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MANAGEMENT DISCUSSION SECTION

Operator: Ladies and gentlemen, thank you for holding, and welcome to this Conference Call on our Second Quarter 2014 Results for Nielsen N.V. Please note that all lines are in a listen-only mode at this time. After the speakers' remarks, there will be a question-and-answer session. [Operator Instructions] Thank you.

I will now turn the call over to the host, Kate Vanek, Senior Vice President of Investor Relations. Ms. Vanek, you may proceed.

Kate White Vanek

Senior Vice President-Investor Relations, Nielsen Holdings NV

Thanks so much, Tiffany, and good morning, everybody, and thank you for joining us to discuss Nielsen's second quarter 2014 financial performance. Joining me on today's call from Nielsen is Mitch Barns, Chief Executive Officer; and Jamere Jackson, Chief Financial Officer. We've posted slides on our website that we'll use on this call. They're under the Events section of our IR website, at nielsen.com/investors.

Before we begin our prepared remarks, I'd like to remind you all that the following discussion contains forward-looking statements within the meaning of the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may include comments about Nielsen's outlook, expectations and prospects and are based on Nielsen's view as of today, July 29, 2014.

Our actual results in future periods may differ materially from those currently expected because of a number of risks and uncertainties. The risks and uncertainties that we believe are material are outlined in our 10-K and other filings and materials, which you can also find on our website.

Turning to the agenda for today's call, Mitch will start with some comments on our results for the quarter and an overview of some key highlights and provide a business update. Then, Jamere will discuss financials for the quarter as well as provide any updates on our full year guidance.

During Q&A, we are excited to hear your questions. We just ask that everyone limit themselves to one question and one follow-up in order to accommodate everybody.

And now, to start the call, I'd like to turn it over to our CEO, Mitch Barns.

Dwight Mitchell Barns

Chief Executive Officer, Nielsen Holdings NV

Yes, thanks, Kate. Good morning, everybody. Thanks for joining the call. We appreciate the opportunity to update you on our business. We had a strong second quarter and we continue to extend our leadership positions in both retail and audience measurement in key markets all around the globe. So let's walk through a high level look at the numbers for the quarter.

First, revenue grew almost 16% on a constant currency basis. If we exclude our acquisitions of Arbitron and Harris Interactive, the core top line growth was just over 5%. The Watch side of our business had another strong quarter, growing almost 6%, reflecting the increasing momentum we have in Digital and the continued strong growth in Ad Solutions.

On the Buy side, revenues increased just under 5%, driven largely by over 9% growth in developing markets and also some new client wins. Next, adjusted EBITDA was up 16.2%, or just under 18% on a constant currency basis. Adjusted net income per share was $0.62, up more than 29%. Our free cash flow of $116 million was up over 8% in the quarter versus the prior year.

Now onto a few other updates that I want to call to your attention. First, the ongoing successful integration of Nielsen Audio continues to have a favorable impact on our results, and we continue to be very pleased with the progress. Second, we continue to execute against our long-term capital plans that we shared with you earlier this year. We increased our dividend 25% in May and we further strengthened our balance sheet with our most recent debt refinancing activity.

Separately, following another secondary offering by our private equity sponsors during the quarter, over 80% of Nielsen shares are now publicly held. And lastly, we're pleased to reiterate our guidance for 2014.

As we close another successful quarter of growth, margin expansion and cash flow generation here in Nielsen, we remain well-positioned to achieve both our short-term and long-term goals and drive shareholder value. Our business and our priorities, as you've heard from us before, are guided every day by two big trends operating in the marketplace: population growth and media fragmentation.

We stay in front of these trends by increasing coverage, coverage of sales and coverage of consumers as they consume video, audio, and other content in a growing number of ways. We focus on measuring performance for our clients and then helping our clients to improve performance. And these are things that every client needs, measurement and improvement.

Let's take a closer look at some of the specific efforts that we're working on against these objectives. The first one is the progress we've made with our audience measurement strategy, especially the Digital component, with OCR's increasing penetration with media clients, agencies and publishers.

Specifically, I'd like to call out mobile OCR, which we launched on July 1, and we couldn't be more pleased with the quick adoption and success we've seen so far in the marketplace. We have over 100 clients already using mobile OCR, and many of these are first-time OCR clients.

The rapid adoption aligns with the rapid growth of mobile advertising, which you've seen reflected in some of the recent numbers from Facebook, Google, and others. This is an incredibly important step forward for OCR; adding mobile coverage was number one on almost every client's list.

In Audio, we've been hard at work at developing our digital audio measurement capabilities that the market very much needs. And we've made good progress. Our measurement technology is rolling out, with more than 20 clients currently in various stages of implementation, and we're already in the pilot phase of measurement for many of these clients.

On the global front, a highlight from the quarter was our recent win of the radio audience measurement business in Turkey, which is an important growth market. The opportunity to expand internationally was one of the key reasons for our acquisition of Arbitron, and this win in Turkey is an example of our progress on that front. In Ad Solutions, which you will hear us increasingly refer to as marketing effectiveness going forward, we continue to help our clients improve the ROI of their marketing spend.

In a time when many of our major consumer packaged goods clients are focused on productivity gains and cost cutting in their developed markets, this becomes an increasingly important metric for CMOs. And while this is a competitive space, our audience measurement data differentiates us, and this is one of the reasons why we again saw double digit growth this quarter as we further penetrated our core client base, media and consumer packaged goods companies, but we also continue to expand our reach into a number of other verticals, including auto, financial services and retail.

Next, a few words about the investments that we're making in our business. In our Buy segment, developing markets remain a critical growth driver for our clients and for Nielsen, and so you'll see us continue to make these investments for the foreseeable future. With favorable trends like growing populations, a rising middle class, and growing disposable incomes, the key developing markets, markets like India, China, Indonesia, Mexico, Brazil, and Africa, these markets continue to have terrific long-term growth potential, as shown by the strong growth in our business across these markets during the quarter.

Separately, we continue to see great adoption of our product called Global Track Complete among our large multinational clients. This capability is especially valuable for the global players because it harmonizes data across markets to provide globally consistent KPIs. And that enables these companies to better see and manage the performance of their business globally.

Separately, in the U.S., our Answers on Demand platform reached a major milestone in the quarter. It's now deployed to more than 200 clients, representing thousands of users. Answers on Demand, by the way, is a high-performance delivery platform that provides our clients with direct access to a broad portfolio of information.

To close out this bullet on our investments and returning to our Watch segment, our U.S. team recently announced plans to increase sample sizes for our local TV audience measurement service. We're investing in larger sample sizes in 15 Local People Meter markets and 31 Set Meter markets. These larger sample sizes will bring increased stability to our local TV ratings.

And, finally, e-commerce, e-commerce is, of course, a fast-growing retail channel for us to measure, but it's not just that; e-commerce providers are also playing a growing role as marketing platforms to drive offline sales for brands, and that creates additional opportunity for us.

On our previous earnings call, we encouraged you to stay tuned for further developments from us in this area. And earlier this month, we announced the launch of an important new service, called Omni Channel. For Omni Channel, we're working with Alibaba in China to provide marketers with an integrated view of online and offline purchasing in the world's most important growth market.

We're fired up about this one, and here is why. Prior to this deal, marketers could know what they were selling on Alibaba's platforms and they could also know what they were selling offline through grocery channels. But it wasn't easy for them to bring those two views together and to compare them or to get a total view of the market, because online and offline sales were being reported differently, meaning there were different category definitions, different time periods and so on.

Now through our Omni Channel service, marketers can see it all in a common context on an apples-to-apples basis and from an independent third-party, Nielsen. This is an important first step and we have a lot more runway here to build out additional services and it all fits perfectly with our objective to provide measurement and improvement to the clients and markets we serve.

To sum up, we feel really good about the strength of our business and our progress during the quarter. We remain confident in our ability to execute well for the near-term, while continuing to plan and build for the future.

Now, I will turn it over to Jamere and he will give you a deeper look at the numbers.

Jamere Jackson

Chief Financial Officer, Nielsen Holdings NV

Thank you, Mitch, and good morning, everyone. As Mitch indicated, we delivered a solid second quarter performance, reflecting another quarter of strong execution and the strength of our business model. Revenue was $1.59 billion, up 15.9% constant currency; excluding the impact of [ph] Audio on Harris (10:28), revenues grew 5.2% constant currency. Adjusted EBITDA was $460 million, up 17.9% constant currency and adjusted EBITDA margins were 28.9%, up 50 basis points due primarily to the accretive impact of Nielson Audio but also the continued progress on our productivity initiatives.

Adjusted net income was $240 million, up 31.1% constant currency and diluted adjusted net income per share was $0.62, up 29.2% versus prior year. Finally, we generated $116 million in free cash flow, up 8.4% versus a year ago. Overall, I am pleased with our execution in the quarter and the solid results that we have delivered across the business.

Next, I will move to the segment revenue and give you a little color on the pieces. As I mentioned, revenue was up 15.9% for the quarter. Our revenue growth was broad-based across both Watch and Buy. This also marks the 32nd consecutive quarter of revenue growth for our business, reflecting our ability to deliver growth due to cycles. Total Buy revenue was $900 million, up 7.9% in constant currency and up 4.8% excluding the Harris acquisition. Our Information business grew 5% to $676 million in constant currency.

We benefited from good demand in retail measurement services, key client wins and strength in our developing or emerging markets. Our Insights business revenue was $224 million, up 17.9% constant currency or up 4.2%, excluding Harris, due to strength in developing markets and more modest growth in North America.

Developing markets were up 9.2% as we saw broad-based growth in many of our markets. We continued to see double digit growth with our local clients and steady progress with our multinational clients in places like China, Latin America and India. We remain committed to investing in coverage and capability to help our clients grow in these markets and we remain confident in our strategy. I've spent some time in Europe in 2Q and I'm looking forward to visiting our teams in Asia in 3Q to see firsthand some of the exciting opportunities that we have there.

Finally, our Watch business revenue was $694 million, up 28.3% constant currency or 5.9%, excluding Arbitron. We see continued strength in audience measurement and as Mitch mentioned, our Digital initiatives have tremendous momentum with the rapid client adoption following the launch of mobile OCR.

We continued to see double digit growth in Ad Solutions and the Arbitron integration is progressing well. We're on track to deliver the synergies and we're seeing early dividends from our efforts to build out the business. So, again, broad-based revenue growth for the quarter across both Watch and Buy.

Moving to profitability, Buy EBITDA was $167 million, up 3.1% constant currency. The dynamics within our Buy business are in line with our strategy. One, to invest in a very disciplined way and developing marketing coverage to fuel long-term growth and support our clients. Two, invest in our platforms to support new client wins. And three, invest in products to support our existing client base with products such as Answers on Demand and Global

Track Complete, which Mitch mentioned earlier. These are the right bets for the business and we remain confident in our strategy.

On the Watch side, EBITDA grew 27.5% to $301 million constant currency, driven by the addition of the Arbitron business and solid growth that generated operating leverage in our audience measurement business. Overall, profitability remains strong while we continue to invest in our key growth catalysts.

Moving to foreign currency impact, I want to remind you that we report on a constant currency basis to reflect our operating performance. We generally don't take on transactional risk so this is strictly the translation impact for reporting purposes, hence in the quarter we saw foreign currency impacts that resulted in a 90 basis points drag on revenue and 170 basis points drag on EBITDA in the ballpark of what we laid out in our April call. If yesterday's spot rates held constant through the rest of the year then this is the estimated impact on future revenue and EBITDA and this anticipated drag is included in our full year adjusted net income outlook.

Moving to the balance sheet and key metrics on the top left for some of the key financial metrics which were all in line with our expectations. On the bottom left, is our pro forma net debt ratio, our gross debt is $6.7 billion with $263 million in cash to get the $6.4 billion of net debt and a 3.6 times ratio. On the capital table on the right, you can see that we have remixed our debt by taking out the remaining $800 million of the 7.75% notes and tacked on an additional $800 million in 5% notes. And based on our recent refinancing activities our weighted average interest rate is 3.86% which is down 42 basis points versus our March 31 pro forma. And this is really solid execution on our capital markets activity which we laid out earlier in the year.

Finally, I want to reaffirm our 2014 guidance and all the elements you see laid out on slide 13. Let me highlight a few key dynamics, as we look to the second half of the year, we feel very good about our Watch business. We expect continued momentum in both audience measurement, which includes all of our Digital initiatives and Ad Solutions.

In our Buy business, first half growth was solid in both the developed and the developing regions. In the second quarter, we started to see some tightening with our North America clients. This tends to manifest itself in tighter spending on new categories or certain datasets, as clients experienced more modest growth than they expected.

And if this continues, we're certainly not immune to these dynamics and we'll watch it closely in the back half. As it pertains to the other regions, Europe continues to perform in line with our expectations for the year, and the developing markets should remain strong.

Finally, we are reaffirming our cash flow of roughly $700 million and lowering our interest expense to approximately $300 million versus our previous guidance of $300 million to $310 million. And the recent actions we've taken will give us tremendous flexibility to grow our business and return capital to shareholders in an investor-friendly way.

So, to wrap up, look, I feel very good about 2014. We continue to be in a great position to deliver strong returns for our shareholders, and we're well-positioned into the future. And with that, I'll turn it back to Kate.

Kate White Vanek

Senior Vice President-Investor Relations, Nielsen Holdings NV

Thanks so much, Jamere. Tiffany, we'd love to open it up for Q&A.

QUESTION AND ANSWER SECTION

Operator: [Operator Instructions] Your first question comes from the line of David Bank with RBC Capital. Your line is open.

David Bank
Analyst, RBC Capital Markets LLC

Q

Thank you. Actually, two questions, first, a quick one. Can you give us a sense of the magnitude of total Ad Solutions revenue now, maybe, at least annualized?

And the second question a bit broader. Should we've done some of our own proprietary work segmenting the online video market into what I call premium, which we think of as advertisers who truly view online as a substitute for television versus non-premium where it's kind of dollars pulling from the digital bucket to the video digital bucket, right. So – and that premium market today to us is less than about 15% of the total online video market and it's probably not going to grow that much in the near-term from there.

So in that context, I wonder if we revisited your long-term targets for OCR revenue given out at the Investor Day. They're a function of the overall video market as opposed to the kind of premium market versus non-premium market. Do you think there is a bifurcation of OCR as the key currency between premium and non-premium? And do you think premium online video will adopt OCR at a different pace than non-premium, and would it impact those charges? Does that make any sense?

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

I will take a shot at the first part of your question which is around Ad Solutions. So we have said that that business was about a $200 million business as you have seen from us in the first couple of quarters of the year here. We said that the business is growing at low end of double digits. We saw that again here in the second quarter. So we feel very good about where we are as a business. This is a key competitive advantage for us as we link our Watch assets and our Buy assets and based on where we are in the back half of the year, we continue to see that kind of growth.

David Bank
Analyst, RBC Capital Markets LLC

Q

Great.

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

And, David, I will take your second question about OCR with regard to video and whether we would anticipate a bifurcation between premium and non-premium. Ultimately, I think that will get decided by the market place. What we can deliver to the marketplace is a metric that performs well across the broad spectrum of the marketplace's needs. And that's the kind of response that we are getting right now from the marketplace.

Ultimately, whether OCR gets used and adopted at different rates for premium video verses non-premium is going to depend on a lot of things that are outside of Nielsen's control. And our role is to simply measure the consumer and to do that in the most complete way across all delivery platforms, across all advertising models, and across all business models and let the market decide the direction it wants to go from there. And so, that's the way we view that one.

David Bank
Analyst, RBC Capital Markets LLC
Q

Okay. All right. Thank you very much, guys.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV
A

Thanks, David.

Operator: Your next question comes from the line of Suzi Stein with Morgan Stanley. Your line is open.

Suzanne Stein
Analyst, Morgan Stanley & Co. LLC
Q

Hi. Can you talk about your relationship with Google and how that's been progressing?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV
A

Yes. Thanks. This is a great story for us, a good news story in just about every way. As we communicated on our last earnings call, Google was slated at that time to begin to accept OCR tags on its YouTube preferred inventory as of May 1 and that happened. And then, as of July 1, that was expanded to ads across all Google platforms, all Google properties, not only in – not just in North America but also in a number of markets in the Asia Pacific region. And so, we feel great about how this one's progressed. We're confident that Google will continue to benefit from the role that having independent third-party measurement plays and gaining confidence from advertisers that are important to their business.

Suzanne Stein
Analyst, Morgan Stanley & Co. LLC
Q

Okay. And then, I guess keeping on the theme of international, other than what you mentioned regarding Turkey, where else are you focused internationally for Audio?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV
A

I'm sorry. Say the last part of your question again.

Suzanne Stein
Analyst, Morgan Stanley & Co. LLC
Q

For Audio, for the Arbitron piece, where are you focused internationally?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV
A

Oh, I see. Well, even before we had acquired Arbitron, we did have a radio audience measurement business in a handful of countries around the world. And so our first focus is, of course, when those audience measurement contracts come up for renewal, we are focused on winning that renewal process. And we've done that in a number of markets over the past few years.

And then, we leverage the capability that we acquired through our acquisition of Arbitron, and then we continue to press into new markets. Now, the way this audio – audience measurement business tends to work in markets around the world is, these contracts are multi-year contracts. And so, they don't all come up for renewal every single year. Each year, there is a handful that come up for renewal. We position ourselves against the ones that we think are the best opportunities, and then we're going to win more than our fair share of those going forward, and Turkey is a good example of that.

Suzanne Stein
Analyst, Morgan Stanley & Co. LLC

Q

Okay. Great. Thank you.

Operator: Your next question comes from the line of Andrew Steinerman with JPMorgan. Your line is open.

Andrew C. Steinerman
Analyst, JPMorgan Securities LLC

Q

Good morning, all. Jamere, I'm going ask you about the investment timing for the year and obviously, we heard that you're reiterating full year margin guidance. I'm asking if any costs or investments were accelerated into the second quarter; you gave a long list of areas of investment that all seem sensible. I'm more asking about, were they aggregated in the second quarter, maybe because of new client wins in the Buy business that were shouted out? I'm just really asking a cadence of investments as we get through the year.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

Yes, so the investments will be relatively steady, as we talked about. The investments in our developing markets in particular are ones that we're very pleased with, and you can see some of the early returns there with the growth that we're seeing in some of those markets. And we'll continue to invest in a disciplined way to make sure that we're investing in those markets and going after the growth that's there.

So, the investment will be relatively stable. Now, I wouldn't be [ph] dead certain (23:15) about when there'll be an inflection point there. But what I will say is that we're vastly underpenetrated there, and we're going to continue to invest and expect to see the kind of returns that we're looking for.

Andrew C. Steinerman
Analyst, JPMorgan Securities LLC

Q

Well, I didn't quite catch – so you're saying sustainable through the balance of the year. But I'm asking, was there any acceleration of investments into the second quarter?

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

So the only acceleration would have been around some of our new client wins, and those were things that we had planned for. But then in the back half of the year, you're going to see a more stable set of investments, mostly focused on what we're trying to do in the emerging markets.

Andrew C. Steinerman
Analyst, JPMorgan Securities LLC

Q

Perfect. Thank you.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

All right.

Operator: Your next question comes from the line of Sara Gubins with Bank of America Merrill Lynch. Your line is open.

Sara Rebecca Gubins
Analyst, Bank of America Merrill Lynch International Ltd.

Q

Thank you. Good morning. Your Information revenue was strong, and certainly stronger than we were expecting in the quarter. Can you talk about what drove the acceleration versus the first quarter? Was it really more developing-market focused, or were there other areas?

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

So, our Information business in the first half has been very strong, we've seen really steady progress there. A couple of dynamics; one is the developing markets have been very strong. Our clients are continuing to invest there. We're seeing better-than-average growth in the developing markets.

And then the second dynamic is really around new client wins. And typically, when we get new client wins, that gives us some pretty good momentum. They tend to have a few more data needs upfront, and we get a little lift from that. So that's a little bit of the driver in the first half. But we feel very good about our progress up to this point, and we expect the business to continue to grow in the way that we've seen it in the past.

Sara Rebecca Gubins
Analyst, Bank of America Merrill Lynch International Ltd.

Q

Okay. Thanks. And then separately on margins, I know that we can only see the reported EBITDA margin by segment and there is an FX drag, but when I look at Watch, your margins were down about 40 basis points year-over-year, which is not something that we've seen recently. Is that a short-term function of investment, and should we expect expansion in the back half?

And then similarly for Buy, margins were down about 120 basis points in the quarter on a year-over-year basis, and they were down in the first quarter. The comparison does get easier though. And so I am wondering there if we should see more of a stabilization in margin on a year-over-year basis?

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

Yes, first, on your question on Watch. So the Watch margins there were entirely due to the Arbitron delivery. So typically in Arbitron, our highest volume quarters – and our highest margin quarters – are the first quarter and the third quarter. And so what you saw on the Watch business was purely seasonality associated with the Arbitron deliveries.

On the Buy business, it all goes back to what we said about our Buy strategy here. We feel very good about where we are. We're going to continue to invest for the long-term. We feel very good about the progress that we're seeing today and the early returns. And again, as I have said on a number of occasions, we are doing those investments in a very disciplined way. We have got a great track record of turning those into great returns. And so you'll continue to see us do that going forward.

Sara Rebecca Gubins
Analyst, Bank of America Merrill Lynch International Ltd.

Q

Okay. Thank you.

Operator: Your next question comes from the line of Tim Nollen with Macquarie. Your line is open.

Tim W. Nollen
Analyst, Macquarie Capital (USA), Inc.

Q

Good morning. Thanks. I wanted to ask about your Watch division again as well. You just mentioned Google basically added some business with you as of July 1, and you mentioned that your mobile measurement, mobile OCR, also basically kicked in, in July. You had about a 1% step-up already in the growth rate which I'm presuming, correct me if I'm wrong, I'm presuming has something to do with OCR and further Ad Solutions sales and so forth. I'm just wondering if we're in line for a further step up now in Q3, given what seems to be some more business that's coming on?

And then secondly and separately, and it's really just housekeeping, I just want to make sure that debt refinancing you just did looks like it – obviously, reduces your interest expense and you just brought down your guidance. Was that incorporated in your beginning of your EPS guidance, or does that implicitly move your EPS target up a little bit for the year?

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

Well, let me take the first one on the debt refi. That was included in our guidance. We had contemplated a number of moves. We said that we were going to be opportunistic about making those. So that's included in the guidance that we have laid out there. In terms of the growth rate of our Watch business as it relates to a number of things that you've laid out, we clearly have seen a pretty strong first half in our Watch business.

I would say things like Ad Solutions growing double digits and a Digital business that gives us – that's been doubling through the first half of the year, certainly gives us a [ph] growthier (28:10) Watch number, if you will. And so, those are the key drivers there. I think our progress is going to be steady. We'll continue to see the same kind of momentum in the back half of the year. But at this point in the year I wouldn't say that you should expect it to be materially different from what we've seen thus far.

Tim W. Nollen
Analyst, Macquarie Capital (USA), Inc.

Q

Okay. Thanks.

Operator: Your next question comes from the line of Todd Juenger with Sanford Bernstein. Your line is open.

Todd Juenger
Analyst, Sanford C. Bernstein & Co. LLC

Q

Hello. Hi. Good morning. Thanks for taking the question. I wanted to ask if you wouldn't mind just revisiting the Buy revenue question just a little bit more once again, just trying to dissect it a little bit. So listen, winning new customers is fantastic. Congratulations. Wonder if there is any help you can give us to just sort of sort out how much those new customer wins contributed proportionately to your revenue growth, just so we can think about sort of the underlying rate of growth?

And then separately and equally important, Europe and how that influenced the growth or not, I heard you say it was in line with expectations I think you said expectations were basically flat year-over-year if you could just confirm that? And then I have a follow-up. Thanks.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

Yes, so from a Buy standpoint, one of the things that we have talked about on the first quarter call that we've had some new clients and as those new clients come on they tend to – as they're ramping up they tend to have additional data needs. Sometimes, it's historical data sets, etcetera. And so occasionally when you have those new clients come on, you get a little bit of lift early on in that relationship and then it sort of normalizes.

So that's part of the momentum that we've had in the first half of the year. The other thing that we've seen and that we've experienced as it relates to Buy is that the investments that our clients are making in the developing markets has been relatively steady. And so the number that you see us talking about in the developing markets has been at a 9% number certainly gives us some lift on that Buy number. So overall we feel pretty good about where we are at this point and what we expect that to be.

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Let me just add a comment on the developing market side of the growth there. Again broad-based growth and broad-based in terms of our portfolio but also just as importantly broad-based in terms of the clients that we serve. It's not just the multinationals but as you've heard from us before it's also the local companies in these markets who continue to perform well and win share from the global companies in their own business, and then that strength in their business gets reflected back in the work they're doing with us.

And so this strength across the breadth of our client portfolio and the breadth of our product portfolio really playing well in the developing markets for us these days and gets reflected in that 9%-plus growth that you saw for the quarter.

Todd Juenger
Analyst, Sanford C. Bernstein & Co. LLC

Q

All right. Thanks. And a quick follow-up, if you don't mind. Listen, as a company that knows more about market share than anybody else, I am sure you measure your own market share. I'm wondering, on the Watch side, specifically the OCR side, if there is any metrics you could share with us just in terms of your progress there relative to the overall market and if you have some sort of share statistic of what percentage of that business you think Nielsen is capturing? Thanks.

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Well, Todd, we always talk about the importance of the independent third-party measurement for market share. And, of course, that would not be us on this particular question. So you got to start there. But it's not just about market share. We look at this as a market that is in and of itself developing. And that's really what our focus is on is the market, not the competitor.

And so we're taking that bigger approach and hoping this market develop. And we've got to measure the consumer wherever, however, whenever the consumer is consuming content. That's what drives us, and that's what's going to drive the size of this market and the size of our share or role in it going forward.

Todd Juenger
Analyst, Sanford C. Bernstein & Co. LLC

Q

All right. Thanks a lot, guys.

Operator: Your next question comes from the line of Andre Benjamin with Goldman Sachs. Your line is open.

Andre Benjamin
Analyst, Goldman Sachs & Co.

Q

Hi. Thank you and good morning. My first question – I know it's early going and it was just announced recently. But could you provide any additional color on what we should actually expect from your recent deal to launch the Omni Channel with Alibaba like either how it works, the timing or economic impact and what the go-to-market is, whether it's project-based or subscription-based, what it looks like, etc.?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Well, you are right. It is early going. And it's something that the clients in the marketplace are still getting their arms around, figuring out what it means for their business. And so you know this is a new area for the marketplace in terms of how they're doing business. It's a new area for us in terms of measurement as well. So, yes, there's not a whole lot of additional details we can provide in terms of Omni Channel. I think it's pretty straightforward. It's bringing these two views of offline and online sales together in an apples-to-apples way, so people can understand their market share, not just in those two respective areas but on a total market basis.

Then I think what that does is that it informs people about how they want to allocate their resources and where they want to put their priorities in terms of how they market their brands going forward. And then that will probably open up second level and third level opportunities for us in that particular part of our business. So this is one of the key things we're doing with e-commerce in the China market. There is additional things that we are also focused on and working on and we are looking forward to sharing more details on some of those additional things in the future.

Andre Benjamin
Analyst, Goldman Sachs & Co.

Q

And then a quick follow-up. On the client win in Turkey in radio, a similar question, or anything on the timing or impact on the numbers and are there any other major contracts that you expect to be bidding on either this year or next year as we know those are long-term deals?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Yes, look, we didn't mention Turkey because it's going to have a huge impact on our revenue. It's a good one. We like it but we mentioned it more because it was part of our rationale for the Arbitron deal and we wanted to just give an update on delivering on that part of several rationales that we had for that deal in the first place. So Turkey and then, as I mentioned, we also renew our radio audience measurement contracts in a number of other markets around the world, two that happened earlier this year, for instance, Malaysia and the Philippines.

As far as other ones that come up, we're not going to share a bunch of information about other ones that come up. We'll update you though once those things come on board and they're part of our business.

Andre Benjamin
Analyst, Goldman Sachs & Co.

Q

Thank you.

Operator: Your next question comes from the line of Brian Wieser with Pivotal Research. Your line is open.

Brian W. Wieser
Analyst, Pivotal Research Group LLC

Q

Thanks for taking the question. Attribution has been quite a buzzword among the ad tech and digital media companies to last a while, Google and Adometry and AOL and Convertro. I was wondering if you see these companies' efforts as competitive or more complementary at this point in time given that it's really hard to do attribution without TV based measurement at minimum.

And second question, just a bit of a follow-up to Dave's earlier question on mobile OCR specifically, given that it seems like it's unlocking a lot of new inventory making it interesting to big brands, have you seen any new customers at all? Even – maybe it's not material financially, but I'm curious if there are new publishers in the mobile environment sort of signed up for you?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Well, let me take your first question first on what we sometimes refer to internally as MTA or Multi-Touch Attribution Modeling. It falls in the overall marketing ROI space or marketing effectiveness area, Ad Solutions would be another way to categorize within our business. And it's a hot item.

It's a very exciting capability for clients. It addresses an incredibly important business need, trims waste out of the whole marketing process, helps them to be more efficient, and improves the return that they get on marketing spending and the other thing that I think is so appealing about it is it's one of these analytical capabilities that is able to bring together the online or digital world and traditional retailing world and do it in a way that's pretty powerful.

So we've been very active in this area and we have a lot of growth happening within our Ad Solutions area. That is tracing to Multi-Touch Attribution Modeling. Convertro, you mentioned that was one of the firms. Yes, we see firms like this certainly as complementary. We work very closely with a number of them and we'll continue to do that going forward. That's part of our open value here at Nielsen and it serves us incredibly well.

Your other question was about mobile OCR and you were asking if there were additional clients coming on board, is that right, Brian?

Brian W. Wieser
Analyst, Pivotal Research Group LLC

Q

That's right, yes.

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV
A

Well, we mentioned that we already have more than 100 clients who are using mobile OCR. So you can imagine that it reflects a pretty broad-based in the marketplace and the important players out there. Some of them we also mentioned were first-time OCR clients and so those are the ones where the business model is primarily or even exclusively focused on mobile.

And so what we've had available before wasn't really relevant to them. Well now mobile OCR is right in their wheelhouse and so they have come on board. Others are players that are playing across platform and so mobile OCR more or less fills the gap that had existed for them previously. So we have a mix within that list of clients that we mentioned more than 100 already and we're going to see more come on board in the weeks ahead.

Brian W. Wieser
Analyst, Pivotal Research Group LLC
Q

Great. Thank you very much.

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV
A

Thank you.

Operator: Your next question comes from the line of Doug Arthur with Evercore. Your line is open.

Douglas M. Arthur
Analyst, Evercore Partners (Securities)
Q

Yes, two questions for Jamere. You may have touched on this but the line was sort of breaking up a little bit. What is – is the pro forma growth and profitability for Watch similar to the pro forma revenue growth given the fact that margins were sort of flattish? That's question one.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV
A

So the pro forma – your question was – is the pro forma EBITDA in line with the revenue growth?

Douglas M. Arthur
Analyst, Evercore Partners (Securities)
Q

Yes, on a pro forma basis.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV
A

So we haven't broken out the EBITDA for stripping out the impact of acquisitions. We've been hard at work at sort of wiring the two businesses together, and it gets increasingly difficult to sort of split out the margins associated with that.

What I will say overall is that we're getting very similar kind of margin performance from our Watch business, as we've historically gotten, and the operating leverage associated with it is pretty good. And the synergies associated with the Arbitron business are certainly contributing to the Watch margins there.

Douglas M. Arthur
Analyst, Evercore Partners (Securities)
Q

Yes. Because, I mean, it looks like Arbitron had a very strong quarter. And then the second question is on the adjusted EBITDA. It looks like there is a $51 million add back on non-operating expense. I know there is a $45 million item in the reported earnings. Can you just elaborate on what that is?

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV
A

So we had the $45 million from the extinguishment of the long-term debt that was in the numbers. And then, while we're at it, if you just want to hit all of the kind of the non-recurring, we had about [ph] $13 million of restructuring, $13 million (39:56) of one-time items associated with a couple of settlements, little bit on foreign currency and a little bit of other. So that just kind of breaks it all down for you.

Douglas M. Arthur
Analyst, Evercore Partners (Securities)
Q

Okay. Great. Thank you.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV
A

Yes.

Operator: [Operator Instructions] Your next question comes from the line of Bill Warmington with Wells Fargo. Your line is open.

Bill A. Warmington
Analyst, Wells Fargo Securities LLC
Q

Good morning, everyone.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV
A

Good morning.

Bill A. Warmington
Analyst, Wells Fargo Securities LLC
Q

So you had mentioned that Ad Solutions was running about $200 million and growing in the low double digits. I wanted to ask the OCR revenue and growth rate and then also when you fully anniversaried the displacement of net ratings and start to see that growth flow through completely.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV
A

Yes, so we haven't broken out the OCR revenue at this point. It's still in the tens of millions. When we get to a number where we think we've got critical mass, we'll certainly start to share that. We are in the early innings of this market. We're very, very pleased with our progress. As Mitch indicated, the launch of mobile and new clients that we signed up give us a lot of excitement around the business, and we hope to break that out for you soon when we get to a number that has a critical mass of revenue associated with it. But we feel very good about where it is. And again, as we said, our Digital business through the first half of the year has doubled.

Bill A. Warmington
Analyst, Wells Fargo Securities LLC

Q

Okay. And then as my follow-up, I wanted to – Jamere mentioned the softness at some of the U.S. clients late in Q2. I just want to ask for your thoughts on Insights growth for the remainder of the year.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

So, as I mentioned, we did see some tightening with some of our North America clients. You probably have read some of the rhetoric from several of our clients as they look into the U.S. market in particular. As I said, that tends to manifest itself for us in, you know, sometimes our clients will tighten spending a little bit on additional datasets or tighten spending a little bit on certain categories and as you know, our Insights business also is the lumpier, more discretionary piece of the business...

Bill A. Warmington
Analyst, Wells Fargo Securities LLC

Q

Right.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

...and over time, that may impact that as well. Again, at this point in the year, we've seen it. We're watching it very closely and we'll watch it very closely in the back half.

Bill A. Warmington
Analyst, Wells Fargo Securities LLC

Q

All right. Thank you very much.

Operator: Your next question comes from the line of Hamzah Mazari with Credit Suisse. Your line is open.

Q

Hi. This is [indiscernible] (42:32) dialing in for Hamzah. My first question is just on mobile ad measurement. You saw really strong adoption this month, which was encouraging to see. I'm wondering if you can offer any other milestones we should be looking for as mobile measurement is included in TV ratings later on this year.

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Well, that will be a big event. It will build off of what we've already done in the marketplace bringing mobile OCR out there, and there's a number of other things that have to happen, some of which are incumbent on the – that require actions by the marketplace. I think when you see the marketplace start to embrace the mobile television measurement and it starts to show up in the currency metric that's out there, and then it'll play, probably more heavily, as we go into 2015 and the upfront process renews itself in the early part of 2015.

You'll start to – because then – by that time, the market will have had some experience with it. They'll see it in the numbers. They'll have some confidence with it. And then it will play a bigger role as they start to plan their business in the following year. So our focus right now is to get it out in the marketplace and then let the marketplace start to get some experience with it.

Q

Okay. Thank you. And just one other question, you had cited Buy strength driven by new client wins. I'm wondering if you can give some insight into the profile of these clients, their general size, industry, and also, on developing market strength, can you pare down how business trends have fared year-over-year and sequentially for the multinationals versus locals?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

I'm sorry. Say that last part again, about multinationals and locals? You are asking what?

Q

How have their growth trends fared, say, year-over-year, have they increased, have they been stable, and on a sequential basis as well?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Okay. Well, first, on your first question, we talked about Mars on a previous earnings call, might have been when we reported fourth quarter for 2013. And there are other client wins that will come through. We're not going to broadcast all of them, but you can be sure that when the big multinational clients make a move like this, I'm always excited about it. It always means a lot in terms of mobilizing resources to serve these clients in a more complete and global way, and it opens up opportunity for us. And that's certainly been the case with Mars, and it will be the case for the other ones that we win going forward. The other question, again remind me, sorry.

Q

Just how growth trends have fared for multinational...

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Oh yes, multinationals and locals, yes. Sorry. Well, in some of these key developing markets, for the last – I'd say the last year or two, the local companies have been gaining market share against the multinationals, and everybody knows it. The local companies, for instance, if you go to Southeast Asia or you go to China, if you go to India, the local company's generally outperforming the multinationals, and the local companies know it and the multinationals know it too.

And they're all digging into it to try to understand why that's happening and learn from it and then make adjustments to their business models. The general consensus seems to be that the local companies are just more agile, more nimble, they're innovating more quickly. And they're driving more top line growth and winning market share from the multinationals who have been more leaning into scale and efficiency gains than they have been into focusing on agility and innovation. And so, I think you'll start to see the multinationals respond to that impact that has occurred to their business, and it will start to level itself out, would be my guess.

And you know what, Nielsen's in a good position no matter what happens in the marketplace, because of our balanced client portfolio and the fact that we serve all the clients and in fact the entire market. And so we look forward to helping everybody and helping the entire market move forward.

Q

That's very helpful. Thanks for the color.

Operator: Your next question comes from the line of Manav Patnaik from Barclays. Your line is open.

Ryan C. Leonard
Analyst, Barclays Capital, Inc.

Q

This is actually Ryan Leonard filling in for Manav. Just wanted to follow-up on Alibaba. Just want to know, I guess, kind of financially, are there any costs associated with opening up a deal like this? And then strategically, what does this mean to kind of some of the conversations that you've mentioned that you've been having with other e-commerce providers, and what kind of strength does it give you in those discussions?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Well, when you're serving clients, you're always going to have costs. And right now, though, the picture is more about the long-term opportunity here, not the short-term impact, whether it's the revenue or the cost in the short-term. It's really the longer-term play.

As more and more consumers want to purchase the goods for their household and for their daily lives on e-commerce platforms, again, our commitment is to measure the consumer. And so we go where the consumer goes. We measure what the consumer does; e-commerce very important part of the future, by all indications.

And so we're thrilled with this relationship we have with Alibaba on Omni Channel, and we'll continue to focus on that and we'll invest in it appropriately, however fast it develops and however consumers decide to behave, then we'll be there with the right amount of investment at the right time to make sure that we're in sync with the evolution of the marketplace.

In terms of other e-commerce players, yes, we are active in e-commerce not just in China but in a number of markets around the world, including here in the U.S. And you are probably wondering about Amazon. Amazon is a great client for us. And we continue to work with them in a number of areas of their business. And yes, of course, we would like to be doing more with them. But whether it's Amazon or whether it's any other client for that matter it almost always comes down to three things; first, aligning with the client's priorities; second, providing value against those priorities and then, finally, persuading the client that you have done those first two things, which is important. That number three is important. So we are working to do just that with Amazon and we are working to do it in as many areas of their business as we can.

Ryan C. Leonard
Analyst, Barclays Capital, Inc.

Q

Great. Thanks. And just one follow-up, a lot of news recently about consolidation in both the consumer space and more lately U.S. media. Can you just comment on the impact of consolidation across Watch and Buy?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Yes, sure, thanks for asking. Look, we watch that closely first and foremost because these are our clients. And so we always need to know what's happening with our clients and what the issues are that they're facing. But as far as our business, we don't expect a material impact on our business from this industry consolidation that is being discussed in the press. Look, on the one hand, looks like there is industry consolidation in one part of the market but don't forget there is also media fragmentation happening all across the market. And so you have some parts that are consolidating, other parts that are sort of being pulled apart. Through all of that movement here is what we've focused on; we've focused on measuring the consumer. We are confident of the role that independent third-party measurement like what we provide will continue to play an important and central role in the way the market operates and we remain focused on doing that.

Ryan C. Leonard
Analyst, Barclays Capital, Inc.

Q

Great. Thank you.

Operator: Your next question comes from the line of Paul Ginocchio with Deutsche Bank. Your line is open.

Paul L. Ginocchio
Analyst, Deutsche Bank Securities, Inc.

Q

Thanks. Just wanted to revisit a couple of questions there asked earlier. So because of the tightening, would you expect Insights', sort of, organic revenue growth for the back half of the year to be a little bit less than the first half? And also going back to the comments on Watch, because you've, I think, cycled the discontinued online products and obviously mobile is being rolled out. Would you expect Watch organic growth to be a little bit better in the back half of the year because of mobile and the cycling of that discontinued product? Thanks.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV

A

So. First of all, we've sort of reaffirmed our overall guidance ranges and we expect to be within those ranges in the back half of the year. Given, where we are in the year and given some of the dynamics that we're seeing, again we've had great momentum in the first half of the year. We're seeing clients invest in the developed and the developing markets.

What you potentially would see would be, maybe some toggling between Info and Insights but overall our second half is going to line up in such a way that we'll be within the guidance range that we have, and it won't have a huge impact on us until it fully materializes.

I would say the other thing is our second half Buy clients that we're adding, won't have any impact until 2015 or so. So those are kind of the dynamics there. We're comfortable with the ranges that we've put out. And the geography may move around a little bit between the pieces, but overall we feel very good about what we've said.

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Insights is always the choppier side of our business. You've heard that before. You'll continue to hear that. And it's just because it's true. And so, the good news is, we have the majority of our business in the Information area. That's one of the reasons why we have this steady, consistent business model that rides through cycles. And the big opportunity for us continues to be to bring the measurement part of our business and the analytics or Insights part of our business together to make sure those are linked as closely and as deeply as they possibly can be so that those things start to move more together and they're more integral from a client perspective. And that's something we're going to continue to be focused on for the short-term, medium-term, long-term because there is such great opportunity for us right there.

Paul L. Ginocchio
Analyst, Deutsche Bank Securities, Inc.
Q

Okay. Got it.

Operator: Your next question comes from the line of Jeff Meuler with Baird. Your line is open.

Jeff P. Meuler
Analyst, Robert W. Baird & Co., Inc. (Broker)
Q

Thank you. I wanted to ask are there any commonalities that you can talk about in terms of what's driving the new client wins and what I'm wondering is, you know, are new products like Global Track Complete moving the needle, is it now that you have complete global coverage or just any commonalities that's driving the wins?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV
A

On Global Track Complete, this is a business issue that our clients have long had. It's just incredibly difficult to deliver on it. And we have done the hard work in the infrastructure of our company over the past several years that has put us in a position where we can now layer this capability, Global Track Complete, on top of it and finally deliver on something that our clients have wanted and so that's point one.

Point two is clients are also changing the way that they run their business, the way they view their business, the way they manage and lead their business. And Global Track Complete, the capability it offers is perfectly in sync with that trend in our big global clients in terms of the way they operate. And so the two things really coming together has what's driven you know the evolution, the growth and development of Global Track Complete amongst our multinational client base.

The commonality is they are global and that this is the way they approach their business. Not every global company runs its business at a regional or global level. Some still take more of a maybe call it, a federated approach. But the ones who do want to have a big regional or a big global view, then they need that visibility on the KPIs, and the Global Track Complete delivers perfectly on that.

Jamere Jackson
Chief Financial Officer, Nielsen Holdings NV
A

Another angle on that as you think about commonalities is that when you think about winning business with our big multinational clients, we've been very, very clear that our strategy in our Buy business is to be a global partner for global companies.

And so what that means is we're in the marketplace and competing competitively. That commitment and that capability with things like Answers on Demand, Global Track Complete, investing and developing markets plays very, very well, as you're trying to win that business. So I think a key thread in all of this is that our commitment – our long-term commitment in what we've done in the marketplace really, really helps us.

Jeff P. Meuler
Analyst, Robert W. Baird & Co., Inc. (Broker)

Q

Okay. And then just wanted to ask a follow-up on that. How should we think about the framework for the pace of investment in Buy? Is it more along the lines that if you guys see a good opportunity to improve your competitive position with the good long-term payback, you're going to make that investment all day regardless of the impact on near-term margins or is there also some sort of governor that you would want to maintain at least a certain level of margin or limit year-over-year margin contraction to a certain level or something like that?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

On developing markets, look, we just had to keep going back to this idea of the long-term tailwind that exists in these markets. And it's driven by demographics. Population is growing, population is also urbanizing, rising middle class, rising disposable incomes. And so this is something that will continue to unfold over the next couple of decades. And so our investment will be in sync with that, with that long-term view because we know where this one is going. There is nothing that's going to stop it. And we want to make sure that we serve those markets and that we win. We are the measurement provider. So we are going to invest according to that. We are going to do it responsibly and with discipline but we are going to continue to do it.

Jeff P. Meuler
Analyst, Robert W. Baird & Co., Inc. (Broker)

Q

Okay. Thank you.

Operator: Your next question comes from the line of Dan Salmon with BMO Capital Markets. Your line is open.

Dan Salmon
Analyst, BMO Capital Markets (United States)

Q

Hi. Good morning, guys. Mitch, you spoke a little bit about it in prepared remarks and Jamere mentioned it again there as Answers on Demand. And could you just maybe – we haven't heard a whole lot about it lately just sort of refresh us on how you see its importance playing out strategically where the client base there is, is it a little bit more something that helps you work into the mid markets? And then lastly just more scalable platform like that how it could help you on the margin side over time in mix shift?

Dwight Mitchell Barns
Chief Executive Officer, Nielsen Holdings NV

A

Well, Answers on Demand, it's capability that we started developing several years ago and it was initially designed for our biggest global clients, the most sophisticated, the ones who are using the most complete breadth of our portfolio. So we designed it initially for them. It served us incredibly well for some of those biggest global clients. And what we have done now in recent times is we have started to make that capability in a form and make it available of course to a broader range of our client portfolio. And we are excited about the adoption that we have seen and this milestone that we have crossed in the second quarter of the year.

The idea is that this provides information in our broad portfolio of capabilities to our clients. They have direct, efficient, immediate digital access from their desktop. It's really as simple as that. But just given the breadth of our portfolio, that's easier to say than it is to do.

And ultimately, it just allows the client to use everything we have. And if they don't use it then they can't realize value from it. And so, this is important to our clients. It's important to Nielsen because of the value realization that it relates to and of course ultimately it's important to our shareholders for the exact same reason.

Dan Salmon
Analyst, BMO Capital Markets (United States)

Q

Great. Thank you.

Operator: There are no further questions in queue at this time. And I turn the conference back over to our presenters.

Kate White Vanek
Senior Vice President-Investor Relations, Nielsen Holdings NV

Thank you so much. And I really appreciate everybody joining us today. We look forward to talking to you and fielding your questions as the day and week goes on.

Operator: This concludes today's conference call. You may now disconnect.