

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a gold Greek letter alpha symbol to the right, all on a dark red background.

## Cox Radio Q1 2007 Earnings Call Transcript

### Question-and-Answer Session

---

#### Operator

(Operator Instructions) Your first question comes from Victor Miller – Bear Stearns.

#### Victor Miller – Bear Stearns

In terms of the second quarter, when you said April was up 4, but the quarter is down slightly, could you give us a sense of how April actually developed to give us a sense of what April looked like maybe a month ago and to see if in fact it was down and it kind of rallied through to show what we might see potentially in the second quarter as the quarter moves on?

Secondly, what signals should we read from your balance sheet? 2.1 times leverage is where we pencil out. It's not a particularly tax efficient balance sheet. You continue to pay down debt. The average price of your share for the second quarter was about \$14.87, which is just barely above what you bought your shares in at. There's allegedly some assets from Lincoln Financial may come into the marketplace.

What kind of signal you trying to tell us by continuing to pay down debt instead of doing share repurchases and leaving yourself three times less levered than the next company, which is Intercom? Thanks.

#### Robert Neil

Victor, in April, I will tell you that a month ago it was certainly not pacing up 4%. I don't have the figures right in front of me. But it wasn't that robust. That's why I mentioned that business had been placing very late. If you look at pacing in the second quarter over a six or eight-week period, some of the gaps looked pretty scary six or eight weeks ago. Those gaps have actually come way, way down since then.

It's difficult for us to really get a handle on May and June at this point because we know that the business has been placing so late. Rather than get too optimistic on one side or too pessimistic on the other, I think that's why we said what we said on the guidance. Just gave you the actual figures on April and told you where the quarter was pacing at this point.

On the balance sheet, I think the message we're trying to send here is that we did a lot of share repurchase in 2006. We still have money left on that repurchase. There's nothing that says that if we feel like it, we could start that up again. But what we've been focusing on is continuing to pay down debt. I said this, Victor, down at your conference in South Florida.

**TRANSCRIPT SPONSOR**

Copyright © 2008 CNET Networks, Inc. All Rights Reserved.