FINAL TRANSCRIPT

DHX Media Ltd.

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PRESENTATION

Operator

Good morning. My name is Lindsay (phon), and I will be your conference Operator today. At this time, I would like to welcome everyone to the DHX Media Second Quarter Results 2014.

All lines have been placed on mute to prevent any background noise. After the speakers' remarks, there will be a question-and-answer session. If you would like to ask a question during this time, simply press *, then the number 1 on your telephone keypad. If you would like to withdraw your question, press the # key. Thank you.

Mr. David Regan, you may being your conference.

David Regan — Executive Vice President, Corporate Development and Investor Relations, DHX Media Ltd.

Thank you, Operator, and thank you, everyone, for joining us on DHX Media's second quarter analyst call.

We're going to start off with remarks from our CEO, Michael Donovan. I'll come back with some corporate development updates, and then turn things over to our Chief Financial Officer, Dana Landry, for a detailed review of the numbers. At that stage, we'll then open up the lines to analysts for questions.

Before we begin, however, the matters discussed in this call include forward-looking statements. Such statements are subject to a number of risks and uncertainties. Actual results in the future could differ materially and adversely from those described in the forward-looking statements as a result of various important factors, including the risk factors that are set forth in DHX Media's MD&A and in the Company's Annual Information Form.

I'll now turn the call over to DHX Media's Chief Executive Officer, Michael Donovan.

Michael Donovan — Chief Executive Officer, DHX Media Ltd.

Thank you, David. Good morning, and thank you for joining us. I am Michael Donovan, CEO of DHX Media.

We are pleased to announce our fiscal 2014 second quarter results. Our team delivered growth in revenue, growth in adjusted EBITDA, growth in normalized net income. This growth was driven by strength in our M&L revenue by increases in proprietary production and margin expansion in our distribution business driven by digital sales growth.

This has been another very strong quarter of year-over-year growth, particularly in the context of last year's solid second quarter earnings following the closing of our Cookie Jar acquisition. As you know, DHX is an integrated entertainment company, content management company, that creates, produces, distributes, and license children's entertainment content around the world.

In the second quarter, we announced an agreement to acquire the Family—the four Family Channels. This includes the leading kid's TV channel in Canada, pay TV service, the Family channel, as well as Disney XD and Disney Junior, both the English version and the French version. And this acquisition was from Bell Media.

This acquisition provides an opportunity to diversify our business, while at the same time complementing and strengthening all three of our core business lines, that is content production, library and distribution, sales, merchandising, and licensing.

We expect this to close in the fourth quarter of this year or first quarter of next fiscal, and it is, of course, subject to the approval of the Broadcast Regulator in Canada, CRTC. David?

David Regan

Thanks, Michael. First off from a corporate development perspective, our acquisition of Ragdoll last September continues to be a real success, as evidenced by the recent signing of 10 licensing deals in the UK and Australia, and the appointment of UYoung Media Group in China as merchandising and licensing agent for our worldwide hit property In the Night Garden.

As Michael mentioned, we have three primary lines of business: production, distribution and library, and licensing. On the production side of the business, where we currently have eight series in production, we added 21 half hours of proprietary content to our library, and we are pleased to announce the commissioning of the brand new 2D animation series Looped for YTV in Canada this quarter.

In addition, our new live action series Hank Zipzer, starring Henry Winkler, premiered on CBB's (sic) (BBC's) iplayer and on CBBC in January in the UK.

Our proprietary content feeds our library, which then generates recurring cash flow by licensing out that content for periods of typically between one to five years, both exclusively and nonexclusively, in territories around the world. Our library and distribution business was robust this quarter, showing significant growth for both traditional linear and digital platforms. Significant digital distribution deals signed this quarter included those with entities such as Turner Broadcasting System, SpiritClips, Netflix, Viacom, and CiTV, among many others.

Management is optimistic on the future distribution potential of our library, the largest of its kind, on these platforms, particularly from emerging over-the-top services that have a desire for a bulk of content. Also, this week Hulu in the US announced that our Doozers coproduction with the Jim Henson Company would be the first kid's series ever to make its US debut on its service.

In our licensing business, revenue is divided between our owned properties and our representative properties. Licensing from owned properties was up 76 percent year over year, ahead of management's expectations, driven by the success of our first ever Yo Gabba! Live! holiday tour.

Other owned merchandising and licensing was up 335 percent, driven by increases in music and other royalties as we find new ways to monetize our library.

We recently appointed CPLG, our third party licensing business in Europe, as the merchandising and licensing agent for our hit preschool series In the Night Garden, and it subsequently signed 10 licensing deals.

Merchandising and licensing from represented revenue was 3.04 million, which was in line with management's second quarter expectations.

I'll now hand it over to Dana for some further commentary. Dana?

Dana Landry — Chief Financial Officer, DHX Media Ltd.

Thank you, David, and good morning, everybody, and thank you for joining us. As Michael and David noted earlier, management is pleased to highlight our strong growth this quarter: a 15 percent increase in revenue led by, as David noted, 76 percent increase in M&L owned. Management was also very pleased with the adjusted EBITDA growth of 40 percent to 9.6 million, and our gross margin of 17.8 million or 59 percent of overall revenue.

Further specifics of a breakdown of our revenue by major category for Q2 2014 were as follows: 5.2 million for proprietary revenues, which was up 42 percent; 9.48 million for distribution revenues, which was up 2 percent; a robust 7.37 million for M&L owned, which as David noted, was up 76 percent, driven by growth of our Yo Gabba Gabba! holiday tour; and 312 percent organic growth over Q2 2013, mainly from a pickup in our music and other royalty revenue lines of business. Further, 23 percent was from acquisitive growth, which is the inclusion of our Ragdoll assets.

Next, M&L represented, as David noted, was 3.04 million, which is up 45 percent over Q2 2013, but if you compare this on a per day sales basis, this was up 10 percent, which was in line with management's expectations.

Producer and service fee revenue was down 19 percent to 4.69 million, specifically as we utilize more of our capacity in our Vancouver animation studio for our proprietary growth previously noted.

Finally, new media revenues at 0.6 million for the quarter were behind slightly as the quarter and six months to date activity for UMIGO is running at a slower pace than anticipated.

Management was pleased with gross margin for Q2 2014 at 17.8 million, an increase of 27 percent, and this overall margin at 59 percent of revenue was above expectations. SG&A costs were down 8 percent to 8.56 million, and when adjusted for the noncash stock-based compensation were at 8.2 million, which was slightly above management's quarterly expectations.

For Q2 2014, adjusted EBITDA was 9.61 million, up 2.74 million, or 40 percent, over the 6.87 million for Q2 2013. For Q2 2014, adjusted EBITDA includes add backs for the Ragdoll acquisition and the pending Family Channel acquisition costs totalling 0.5 million.

For Q2 2014, net income normalized for these aforementioned charges was up 260 percent to $0.03 per share basic and diluted on an adjusted basis at 3.17 million. This compares to 0.9 million or $0.01 per share for Q2 2013.

For further specifics on management's revised fiscal 2014 outlook, I would refer you to Page 17 and 18 of the Q2 2014 MD&A, which was posted at the same time as our financial results yesterday after the close.

David?

David Regan

Thanks, Dana. Operator, we'd now be delighted to take any calls from analysts.

Q&A

Operator

Certainly. And as a reminder, if you would like to ask a question, that's *, 1, on your telephone keypad.

Your first question comes from the line of Aravinda Galappatthige with Canaccord. Your line is now open.

Aravinda Galappatthige — Canaccord Genuity

Good morning. Thanks for taking my question. Just a few for me; I'll start with the distribution revenues. Obviously a little flat in Q2, but still up very strongly over the first six months. It's probably worth just flushing out the digital sales how they're trending within both the quarter and for the six months on a year-over-year basis, and how you're seeing those trends as we sort of go into the second half of the year?

Dana Landry

Sure. Thank you for that question, Aravinda. Yeah. So really it's important to note that in this evolving world of digital, really the most relevant quarters for us are the previously posted quarters, not necessarily the year-over-year quarter comparatives. And other than, I would say that obviously we do have an uptick in our usage (phon) traditionally in our Q2 and our Q4 results mainly around the MIPCOM conferences.

So having said that, yes, we're very much looking at it on a six-month basis, and overall our ratios are holding really fairly steady at roughly 60 percent of our overall distribution revenue still in the linear space, and about 40 percent of the digital space. And I would say that the way to look at this really is on a pro forma basis for the six months. If you add in the Cookie Jar results from last year, we're up in excess of 40 percent on six months to date in both of those categories.

Aravinda Galappatthige

Great. Thanks for that, Dana. And let me just move over to sort of the Ragdoll acquisition. Obviously we had a sense of what the revenues and EBITDA were when you sort of acquired that asset, but we know that the revenues and EBITDA were sliding as you were sort of acquiring that asset. Any sense of whether the revenue streams there have stabilized and what the contribution has been from those titles?

Dana Landry

Yeah. The revenue has stabilized. The distribution revenues there hasn't been a tremendous amount of pick up just yet. We're only about four months in on that. But I think on the licensing side it's ahead of our expectations, particularly as David noted, the interest that we're getting for In the Night Garden we're very pleasantly surprised with how that brand is performing. And we've had some recent success by hiring CPLG to manage that for us. As David noted, we've signed I think in excess of 10 new contracts on that brand. And so we are seeing some nice pickup.

If you purse through the numbers in the MD&A, Aravinda, all of the acquisitive growth that we talk about from an M&L perspective is related to Ragdoll. So you can see exactly what those amounts are for the quarter and six months. I believe, if my memory's correct, I think it was around 23 percent growth on the M&L owned was related to Ragdoll. And on the distribution it would be relatively small at this moment, but good expectations going forward.

Aravinda Galappatthige

Great. Just a couple more for me; on the other sort of the title, the other main title that you got, which is Teletubbies, is there any visibility of what your plans are with that; maybe another cycle of production? Is there an update there?

Dana Landry

Michael, do you want to handle an overarching statement on this, and then maybe I can get into some of the details?

Michael Donovan

Yes. So part of our plans are to redesign and rebuild the Teletubbies franchise for this particular generation, bringing new technologies to it, and that's a priority. And we are actively engaged in that at the moment.

Dana Landry

Yeah. And just to add to that, we had a summit in early January on this where we've hired on working through the CPLG offices some brand mangers specifically related to Teletubbies. And everybody is extremely bullish.

Just also some sort of anecdotal information, we're just coming off of a conference in New York and we've got a licensing show coming up as well. We've had a number of toy shows recently in Europe, in particular, and there seems to be a tremendous amount of interest in sort of the relaunch of Teletubbies. So I'd say we're quite optimistic as we go forward on that title.

Aravinda Galappatthige

Okay. Great. And last one...

Michael Donovan

I think it's true to say—and I think, if I can add, it's just true to say that we have been very, very surprised by how much market interest there is in that franchise. I think we did not really—going into it we had a very positive view and we had high expectations. We've been—hose expectations have been exceeded in terms of market interest.

Aravinda Galappatthige

Great. Thanks for that, Michael. And last question for me on the production budget. You spent about 31 million last year. So far we're tracking about 18 million to 19 million. Just wanted to get a sense from you, Dana, as to what the year-end—what the full year set of number is looking like from here?

Dana Landry

Yeah. It's going to be a similar number to the six months—for the remaining six months; maybe slightly more as we're ramping up on a few new series in the coming months. But if you use the six months as a proxy you'll be very close.

Aravinda Galappatthige

Great. Thanks for that. I'll leave it there.

Operator

And your next question comes from the line of Rob Goff with Euro Pacific. Your line is now open.

Rob Goff — Euro Pacific

Thank you very much and good morning.

David Regan

Good morning, Rob.

Rob Goff

Good morning. Two questions, if I may. Good morning. The two questions, number one would be on the Yo Gabba Gabba!. Could you give us a bit more perspective on your refresh plans? Is that just a natural update? Or is it perhaps an expansion of your initiative there? And as a second question, you had mentioned with respect to the YouTube that the advertising revenues there or the revenues there had moved from I think 0.34 million in the first quarter up to 0.69. Could you talk to the trajectory that you were seeing in those revenues? Thank you.

Dana Landry

Sure. So maybe I'll handle the Gabba! one and then I'll turn to you maybe on the AdVOD, Michael, after I give some specific comments. So yes, very much Yo Gabba Gabba! is a brand that we're very much bullish on. We have plans to do more episodes. As brands mature, you really have to look to the future and align all things.

So what we're doing is we're looking at adding new television content, and it makes logical sense for us to line up the new content related to the tour to that for a couple reasons: one, obviously there's some cost savings; but number two, it also helps build the overall brand, the promotion on both the announcements of new content, and then also the promotion around when it does air in the US and other major territories.

And so it's really consistent with our overall brand to build Yo Gabba Gabba! and we feel that the best bang for our buck, both from a cost perspective and also from a revenue perspective, is to marry that up with the successful holiday tour that we were just coming off of, which was very well received in the markets. And so we think that's the best approach going forward.

And on the AdVOD, yes, this is an area of—that's really changing in real time, and it's quite dynamic and quite exciting for all of us at management here because really the 30-day information that we're getting is increasing day by day. And that's increasing to the tune of, both the number of views that our content is being consumed within YouTube, and that's in excess, well in excess of 150 million views of our content in the last 30 days, and that's trending upwards.

We're also seeing growth in our RPMs, our revenue per thousand, and we're trending upwards to what the average of that is, which is our understanding it's somewhere between 6 and $8 per thousand. And so we're seeing some growth in that area, and we're expecting that we can exceed that and grow to perhaps 3 or 4 times that.

So it's a very dynamic, fast-moving part of our business that we're dedicating a fair amount of management time and resources to try to capitalize on.

Rob Goff

Great. Thank you very much.

Operator

Your next question comes from the line of Dev Bhangui with Byron Capital Markets. Your line is now open.

Dev Bhangui — Byron Capital Markets

Good morning, gentlemen.

David Regan

Morning, Dev.

Dana Landry

Good morning, Dev.

Dev Bhangui

How are you? So some pleasant surprises there on the revenue growth side, on the margin side, and I just wanted to kind of get detail into that. But there's no doubt in anybody's mind you just have to build media channels. It's not a question of if, but when. So given that, my question would be in terms of pro forma revenues and, Dana, I guess this is for you, right now given your guidance on DHX Media without the Bell channels, you're looking at 120 million thereabouts on an annualized basis. That excludes Family channels.

Dana Landry

Correct

Dev Bhangui

So when Family channels come in, and this is my assumption that they will come in, what do you think is going to be the addition on an annualized basis approximately? Is that going to be like a 20 million to 22 million impact per quarter?

Dana Landry

Right. So okay. So yeah, it's pretty evenly spread out. Obviously it's a subscriber-based business, which has shown growth the last number of years, but it's very predictable and consistent, annuity like. And I believe the previously disclosed numbers that we had in terms of revenues are in the range of in excess of 75 million.

So yeah, if you take the quarterly—a quarter of that, both in terms of top line and EBITDA, that would be our likely expectations going forward.

Dev Bhangui

Okay. Thanks. And then on the same topic, I guess. In terms of DHX's strategy has always been to use the cash flow, organic, as well as acquisition, to de-lever as quickly as possible. So I would call it the velocity of deleveraging. And if I can ask a question on that; when Bell Media channels come in, what do you think is going to be the approximate range in terms of the overall pro forma cash flow on an annualized basis?

Dana Landry

Right. So I mean on the existing business, we're—I think our outlook has us somewhere in the mid 30-ish in terms of EBITDA, 35 to 40-ish, and so if you sort of take that as a guide, our normal cash flow sort of accretion through from EBITDA to cash flow would be probably 70 percent of that. And so that would be the first piece.

The second piece, of course, would be on the channels themselves, and if you take the previously disclosed sort of earnings that we've talked about and factor in obviously incremental debt, interest on the incremental debt, which is probably somewhere in the range of 5 million to $7 million, off the top of my head, then the balance of that, the vast majority of the balance of that, we will use to de-lever as quickly as possible.

I think what I would say on that is our thinking has evolved somewhat, and our sort of new comfort level is in the 2 to 2.5 range, but as we've disclosed, our pro forma leverages will be a little over 3, 3.2 to 3.3 on closing. So we'll obviously look to use whatever cash we can to de-lever as quickly as possible.

Dev Bhangui

Okay. No, that's great. Thank you. And then one last question, if I may, is I mean if you look at all your numbers and the revenue growth, as well as the margin growth, then you guys had tremendous revenue growth, 29 percent organic growth on the production side, even though the margins are less. So obviously it's contributed on the revenue side, so going forward, I mean was that an unusually good quarter that can become a base for the future projections in terms of the proprietary production revenue itself?

Dana Landry

Well, yeah. I mean I think we stated in our sort of last year-end conference call that our expectations for proprietary revenue, production revenue growth was somewhere in the range of 15 to 25 percent. And I think we're relatively bullish that we can continue to deliver on that. The thing you have to remember, of course, Dev, on production is, and in particular for us because most of it is animation, there's a couple year lag here, and so everything that we're sort of delivering on now and would expect to deliver on in the next couple of quarters has very much been lined up within the last couple years and we're executing on.

But having said that, we're also seeing great pick up on our existing pipeline and our new shows, and so we've seen enough to expect that that will continue to grow at those paces certainly for the next four to eight quarters.

Dev Bhangui

Sure. And then just one last one in terms of the gross margins; I guess the 3 point approximately surprise, upside surprise on the gross margins, most of it was attributable to M&L owned on the music side, both in terms of obviously the revenue growth and the margin growth on that. Is there any visibility that you can give us in terms of how to kind of estimate that with respect to the future?

Dana Landry

Well, it's a—this is a nice result for us, a little bit of a, I would say, a pleasant surprise for us as well. I think really what I would put it to is that we have a large library. We have the largest independent library in the kid space, and we built it for this purpose that we would find different ways to monetize that. And those models are emerging, and everything is growing as a result of that. And certainly music and the royalties associated with that are no exception.

So we would expect that to continue. It's hard to predict what margins—that margin surprise on the upside would continue because obviously every show has its own individual margin, so it's very much a show-by-show basis. But let's just say the trend is up, and we are certainly pleased with that.

Dev Bhangui

Thanks, thanks, thanks, Dana, for taking my questions and, Michael and David, and all the best.

Dana Landry

Thanks, Dev.

David Regan

Thank you.

Dev Bhangui

Thank you.

Operator

Your next question comes from the line of David McFadgen from Cormark. Your line is now open.

David McFadgen — Cormark Securities

Thank you. A couple of questions; couple of clarifications. Did you say earlier that UMIGO is running at a slower pace? And if so, can you provide some additional details on that?

Dana Landry

Yeah. It's—my revised guidance that I put together yesterday, David, sort of captures that. We were off to a bit of a slower start. We had a management change with respect to our production—in our management on the production, line production, which has caused us to get off to a little bit of a slower start, but we're very much back on track. And I expect the back half to track very close to what our previous results were for UMIGO and within line of the guidance.

David McFadgen

Okay. So—because I noticed that the M&L revenue guidance is down a little bit from previously. Is that to reflect UMIGO? Or is there some other factor there?

Dana Landry

No. That would be—that would have been the shifting of the Gabba! from the spring to the fall.

David McFadgen

Okay. Well, I was just looking at it—what I'm talking about is the 2014 outlook.

Dana Landry

Yeah. So UMIGO—just a reminder, UMIGO is in our new media revenue…

David McFadgen

Yeah.

Dana Landry

Guidance, so the M&L owned doesn't—it's not factored in there. The M&L owned would be our owned library: Gabba!, Caillou, Johnny Test, Teletubbies, et cetera, all those—the merchandising and licensing on those.

David McFadgen

Okay. And then just another clarification; like the OTT or digital revenue, did you say that was 40 percent of your six-month distribution revenue?

Dana Landry

Yes. Approximately. Yeah.

David McFadgen

Okay. And it's up 40 percent year over year?

Dana Landry

Yes.

David McFadgen

Okay.

Dana Landry

On a pro forma basis.

David McFadgen

On a pro forma basis. Okay. And then when I look at your gross margin, your gross margin has been moving up here. Can you give us some details on what titles are driving that higher gross margin?

Dana Landry

It's not any one in particular. It's all of the library, a lot of the past shows, both on the Cookie Jar side and on the DHX side. We had some uptick this quarter and six months to date on some older titles like Animal Mechanicals, Bo on the Go!, and certainly some older Cookie Jar titles as well.

And so really I think this is really going back to the previous comments that we made and our expectations that having the largest independent library would enable us to have these sort of results on some of the back catalogue, and that's certainly bearing out.

David McFadgen

Okay. And then just lastly, any update on the CRTC hearing for Family Channel and your expectation of when the CRTC will render a decision?

Dana Landry

So we've applied. We've sent our licence in prior to Christmas. We've had back and forth with the CRTC over the last few weeks. We would expect that the application would be public, if it's not already so, within the next week or two, and then we'll just have to see where it goes from there.

Obviously we are big believers in the process, and we very much have been complying with all requests and are very optimistic that we'll close it soon. We're saying—I think Michael said in the opening somewhere in the fourth quarter. It might slip to July, but likely the fourth quarter.

David McFadgen

Okay. Okay. That's it for me. Thanks.

Dana Landry

Thanks, David.

Michael Donovan

Thank you.

Operator

And again, if you would like to ask a question, that's *, 1 on your telephone keypad.

Your next question comes from the line of Haran Posner with RBC Capital Markets. Your line is now open.

Haran Posner — RBC Capital Markets

Yeah. Sure. Thanks very much. Hi, guys. Maybe just one follow-up with respect to the changes to the Gabba! tour. Could you give us some colour there, Dana? And just with respect to modelling this, I think when I look at last year, the seasonality of this, there's really very little revenues from the tour in Q4 or Q1. So is there any change to that that we should envision sort of for the back half of this year and then into '15?

Dana Landry

No. So if you look at the growth that we're anticipating as a result of the new tour is on the annual numbers. So I think for the last three or four years we've done around 120 shows over somewhere between 35 to 50 cities. So we're looking at doing a similar number of shows, but we're just expecting that the new excitement around the brand and around the tour, particularly on the holiday side of things, will drive some growth there.

So if you look to sort of the fiscal 2013 results and apply a bit of growth factor on that overall, you'll probably—is your best guidance there.

Haran Posner

Okay. No. That's great, Dana. And I guess just for the back half of this year, I mean this resting period in the spring, does that really change anything materially?

Dana Landry

No. Not really. I mean the tour is great from a brand building perspective, obviously. It gets the brand out there, and that's why we're looking at adding the new content. But from a cash perspective, it's only—it's probably about an 18 to 20 percent cash margin. So there's a little bit of a downtick there, but not really that meaningful, and certainly picked up, far in excess picked up by some of our other upside expectations on the rest of M&L owned.

Haran Posner

Okay. I appreciate that, Dana. Maybe just one other question on your guidance; when I look at the full year guidance for the service business, it looks like it would imply a pretty strong year-over-year growth in the back half of the year. Obviously you were down quite a bit in the last few quarters on winding down the LA studio. So I'm just curious on that growth in the back half; I guess this is all sort of contracted stuff you're pretty confident in?

Dana Landry

Yes.

Haran Posner

All right. And then I guess continuing on that into 2015, would you possibly make some comments in terms of how do you see the growth for that revenue line?

Dana Landry

Yeah. I mean obviously this is not one of our main focuses as a content creator. It's something that we do and we do well, and it's profitable for us. It also helps us keep very talented people in the animation studio that enables us to leverage off of their talents for our own proprietary slate. So it's very much consistent, we feel, with our strategy.

But it's not something that we would necessarily be looking to grow tremendously because that would just perhaps regain some of the capacity on the proprietary side, which as I stated earlier on the call here, we're expecting growth in that side. So I would expect it to be relatively consistent.

Haran Posner

Okay. That's great. Couple more questions; one on foreign exchange, I guess. I think in your disclosure you point out that it's not a big impact, but just curious, I mean if I do some basic math, I think maybe close to 40 or 50 percent of your revenues are from outside of Canada, maybe US. How much of a tailwind is that for your reported revenues this quarter?

Dana Landry

It's not that impactful because we do have a lot of natural hedges in our business. We do have expenses. We do have revenue, as you note, in US and euros and pounds, but we also have significant operations in the UK and Europe, which those expenses provide a natural hedge, number one.

Number two, we also we also when we did our debt deal for both Cookie Jar—in the case of Cookie Jar we took that in US dollars, and in case of Ragdoll we took a lot of that in pounds. So we do also have a bit of a natural hedge there because that's the currency that those revenues come in on.

So from an actual sort of exposure it's relatively small. We do get some quarter-by-quarter fluctuations in the unrealized category, which would be the sort of revaluation of all those net assets and liabilities from balance sheet to balance sheet. But in a quarter where it swung as much as it did, it created a little bit of a tailwind, but it would be relatively minor. It's probably less than $0.5 million for sure. It's probably in the 200,000 or $300,000 that would be specifically in these results.

Haran Posner

Okay. No. That's great, Dana. Thanks for that. And then maybe just the last one for me; obviously you don't own the Family asset yet. I'm just curious if there's any colour you can give us at all in terms of there's obviously the Disney renewal in 2015, which is kind of something you had discussed on your last call. I'm just curious if there's any progress on that front. I mean can you share with us what your plans are in terms of meeting with them and discussing this renewal?

Dana Landry

So we've met with Disney recently, Stephen DeNure and I. We've had meetings in London and also in Los Angeles. These meetings have proceeded—they've been quite excellent.

We're in business with Disney on multiple fronts, so we're very optimistic going forward that the relationship can continue to expand and grow.

Haran Posner

And I appreciate that, Dana. Thanks.

Operator

And there are no further questions at this time.

Michael Donovan

Thank you.

Operator

I turn the call back over to the presenters.

David Regan

Thank you, Operator, and thank you, everyone, for your questions, and thank you, everyone, for listening in. I'd encourage you to feel free to contact us if you have further questions, or consult our website at dhxmedia.com, as well as sedar.com for complete financial statements and filings.

Thank you.

Dana Landry

Thank you, everyone.

Michael Donovan

Thank you.

Operator

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

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