $1.7 million to $432,000, as short-lived assets from the RotoWire and BonusFinder acquisitions are now fully amortized. For the full year, we expect to incur amortization expense of approximately $1.8 million.

Net income totaled $5 million, or $0.13 per diluted share. Adjusted for the unwinding of deffered consideration, adjusted net income in the quarter was $5.4 million and adjusted earnings per share was $0.14 per diluted share.

Adjusted EBITDA was $6.1 million in line with expectations. This includes the impact of $612,000 in allowance for bad debt, as compared to an average of $241,000 over the previous four quarters.

Adjusted EBITDA margin was 26% in the third quarter, reflecting the higher revenue contribution from our media partnerships, which grow higher cost of sales, as compared to our own sales. Our media partnership revenues continue to scale in the fourth quarter, to date.

Exclusive of $2.9 million related to deferred payments for the acquisition of BonusFinder, cash generated from operations in Q3 2023 was $2.2 million.

Cash receipts from the three weakest revenue months of the year, June, July and August, fall into the third quarter, resulting in seasonally weaker operating cash flow. We expect strong cash flow from operations in the fourth quarter. Free cash flow was $1.6 million. We remain able to entirely fund our organic growth initiatives from operating cash flow, while continuing to generate positive free cash flow.

Our cash balances as of September 30, 2023, was $26.9 million, a $4.1 million quarterly sequential decline, primarily reflecting the $5.4 million total payments for the acquisition of BonusFinder. Our very strong balance sheet with significant cash balances and no interest bearing debt continues to provide us with the financial flexibility to pursue value enhancing transactions.

Turning to our outlook, we expect to see typical positive seasonality in the fourth quarter, as activity picks up during the autumn sports season on both sides of the Atlantic. Our third quarter results reinforce the fact that demand for performance marketing services for the online gambling industry remains very strong, and our unique offerings will become more valuable operators as they reach profitability.

We continue to monitor consumer behavior closely and, as of now, consumers appear to be pursuing entertainment from online gambling, unabated.
As we entered the fourth quarter, we were monetizing NDCs in the U.S. with revenue share arrangements more frequently than before, meaning that revenue from these indices will be recognized, over a longer period of time.

As a reminder, we remain agnostic on the inherent attractiveness of the revenue share commercial model versus the CPA model. We rely on our internal data science to identify the monetization options, which maximize revenues in each circumstance.

Our 2023 guidance continues to assume no benefit from additional market launches or acquisitions over the balance of the year and now assumes the Euro to USD exchange rate of 1.07 for the fourth quarter.

Given these factors and our Q3 performance, we are reiterating our 2023 full year revenue guidance of $100 million to $104 million, even as we now expect a higher proportion of our MDCs to be monetized on revenue share than was forecasted when we raised our guidance in August.

Likewise, we're also reiterating our 2023 full year adjusted EBITDA guidance of $36 million to $40 million, even though the strength in our media partnership business drives higher costs for sales.

With that, I'll turn the call back to Charles.

Charles Gillespie
Thank you Elias. Before opening up the call for your questions, I'd like to quickly review several of our other growth drivers. While North America is already our largest market, 43 states have yet to legislate iCasino and 20 states have yet to approve online sports betting, which implies a long runway of growth for Gambling.com Group, just in the U.S.

Our home state of North Carolina is expected to launch online sports betting in the first half of 2024, and the 2024 legislative season will kick-off in January. We are expecting to see a push for sports betting in Minnesota, Mississippi, and Missouri, and for iGaming in New York, Illinois, Indiana, and we expect a ballot initiative in Maryland in 2024.

As we've highlighted today, our third quarter results provide confirmation of the benefits of our media partnership strategy. We believe our focus on securing fewer agreements with the most prominent news media players, such as Gannett, McClatchy, and the UK's Independent, and then forging deeper relationships with them will optimize the benefits to our business and our partners' businesses and ensure the sustainability of these lucrative partnerships.

While we are always busy evaluating M&A opportunities, the quality of the companies in our pipeline is better, and the tone from sellers is more positive than at any time since we closed the acquisitions of RotoWire and BonusFinder in Q1 of 2022.

Our balance sheet remains very strong, providing the flexibility and liquidity to pursue acquisitions of various sizes. As we have proven with RotoWire and BonusFinder acquisitions, we have the discipline to act on transactions that are accretive to our results, and we maintain this same discipline as we evaluate potential additional acquisitions.

Given our strong balance sheet and the cash flow we generate, we are confident that if we were to pursue a larger transaction, that we would have access to capital at an attractive cost. We are still in the early stages of executing our near and long-term growth opportunities to generate consistent top line, adjusted EBITDA and free cashflow growth.

Thanks again to our brilliant team for their exemplary efforts in executing and delivering on a solid third quarter and for their efforts to position Gambling.com Group as the leading performance marketing company for the online gambling industry.

With that, we'd be happy to open up the line for questions. Operator.

Operator
Thank you. At this time, we will be conducting a question-and-answer session. If you would like to ask a question, please press “*”, “1” on your telephone keypad. A confirmation tone will indicate your line is in the question queue. You may press “*”, “2” if you would like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset, before pressing the star keys.

And our first question comes from the line of Barry Jonas with Truist Securities. Please proceed with your question.

Barry Jonas
Hey, guys. Maybe you could start by giving a little bit more color on the Kentucky launch and how trends are looking into Q4. It sounds like Kentucky was really helped by your media partnerships, and I guess I'm wondering to what extent that playbook is scalable into other new launches starting with North Carolina? Thanks.

Charles Gillespie
Hey Barry. So, Kentucky was very strong. Our playbook for these new state launches has been really refined and we seem to be winning these new state launches with some real consistency, now. It's hard to say what the exact market share was, but what I can say is that several of our partners told us we were their largest affiliate in Kentucky by some measure.

We've got all of our owned assets, so Gambling.com, Bookies.com, BetKentucky.com, RotoWire.com, those all did well, but with the media partnerships, we also had Kentucky.com, which is an asset from McClatchy, and then usatoday.com. So, we really had all angles covered in Kentucky, and the media partnerships contributed and they will also contribute in North Carolina. With McClatchy, we've got the Charlotte Observer and we've got the News and Observer. So we've got the two main newspapers in North Carolina as well, covered with that media partnership.

Barry Jonas
That's really great. And then just as a follow-up, I wanted to maybe ask for a little more color on the comments about higher mix of the rev share that you guys cited in the opening remarks. Really curious what's driving that. The operators we cover seems to be more focused on profitability. So I'm curious if you're seeing pressure there for either lower CPAs or else that shift to rev share.

Charles Gillespie
As ever, it's on a case-for-case basis. Even with one client, we'll have a variety of different deals for different types of traffic. There isn't some sort of wholesale shift towards revenue share. What we're trying to communicate here is that it's incrementally more than it was previously, and that has a small effect on the overall business, but there certainly isn't any major change in the way that we're invoicing our clients in the U.S.

Barry Jonas
Great. All right. Thanks so much.

Operator

Our next question comes from the line of David Katz with Jefferies. Please proceed with your question.

David Katz
Hi. Good afternoon, everyone. Thanks for taking my question. What I would love, and just a little kind of longer term, maybe qualitative perspective, not guidance necessarily, on how EBITDA margins evolve, let's say one, two, three years out. Given that you're obviously adding new resources and deploying new resources and margins tend to move around, but is there some notional range we can keep our eye on the horizon for or something like that?

Elias Mark
Yeah. I think we've said that in the short and mid-term we intend to operate this business within the 35% to 40% range, and while we come in, in any quarter within, or in any year within that range, depends on the proportion of our revenue that comes through the media partnership channel. That proportion has increased, as expected, in the second half of the year, but the strength in our media partnership business has exceeded our expectations, which means that revenue is a little bit higher than previously expected but margin is a little bit lower.

So, in the next quarter and for the full year of ’24, we now expect the margin number to be closer to the 35% than to the 40%. Further, rather than that, it will depend a little bit on how much our revenue comes from media partnerships, whether we extend the media partnership business beyond the U.S. and UK. But that 35% to 40% is the mark we're working towards.

David Katz
Understood. I appreciate it. Charles, as my follow-up, I know you touched on potentially new states, etc. But can we maybe step up to 30,000 feet and sort of look at the U.S. TAM, and it's obviously prevalent, given one of the operators talked about some updated views this week to that end. Do you just concur that the TAM continues to grow in the United States? What are your thoughts or perspective about where it goes or are we just talking about a penetration approach now?

Charles Gillespie
I mean, we think, this is the point we try to make on all these calls is that we're still super early in all of this. If you look at New Jersey which has had iGaming for 10 years, it's still growing, and it's growing, meaningfully. If you just look at the whole U.S. market year-on-year, it's grown, I think the GGR number for the first nine months is 70%-odd. ESPN Bet launched yesterday, I mean, this idea that this is somehow peaked or all the players have been acquired is just, categorically, untrue. We've been to the future. We've hopped into DeLorean, and we know what the future of online gambling in America looks like.

It looks like the UK, and that's the market we have the longest operating history in, and we very much still expect the U.S. to go in that direction. There's a couple of differences for the U.S. There's not as many licenses. It's a bigger national market. It's state by state. Yes, it's not exactly the same, but the fundamental drivers of this industry are not any different. And we remain maximally bullish about the future of online gambling in the United States.

David Katz
I'll take that. Thank you.

Operator
Our next question comes from the line of Jeff Stantial with Stifel. Please proceed with your question.

Jeff Stantial
Hey, great. Good afternoon, Charles, Elias. Thanks for taking our questions. Starting off here, performance in UK and Ireland during the quarter, Charles, you talked to a bit of a deceleration after, I think a seven consecutive healthy quarters.

It seems to me, as you mentioned, it's mostly just a function of tough comps, but just to be crystal clear, is there anything else worth commenting on, driving this deceleration, whether that's impact from some of the regulatory headwinds, your customers have called out, need aversion or market share trend, anything else are just purely tough comps. Any thoughts there would be appreciated?

Charles Gillespie
Yeah. Specific to our business and some of our individual products, our search performance in the last couple of months has been merely great, but not phenomenal or excellent as it had been. There's been a kind of continuous stream of Google updates, which have put a little bit of volatility into the search engine results pages. Happy to report, however, that the last check-in we had just today with the search teams is that we were back to kind of peak performance and expect to be in a good place for Q4.

So, as you look at our Q3 UK and Ireland performance, it was, I know there's been some signals from some of the other operators that that market has been a bit weak in terms of like sports betting results but, as a reminder, our business in the UK and Ireland is predominantly driven by casino. And it was a very marginal under performance for a couple of months which held it back, which we think is behind us.

Jeff Stantial
Okay. That's great. Thanks, Charles. And then for my follow-up, I wanted to drill into one of the comments you made towards the end of the prepared remarks. I think you mentioned having access to capital should you opt to pursue a larger transaction. Can you frame out for us what that landscape looks like? It seems to me there are few acquisitions within your core business model potentially out there that would necessitate a capital raise. But curious if you could just expand upon that landscape that opportunity what you see if the addressable set that that could require incremental capital? Thanks.

Charles Gillespie
Yeah. I obviously can't talk about any specific M&A situation, but the message Elias and I want to get out to everybody is that we remain very busy evaluating these opportunities. Just because we haven't announced anything in two years doesn't mean we're not, tirelessly, working in the background on some fairly interesting stuff and that we're not afraid of pursuing a transaction that would require a little bit of additional capital or maybe a medium amount of additional capital. Kind of all things are on the table and those conversations are going--we're having more interesting conversations than we were six months ago, and we remain very busy with all that.

Jeff Stantial
Okay, guys. That's helpful. Thanks, Charles. Great work, guys.

Operator
Our next question comes from the line of Clark Lampen with BTIG. Please proceed with your question.

Clark Lampen
Thanks a lot. Good evening. Charles, I just want to make sure I heard, I guess ,some of the comments in response to the last question sort of properly. It sounds like, I guess, some of the deceleration was more transient than anything. And I think the way you framed it was great but maybe not phenomenal performance as a result of adjusting to algo changes. Was that, I guess, sort of the primary factor I heard right in sort of the down-tick in performance and that it's going to, maybe we should expect it to rebound in 4Q and going forward?

Charles Gillespie
That's right, Clark. Even if--even as the search performance moves back up into the phenomenal category, the comps are, nevertheless, more and more difficult as of course we've grown substantially in the UK and Ireland, over the past seven quarters. So that effect is still there but we do--you're right. The slide under performance we view as transitory, not anything to do with the market at large, and we are positive, we have a positive perspective moving forward.

Clark Lampen
Okay. That's helpful. If we were to think maybe, I guess, about the sort of market at large in the U.S., have you guys seen any sort of bifurcation in either trend or performance? If we were to think about it sort of broken down between, say, casino versus sports or between maybe as a different way of looking at it, the two sort of big operators versus the rest of the market. Is either sort of vertical or cohort of customers exhibiting greater strength or outperforming the other in terms of acquisition behavior at the moment?

Charles Gillespie

I don't think there's any kind of broad trends across those segments to be picked up on. But what we have seen with this business over many years is, if you bucket the operators off into kind of Tier 1, Tier 2, Tier 3, with kind of fan dual DraftKings in the U.S. in Tier 1, Caesars, BetMGM Tier 2, Tier 3, everybody else. It's the Tier 2 and Tier 3 guys that want to be Tier 1 and Tier 2 that are our best customers. By definition, they're fighting to take market share and they want to move up the ladder. So they need as much help as they can get and they know performance marketing is a sure thing in terms of moving up that ladder.

Clark Lampen
Thanks very much.

Operator
And our next question comes from the line of Chad Beynon with Macquarie. Please proceed with your question.

Chad Beynon
Good evening. Thanks for taking my question. I just wanted to drill back into the media partnership success that you outlined for the third quarter and, more importantly, for the fourth quarter and beyond. Is this just kind of a factor of higher conversion rates or anything else? And can you just talk about how this product can kind of evolve, given that it's pretty early and maybe the seasonality of it, if a lot of it comes at the very beginning of the NFL season or if it can continue as you continue to publish content? Thanks.

Charles Gillespie
Hey, Chad. The media partnerships will vary according to the seasons. When--at the beginning of NFL, the engines firing on all cylinders, we're going to do well, they're going to do very well. Deeper into the kind of slow months of the summer, we won't be--no one in the industry will be doing as well and they will be doing less well, as well.

So in terms of proportion, the proportion coming from media partnerships will peak in kind of--because of the U.S. Sports calendar, it kind of--Q3, Q4, Q1 and the bottom will most likely be in Q2.

But as I described it at the beginning of the prepared remarks, this is kind of the coming out party for these media partnerships. This is the first NFL launch we've had with Gannett. They have some of the most authoritative and powerful assets in the U.S. digital media landscape.

So we, obviously, made our estimates for all of this and as we do we're somewhat conservative, and it has come together better than we expected. So, clearly, this model has got a ways to go, and I think it'll be some time before we're exploring the limits of what's possible with these media partnerships. It's still pretty early with this stuff.

Chad Beynon

Okay. Thanks, Charles. And then segue in terms of exploring. As you think about Latin American opportunities, I know there's a handful of markets that have come up and kind of expectations have been reduced, but still should be a very large market over the next five, 10, 15 years. Anything interesting down there? Anything kind of worth talking about? Is that a market that could be a meaningful contributor, or is the focus still just kind of North America for the next five to 10 years? Thanks.

Charles Gillespie
The focus at the moment is certainly North America and a handful of European markets. Over the next five to 10 years, anything's possible. We're not anti-Latin America at all. We think it'll be a phenomenal growth driver of this business, in time. But we also think that there's no meaningful first mover advantage. We think about the UK market and how we entered the UK in 2009, 2010 with 0% market share. And we think about the business we have today, which is probably the leading business in certain respects.

Latin America would be much more similar to the UK than it would be to the U.S. When you think about these kind of gray markets going fully regulated, it's all the same operators. In many cases, the player accounts carry over, and there isn't this kind of big bang effect when the state launches. Whereas in the U.S., when you have a new state, it's all new operators, all new player accounts. It's gone from totally black to totally white, and you have this kind of big bang moment, and that's a key part of our U.S. strategy.

There is a first mover advantage for these U.S. states. That's a U.S. specific phenomenon and as a result, we are taking a little bit of a wait and see approach on Latin America. To the extent that that gets serious and we see some big numbers coming out of Latin America, we can easily move our premier assets like gamerant.com and Casinos.com into those markets. But today, we've got an incredible amount of opportunity just here in the United States and still in Europe. So, there's no strategic push at this moment into Latin America.

Chad Beynon
Great. Thank you very much, guys. Nice quarter.

Operator
Our next question comes from the line of Ryan Sigdahl with Craig-Hallam Capital Group. Please proceed with your question. Your line is now live.

Ryan Sigdahl
Hey. Good afternoon, Charles, Elias. I want to start with the ESPN bet. I know it just launched yesterday, but it is prominently displayed on your site, which seems safe to say, I guess, that they are a paying customer, but can you confirm that? And then aggressive U.S. spend from them should be nice positive for you guys, correct?

Charles Gillespie

Thanks, Ryan. I was worried we were going to get through this whole call without anyone asking anything about ESPN. But yes, they are live launched yesterday. They are working with affiliates but they're only working with a handful of affiliates; we are one of them. I got some numbers this morning on the performance yesterday, and it was extremely strong. It was a very impressive day one. Now it's just one day so we're not reading too much into that, but we are very pleased with the first 24 hours.

Ryan Sigdahl
Great. Then just on guidance, FX, the assumption you guys are using modestly worsened, I guess, with the U.S. be strengthened, which is bad for U.S. reporting, but that combined with a little more rev share in the U.S., I guess it implies the underlying fundamentals of the business or outperforming to offset those impacts, Or I guess should we assume the shifts towards the lower end of the guidance range?

Elias Mark
In terms of top line, like you said, the higher proportion of rev share has a slight dampening effect on revenue, but the underlying business is performing very strong and, in particular, our media partnership business is stronger than expected, so you shouldn't read in anything about Baltimore range from that. We're performing strongly. FX is also a little bit of a headwind but again, we see a lot of strength, particularly in the media partnership business.

Ryan Sigdahl
Very good. Thanks, guys.

Operator
And we have reached the end of the question-and-answer session. I'll now turn the call back over to Charles Gillespie for closing remarks.

Charles Gillespie
Thank you, again, to everyone for joining us today. We appreciate your support and interest in Gambling.com Group. We look forward to updating everyone again, when we report our full year 2023 results in March.

Operator
And this concludes today's conference and you may disconnect your lines at this time. Thank you for your participation.