Perion Q4'24 Earnings call
February 19, 2025

Moderator:

Hello, everybody, and welcome to the Perion Network fourth quarter and full year 2024 earnings conference call. Today's conference is being recorded, and an archive of the webcast will be posted on the company website. The press release detailing the financial results is available on the company's website at www.perion.com.

Before we begin, I'd like to read the following safe harbor statement. Today's discussion includes forward-looking statements, these statements reflect the company's current views with respect to future events. These forward-looking statements involve known and unknown risks, uncertainties, and other factors, including those discussed under the heading risk factors and elsewhere in the company's annual report on Form 20-F that may cause actual results, performance, or achievements to be materially different and any future results, performance, or achievements anticipated or implied by these forward-looking statements.

The company does not undertake to update any forward-looking statements to reflect future events or circumstances. As in prior quarters, the results reported today will be analyzed both on a gap and a non-gap basis. While mentioning EBITDA, we will be referring to adjusted EBITDA. We have provided a detailed reconciliation of non-gap measures to their comparable gap measures in our earnings release, which is available on our website and has also been filed on Form 6-K. Hosting the call today are Tal Jacobson, Perion's Chief Executive Officer, and Elad Tzubery, Perion's Chief Financial Officer. I would now like to turn the call over to Tal Jacobson. Please go ahead.

Tal Jacobson:

Good morning, everyone, and thank you for joining us today at Perion's Q-Four 2024 earnings call.

2024 was a pivotal year for us at Perion. It was a year of laying the foundation for a transformation that is now coming to life. Over the past year, we have been strategically aligning our technologies, operations, and vision, setting the stage for the launch of the Perion One strategy. With Perion One, we're uniting all of our technologies under one platform and all our business units and brands under one roof.

While this strategy is expected to attract more customers through our unified platform, it is also transforming our organization to become more efficient than ever before. Under this new strategy, we focus on AI development for both customer-facing products and operational efficiency solution. We believe that Perion One is the perfect platform for a deeply fragmented $700 billion industry, an industry that is forcing advertisers to navigate a complex maze of platforms, formats, and channels.

The focus has long been on where ads run, if it's CTV, open web, Digital out-of-Home, or social, rather than what truly matters - reaching the right customers at the right moment with the right message - to drive exceptional results. This fragmentation leads to inefficiencies, wasted spending, and missed opportunities.

At Perion, we believe this complexity shouldn't be the advertisers' problem to solve. That's why we're building Perion One to unify, simplify, and amplify the advertisers' journey, ensuring advertisers can focus on impact and results, not execution challenges.

The foundations of Perion One are based on advanced AI capabilities that infuse personalized messaging for every brand moment. The role of Perion One is to solve the complexity of omnichannel advertising and provide a unified AI-driven advertising infrastructure that deliver precision, efficiency, and measurable results.

In this pivotal moment in Perion's history, I'm happy to reveal a first look at our Perion One platform. This platform will unite all our technologies in one place. It provides our customers with an advanced portal into creative insights and planning of any brand's next great advertising moment. Perion One will bring together CTV, Digital out-of-Home, Retail Media, Social, and Open web capabilities under a single AI-driven platform. It is a fundamental change in how digital advertising should work. Instead of siloed solutions, Perion One will provide advertisers with a seamless intelligent platform that optimizes campaigns across every major channel. With Perion One, brands will benefit from greater economics, enabling every advertising dollar to be optimized for a maximum impact. The platform will offer increased efficiency to eliminate execution friction and streamline processes. Its advanced AI-driven performance will automate optimization at scale, and a smarter supply path will enrich DSPs and SSPs with premium inventory. The Perion One platform will be gradually rolled out to our customers in the upcoming months.

To fully capitalize on our new strategy and our transformation, we've strengthened our leadership team with some of the best talent in the tech industry. I'd like to welcome three exceptional leaders to our management team. Stephen Yap, a Google veteran joined us as our new Chief Revenue Officer to lead our advertising sales worldwide. Kenny Lau, an ex-Criteo and ex-PubMetic steps in as our Chief Product Officer. And Mina Naguib, who was part of the leading team that architected the Samsung ads technologies takes on the role of our Chief Technology Officer. Mina will lead all our technologies, including our advanced AI solutions and infrastructures. This exceptional management team of tier one leaders in the tech industry is instrumental. We believe it'll expand our reach, deepen customer relationships, and unlock new growth opportunities.

While preparing for this transformation, we continue to deliver strong performance on all of our three core growth engines, Digital out-of-Home and CTV, alongside our Retail Media as we continue to see adoption of our technologies with retailers. All our growth engines have consistently outpaced the market, and we believe they will continue to be the drivers of our future success.

In 2024, our Digital out-of-Home grew by 50% year-over-year, far outpacing the 10% year-over-year market growth reported by eMarketer. This reflects our programmatic innovation and Perion's ability to drive higher performance than the industry.

Our CTV solutions grew by 30% year-over-year, surpassing the 23% year-over-year market growth. Our investments in advanced targeting and cross-device solutions continue to drive this momentum. As you recall, we expanded those capabilities with our new partnership with Experian, which we announced during Q4.

Retailers continue to adopt our solutions. Our Retail Media grew by 62% year-over-year, more than tripled the industry 20% year-over-year growth. Each of these areas represent a high growth, high value market. Integrating them into Perion One gives us a unique competitive advantage, positioning us to accelerate future growth.

Today, we're introducing a new way of looking at our results by breaking them down into channels. We believe this provides greater transparency into the new Perion One structure. It reflects our evolution into our platform that delivers greater efficiency and value. By aligning our reporting with our strategic focus, we enhance visibility and foster a more meaningful conversation with our investors and customers.

Now, our CFO, Elad Tzubery, will walk you through our financial results.

Elad Tzubery:

Thank you, Tal, and thank you all for joining us today.

2024 was a challenging year for Perion. Nevertheless, we ended the year both profitable and with positive operating cash flow. In addition, we met the annual revised guidance that we provided in June 2024 for revenue, adjusted EBITDA, and adjusted EBITDA to contribution ex-TAC margin.

The strength of our balance sheet allows us to execute on our capital allocation priorities and growth plans, both organic and non-organic. As of December 31st, 2024, we repurchased a total of 5.2 million shares for a total of $46.9 million.

As we entered 2025 under the Perion One strategy, we're unifying our technologies and brands into a single cohesive ecosystem. As part of this change, we have started streamlining our operations and optimizing costs through headcount reductions during the first quarter of 2025. This will also allow us to strengthen our ability to attract and serve more customers, run more efficient sales and marketing operations, maximize synergies across our entire organization, and leverage a unified and connected data platform to drive smarter decision-making and higher margins. We expect this efficiency measures to continue to have positive impact on our profit margins through 2025 and going into 2026.

Moving to our financial results,

For the full year, revenue amounted to $498.3 million, a 33% year-over-year decrease to $498.3. This is mainly related to the decrease in search revenue and the weakness in our open web video and standard ad formats. However, the declining revenue was partially offset by continued strong performance of our growth engines.

Adjusted EBITDA was $50.9 million resulting in a 10% adjusted EBITDA margin and a 24% ex-TAC margin. GAAP net income for the full year was $12.6 million while non-GAAP net income was $64 million. During 2024, we generated cash flow from operating activities of $6.9 million and adjusted free cash flow of $16.6 million. As of December 31st, 2024, net cash including cash equivalents, short-term bank deposit, and marketable securities were $373.3 million.

Turning to our fourth quarter performance.

Revenue was $129.6 million compared with $234.2 million in the same period last year. Our adjusted EBITDA for the fourth quarter was $15.5 million, resulting in a 12% adjusted EBITDA margin and a 28% ex-TAC margin. GAAP net income for the fourth quarter was $4.9 million. While non-GAAP net income was $16. 1 million, resulting in a non-GAAP diluted earnings per share of 33 cents. Our cash flow from operating activities remained positive, generating $4.3 million.

Advertising Solutions revenue for the fourth quarter was $104.1 million, down 13% year-over-year, representing 80% of total revenue. This decrease was expected due to the declining open web video and standard ad formats as advertisers are shifting their budgets towards social video and higher-end solutions.

This decline was partially offset by the continuous momentum from our core growth engines - CTV and Digital out out-of-Home channels, and our Retail vertical. Digital out-of-Home increased by 57% year-over-year in the fourth quarter on a pro forma basis, representing 27% of advertising solutions revenue, while for the full year, Digital out-of-Home increased by 50% and represented 21% of advertising solutions revenue. Our CTV business increased by 10% year-over-year in the fourth quarter, representing 15% of advertising solutions revenue versus 12% last year.

For the full year, CTV increased by 30%, representing 13% of advertising solutions versus 8% in 2023. Our Retail Media business, a fast-growing market vertical, posted another strong quarter, primarily boosted by our Digital out-of-Home business. In the fourth quarter, Retail Media revenue grew by 34% year-over-year to $27 million. For the full year 2024, Retail Media revenue delivered an impressive 62% growth in comparison to 2023, reaching $80.6 million.

I would like to highlight that all three growth engines outpaced the market growth in 2024. According to eMarketer, Digital out-of-Home ad spending in the US grew by 10% year-over-year compared with Perion's 50% growth. CTV grew by 23% year-over-year compared with Perion's 30% growth, and Retail Media grew by 20% year-over-year compared with Perion's 62% growth.

Turning to our search advertising, revenue for the fourth quarter totaled $25.5 million accounting for 20% of our total revenue. As we previously discussed, we did not renew our contract to Microsoft Bing that ended on December 31st, 2024. Yet, in 2025, there is a tail period in which we expect to generate revenue. Overall, our search advertising is expected to remain stable, representing about 20% of our total revenue.

In the fourth quarter, the contribution excluding traffic acquisition costs margin was 42% compared with 39% in the fourth quarter of 2023. On an annual basis, contribution ex-TAC margin was 43% compared with 42% in 2023. This is primarily due to the changes in our product mix focusing on more profitable solutions.

Adjusted EBITDA for the fourth quarter was $15.5 million or 12% of revenue, and 28% of contribution ex-TAC. This compares to $53.9 million or 23% and 59% respectively in the fourth quarter of 2023. For the full year, adjusted EBITDA totaled $50.9 million or 10% of revenue and 24% of contribution ex-TAC. This compares to $169.1 million or 23 and 55% respectively in 2023. During the second half of 2024, we implemented cost reductions and efficiency measures. This helped us moderate the year-over-year decrease in adjusted EBITDA that resulted from the business decline in the first half of the year.

On a GAAP basis, our fourth quarter net income was $4.9 million or 11 cents per diluted share versus a 39.4 million in Q4 of 2023 or 78 cents per diluted share. On a non-GAAP basis, net income was $16.1 million or 33 cents per diluted share versus $52.9 million in Q4 of 2023 or $1 and four cents per diluted share.

For the full year, GAAP net income was $12.6 million or 25 cents per diluted share versus $117.4 million in 2023 or $2 and 34 cents per diluted share. Non-GAAP net income was $64 million or $1 and 27 cents per diluted share versus $167.4 million or $3 and 33 cents per diluted share in 2023.

During the fourth quarter of 2024, we generated $4.3 million in both cash flow operations and adjusted free cash flow. On a full year basis, we generated $6.9 million in cash flow operations and $16.6 million in adjusted free cash flow. This gap in 2024, between adjusted EBITDA and adjusted free cash flow is attributed to the year-over-year change in the working capital related to our business with Microsoft Bing and the post-acquisition investment in Hivestack’s working capital. For 2025, we expect our cash flow conversion from EBITDA to resemble past performance patterns. We expect to continue our decade-long track record of generating positive cash flow from operations and adjusted free cash flow.

In the fourth quarter, we continue with our share buyback program and repurchase and another 1.6 million shares for a total of $13.4 million. To date, we spent $46.9 million repurchasing shares against our total authorization of 75 million.

As of December 31st, 2024, we had on our balance sheet, $373.3 million in cash, cash equivalents, short-term bank deposits and marketable securities. Entering fiscal year 2025 and given our strong financial position, we are confident in our ability to execute our capital allocation strategy, balancing between share repurchases, organic investments, and selective acquisitions that complement our growth strategy.

Looking ahead towards 2025, we are providing our full year financial guidance, and we are introducing our core key performance indicators. These indicators provide a more accurate and helpful way to assess the strength of our business. As a result, going forward, we will begin sharing our revenue breakdown by advertising channels: Digital out-of-Home, CTV, Web and Search.

2025 will be a transformative and exciting year for at Perion, one in which we are focusing on solutions that are more profitable and better aligned with our mission to make digital advertising more effective for our customers and in turn, make our business more efficient.

For the full year 2025, we expect to generate revenue of 400 to $ 420 million, adjusted EBITDA of 40 to $42 million and adjusted EBITDA to contribution ex-TAC margin of 22%.

To summarize, we ended 2024 on a positive note and we are excited for what's to come for Perion in 2025.

With that, I will now pass it back to the operator for the Q&A session. Thank you.

Q&A Session

Moderator:

If you wish to ask a question, we ask that you please use the raise hand function at the bottom of your Zoom screen. Or if you have dialed in, please press star nine. Our first question comes from Andrew Morak with Raymond James. Andrew, please unmute your line and ask your question.

Andrew Morak:

Great. Thank you for taking my questions. Appreciate the new disclosure format and wanted to talk quickly about the open web business. So, things pretty tough there right now and looking like it might continue into 2025 based on some of the shifts that Elad talked about, but in your estimation, how much of that is addressable via the Perion One re-org that you're working on, and how much is down to just tough conditions in the space overall?

Tal Jacobson:

Thank you for the question, Andrew. You're absolutely right. Open web as an industry, as a channel is not a growing part, but we do believe that for us, within Perion One platform, we're onboarding new advertisers to use our platform for all the channels. We do think that with time, our open web will start to strengthen again, so we are optimistic on that, but we're also putting a lot of focus on CTV and Out-of Home.

Andrew Morak:

Of course, yeah, the growth areas. Appreciate that. And then, really quickly, if you could maybe give us a little sense of the Perion One re-org's effect on the 2025 outlook. I guess what has to still be done behind the scenes and how much is figured into the guide in terms of incremental cost for any remaining work to be done or potential top line disruption as clients get moved over. Thank you.

Elad Tzubery:

Sure. So thank you for the question. So first of all, I said regarding the Perion One strategy, first of all, as part of this change, we already took some measures already in the first quarter of '25 and already took some headcount reductions. And I believe that going into this future, the ability of unifying everything together actually will help us to run much more efficient sales and marketing operations. By having the platform within the agencies, they already have access to all of our offerings and it'll be much more efficient in our sales pitch and they will have already everything in place to be able to increase their budgets and by that, it will allow us to be much more efficient in our efforts.

In addition to that, we already took into consideration in 2025 the guidance, some of those initiated inside, mostly around the operation efficiency and, of course, the ability to leverage all of the data and to enjoy from improved margins into 2025. Having said that, we do expect that the full impact of this change will actually be reflected in 2026, but some of this is already, of course, reflected in 2025, mostly around the second half of the year.

Moderator:

Next question comes from Jason Helfstein with Oppenheimer. Please unmute your line and ask your question.

Jason, please use star six to unmute your line.

Jason Helfstein:

Okay. Can you hear me now?

Tal Jacobson:

Yes.

Elad Tzubery:

Yes.

Jason Helfstein:

Guys? Okay, great. Hey, so two questions like parts are on, Perion One. So one, I guess it's when you think about making a shift, how does it allow you, once you're done to kind of... A, it's talk about how you're planning to use automation to actually improve the gross margins of the dollars that will move through Perion One. And then I guess it's like you just talked about in your last answer, you think there's going to be an efficiency on the sales and marketing, so is it you think both there's a long-term benefit to gross margin on efficiency of executing the campaign using automation? On top of that, it improves the go-to-market because the tools will be with your customers and so you won't have to spend as much on sales and marketing? And then maybe tie that back to how much of the slowdown in open web was you proactively slowing down because the cost of running these campaigns wasn't productive as opposed to the market caused the slowdown and not spend. Thank you. That's kind of three questions there, thank you.

Tal Jacobson:

Absolutely. So let's start with automation. So we're absolutely focusing on a lot of automation, everything AI driven, one is automation to reduce the level of manual work that we do today. So as we scale, we do see better efficiency so that's a core factor of this organization. How do we get more work with less manual work? And it goes hand in hand with our sales and marketing. So currently when we're getting new campaigns, it's a lot of manual work and we're shifting that towards automation. This is an ongoing work; we've started that six or seven months ago and we're just in the middle of the process but we do expect to become more and more efficient.

As to marketing, Perion had five different brands up until now, now we only have one. So, the marketing dollars are now focused on only one brand, which for the same money should give us five times more efficiency on our marketing dollars towards our own brand.

As per the web, so you've asked, and I think you're absolutely right, when we look at this new organization, we realize a lot of things we have are still… you know Perion exist since 1999 and a lot of things are still kind of legacy with old technology. So, some of the things we needed to figure out, are we going to continue to do those with old technology that it's not really relevant for the future, or rebuild that or just let it go? And we've decided on some things that are with lower margins and that needed refactoring to the technology to just let them go. And this is why you actually see a lowered guidance than what we previously thought of giving because we wanted to focus on the high growth parts, and we didn't want to reinvest in old technology that wasn't the future, and we only want to focus on high margin products.

And this is why everything is very aligned within the Perion One platform, the new super talented executives that we brought on board. And even the guidance, which is super focused on the strategic parts and the high margin parts. I hope that answered the question.

Jason Helfstein:

Yeah, that's a good call, thank you.

Tal Jacobson:

Thank you.

Moderator:

Our next question comes from Eric Martinuzzi from Lake Street. Please unmute your line and ask your question.

Eric Martinuzzi:

Yeah, the CTV growth for the year was up 30%, but it did slow to a 10% growth rate in Q4. Just wondering what sort of growth rate you've baked in for 2025?

Elad Tzubery:

So, thank you Eric. So, regarding the CTV, you are correct to see CTV Q4 was 10%, but we actually saw in Q4 some budget shifts also to the Out of Home under the Anywhere TV. So, some of those dollars in Q4 were actually shifted to Out of Home. And I think that as you mentioned, the overall yearly performance of our CTV actually outperformed the market. If we're looking at 2025, we believe that also in 2025 will be at least building the market growth for positivity.

Tal Jacobson:

On an annual base?

Elad Tzubery:

Yeah.

Tal Jacobson:

Okay. Yeah, on an annual base we do expect to continue to meet the market on CTV.

Eric Martinuzzi:

Okay. And then I missed it, but you commented on the translation of adjusted EBITDA, so at the midpoint we've got $41 million of adjusted EBITDA. What does that translate into for free cash flow for the year?

Tal Jacobson:

That's an excellent question.

Tal Jacobson:

So even though this year is lower than 2024, on our cash flow we do expect it to be much higher than 2024. Elad, can you give on that more color?

Elad Tzubery:

Yes, Yes. 2024 we saw one time gap that happened mostly as a result of the year-over-year change in the working capital that's related to our search activity and, of course, building the working capital for Hivestack following the acquisition. In 2025, we're expected that our cash flow conversion from EBITDA will be back to the normal rates as we used to see before 2024. Meaning that the adjusted free cash flow and the EBITDA would be very close to each other.

Eric Martinuzzi:

Okay. Thank you for taking my questions.

Elad Tzubery:

Thank you.

Tal Jacobson:

Thank you. So, cash flow wise should be a better year than 2024.

Moderator:

Our next question comes from Laura Martin with Needham & Co. Please unmute your line and ask your question.

Laura Martin:

Hey there Tal, love the new disclosures, agree with Andrew on that. So, I wanted to start with retail media vertical. So, up 34% when I think of retail media, Tal, I think of CTV only. Can you confirm what the mix of the Retail Media vertical is? And then secondly, a lot of people, your competitors are saying that opens up new total addressable markets because you can attract SMBs to Retail Media. Can you talk about whether you're getting new clients in retail media? And then third, specifically related to

Retail Media, are there other verticals like this one that we should be thinking about that are becoming as large as retail media vertical? Which you break out now.

Tal Jacobson:

Yeah, absolutely. It's great to hear from you and thank you for the question. So, Retail Media is really our way of measuring how much retailers are adapting our technology. And you're absolutely right, CTV was the engine that started it all with us. It turns out a lot of our retailers, we were able to shift them into more and more solutions. Among them, WAVE, which is our audio, still small but it's getting there and absolutely Out of Home. So, our Retail Media plays a lot into physical stores. So, I don't know if you guys know this, but physical stores are still representing roughly, I think 85% of acquisitions versus online, at least for grocery. So, our platform and our activity is going to be focusing a lot on how do we drive people back to grocery stores, physical grocery stores, through all our solutions. And that might be Out-of-Home, CTV, Web, Audio, the entire thing.

And you're absolutely right, SMBs are absolutely on the table. Now that we have a platform, we're working on creating that as a second phase to also SMBs. We're going to start with, since we have Stephen Yap, which comes with 25 years of experience with big agencies, retailers, and TIER-ONE brands, we're going to start with that. But SMBs are definitely on our roadmap. Maybe not for 2025, but for going forward, absolutely. This is something on our radar. Does that answer your question?

Laura Martin:

It's fantastic. My other question is on the generative AI large language models. Sounds like you're integrating, you're not only automating, but also using the large language models more. You used to be using OpenAI because of your close relationship with Microsoft, but given the breakup, given the divorce, my question is are you using different large language models as the backbone for Perion One? Are you using multiple ones? Are you still using the OpenAI backbone large language model? Can you talk about what's happening on the back end of Perion One and your generative AI usage?

Tal Jacobson:

Yeah, yeah, absolutely. That's an excellent question. So even though Microsoft… we're on good terms, so no beef there and we didn't ditch OpenAI, but we do experiment more and more with the Google capabilities. And now our [AI] Lab are actually looking at the DeepSeek algorithms just to see their capabilities. Obviously, they're way cheaper, so a lot more efficient, but it's a bit of early days for that new algorithm. But yeah, we're testing all the infrastructures out there to make sure that we have the right one with the right structuring, right cost structuring. Obviously, those things are expensive.

Laura Martin:

Okay. And just my understanding is let's say you move to DeepSeq, which is much less expensive, would you stay on more than one, or once you build on DeepSeq, the barriers to exit pretty high? Do you have to sort of stay with whichever one you build your capabilities on?

Tal Jacobson:

No. So everything we do stays on. So, DeepSeq is an open source, so we might take bits and pieces of that, but everything stays on our environment. Since it's an open source, it stays on our environment. Maybe we won't use their different versions or their updates, but we won't build anything that has a high cost of switching.

Laura Martin:

Okay. That's super helpful. Okay, great. Thanks very much and [inaudible 00:36:25].

Tal Jacobson:

Thank you.

Elad Tzubery:

Thank you.

Moderator:

Our last question comes from Jeff Martin with Roth Capital. Please unmute your line and ask your question.

Jeff Martin:

Thanks. Good evening guys. Wanted to drill down a little more on OpenWeb. It's still 46% of advertising solutions revenue in the fourth quarter. With you expecting that to kind of level off and grow at some point, what sort of things internally are you doing to facilitate that inflection? And could you pinpoint when in 2025 you anticipate that inflection?

Tal Jacobson:

So, on the web part of the OpenWeb channel, we don't anticipate a big change in 2025. I think the major wins that we're aiming for is Out-of-Home and CTV, but also if we can increase Web, then we would absolutely love that. But the major focus is on more advanced solutions. OpenWeb is pretty crowded, so we're focusing on more advanced solutions for CTV, for Out-of-Home and all across the board for Retail Media. So that's really the focus. But again, since we're an agnostic platform, whatever the client wants, that's what we're going to deliver. We're not pushing for a specific channel, but that's how we modeled 2025.

Jeff Martin:

Great. And then one more if I could. On the capital allocation, as we head further into 2025 and thinking beyond that at the same time, how are you thinking about your acquisition strategy relative to the company's focus on Perion One, getting that in place, starting to see the benefit from that? Maybe help us understand how you're thinking about potential acquisitions relative to the Perion One strategy.

Tal Jacobson:

Yeah, absolutely. That's a good question. So, within Perion One, obviously it took a lot of effort to consolidate everything, all the business unit, all the brands and all the technologies. We do not intend to break that again. So, whatever we're going to buy, it has to fit within this platform as additional features to those customers. So, it's built in as an extremely synergetic solution. We will never, again, buy companies that are going to be standalone. So that's how we were thinking about it.

But to be honest, we're now mainly focusing on our organic growth, making sure this transition works well. We just added three amazing executives to make sure that this transition goes well, the unification transition. So, we have a lot of on our plate, but we still look at some great companies, and as I said, whenever we're going to find something, it has to be part of this one platform. We're not going to deviate from that.

Jeff Martin:

Thank you.

Tal Jacobson:

Thank you.

Moderator:

This concludes the Q&A session. I'll now hand it back to Tal Jacobson and Elad Tzubery for closing remarks.

Tal Jacobson:

Thank you for joining us today, and we're excited about the future and hope to see you again next time. Thank you.