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## National CineMedia Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) We will first go to Alexis Quadrani from JP Morgan.

#### Alexis Quadrani - JP Morgan

Thank you. A couple of questions -- first, if you could talk a bit about how the verticals worked throughout the quarter, what your major categories of advertisers, how they trended in the quarter. And specifically on that topic, of the two clients that cancelled in the second half of the year, what verticals were they in?

#### Kurt C. Hall

I will answer the second one first -- we aren't talking about the verticals but they were sort of third -- one was the third quarter and one was the fourth quarter. And in two cases, they actually only cancelled 50% of their buy, so it wasn't a total cancellation, which I guess is a good sign.

We're seeing a lot of in the television business called option taking at this point as well, so we were pretty sure that some of this would happen and actually we've been pretty happy that more of it hasn't happened, to be perfectly honest, given what's going on in the television business.

#### Alexis Quadrani - JP Morgan

I'm sorry, your verticals, you are not going to talk about what sort of -- what your major categories, how they were trending in the quarter?

#### Kurt C. Hall

The major categories -- you know, we still continue to be very strong in the import autos. We had some military money in the first quarter, very strong. I think those were our two biggest contracts in the first quarter were from those two categories.

#### Gary W. Ferrera

And obviously the content partners --

#### Kurt C. Hall

Yeah, the content partner money, we had a little bit more content partner money in Q1 of 2009 than we did in 2008.

**Alexis Quadrani - JP Morgan**

So when you are seeing a bit more of a headwind in terms of pull back and advertising spend, would you say it's really across the board or really outside those major verticals you just mentioned?

**Kurt C. Hall**

I would say that it is somewhat across the board, although you know, when you talk about headwinds, obviously we didn't have a whole lot of headwinds in the first quarter and our cautiousness, if you will, is really I think the right thing to do in this marketplace and what we are experiencing is more of a delay in when we are seeing the money come to market. As Gary mentioned, we had a lot of first quarter money that we actually did in mid to late February and we are still pretty active with some deals in second quarter.

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