



The following prepared remarks are an excerpt from the 2015 Third Quarter Earnings Conference Call of Endurance International Group Holdings, Inc. To review the contents of the entire call, please refer to the official webcast, which is available in the investor relations section of Endurance's website at [www.endurance.com](http://www.endurance.com). These prepared remarks should be read in conjunction with Endurance's Third Quarter Earnings Presentation slides, which are available at the same location.

*These prepared remarks contain certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the expected timing of the completion of the acquisition of Constant Contact described in these prepared remarks and the related debt financing; the expected benefits of the transaction, including our ability to expand our position as a complete end-to-end service provider, enhance Constant Contact's subscriber acquisition economics, provide further adaptations of Constant Contact products through alternative brands, leverage our position to support longer-term growth and value creation for our subscribers, enhance our standing as a leader in online SMB services, benefit from Constant Contact's financial model and related visibility into the business; the valuation of Constant Contact; our immediate and long-term financial expectations for the combined business, including expected growth, operational and financial scale, pro forma adjusted revenue and pro forma adjusted EBITDA, enhanced free cash flow generation and ability to deliver or accelerate delivery of long-term financial targets; guidance and other expectations regarding our and Constant Contact's full-year fiscal 2015 results; our preliminary fiscal 2016 guidance and other estimates for the Endurance standalone business and the combined business; our expectations regarding the amount, timing and nature of costs synergies or savings resulting from the transaction; our expectations for our pro forma secured and unsecured leverage ratio and for fiscal 2015 and 2016; our secured and total net debt expectations; our ability to extend the maturity date of our current term loan; our expectations regarding how Constant Contact will operate as a brand within our framework; our ability to use our marketing funnel and distribution platform to market and cross-sell Constant Contact products or other new products, our expectation that there will be a considerable appetite within our subscriber base for those products and our expectation that Constant Contact will enhance its subscriber acquisition economics; the ability of our fiscal 2015 product, restructuring and other initiatives to drive growth and profit in fiscal 2016 and thereafter; the expected annualized savings from our data center acquisition; our ability to drive future growth through Constant Contact and other joint ventures, mergers and acquisitions, as well as products such as security solutions; our expectations regarding the pending revisions to certain of our performance metrics; our expectations regarding value for our shareholders, and the future operation, direction and success of the Endurance and Constant Contact businesses. These forward-looking statements include, but are not limited to, plans, objectives, expectations and intentions and other statements contained in these prepared remarks that are not historical facts, and statements identified by words such as "expects," "potential," "anticipates," "intends," "plans," "believes," "seeks," "see," "estimates," "will," "should," "may," "confident," "comfortable," "positions," "look forward to," and variations of such words or words of similar meaning and the use of future dates. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that these plans, intentions, expectations or strategies will be attained or achieved. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control including, without limitation, uncertainties as to the timing of the contemplated transaction; uncertainties as to the approval of Constant Contact stockholders required in*

*connection with the contemplated transaction; the possibility that a competing proposal will be made; the possibility that Endurance may not receive financing on the terms expected; the possibility that the closing conditions to the contemplated transaction may not be satisfied or waived, including that a governmental entity may prohibit, delay or refuse to grant a necessary regulatory approval; the effects of disruption of Endurance's current plans and operations caused by the announcement of the contemplated transaction, which may cause Endurance's stock price to decrease or make it more difficult to maintain relationships with employees, customers, vendors and other business partners; the possibility that the business of Constant Contact may suffer as a result of uncertainty surrounding the transaction or that Constant Contact may be adversely affected by other economic, business, legislative, regulatory and/or competitive factors; the inability of Endurance and Constant Contact to retain key personnel; the risk that stockholder litigation or other legal proceedings in connection with the contemplated transaction may affect the timing or occurrence of the contemplated transaction or result in significant costs of defense, indemnification and liability; the possibility of the transaction involving unexpected costs, liabilities or delays; the possibility of any failure to realize the intended benefits of the contemplated transaction, including the inability to integrate Constant Contact's and Endurance's business and operations or to realize the anticipated synergies in the expected amount or within the anticipated time frames or cost expectations or at all; the possibility that our and Constant Contact's estimated combined or standalone fiscal 2015 results or preliminary fiscal 2016 guidance may differ from expectations; other business effects, including the effects of industry, economic or political conditions outside of the control of the parties to the contemplated transaction; additional expenditures of time and resources related to transaction costs, charges and expenses; adverse impact on Endurance's business from increased indebtedness and the cost of servicing its debt; actual or contingent liabilities; the rate of growth of the Small and Medium Business ("SMB") market for our solutions; our inability to maintain a high level of subscriber satisfaction; our inability to continue to add new subscribers and increase sales to our existing subscribers; our inability to continue to drive growth through mergers or acquisitions, whether due to unavailability of target companies at prices and on terms we are willing or able to pay, difficulties in obtaining debt or equity funding for mergers and acquisitions, regulatory constraints, our inability to integrate acquired businesses and/or realize the expected cost savings and other synergies from our acquisitions; system or Internet failures; our dependence on establishing and maintaining strong brands; our inability to maintain or improve our competitive position or market share; the loss of strategic relationships or alliances with third parties; the business risks of international operations; the loss or unavailability of any of our co-located data centers; our recognition of revenue for subscription based services over the term of the applicable agreement; the occurrence of security or privacy breaches; adverse consequences of our substantial indebtedness; and other risks and uncertainties discussed in Endurance's and Constant Contact's filings with the SEC, including the "Risk Factors" sections of Endurance's and Constant Contact's most recent Quarterly Reports on Form 10-Q for the period ended June 30, 2015 and most recent Annual Reports on Form 10-K for the year ended December 31, 2014. You can obtain copies of Endurance's and Constant Contact's filings with the SEC for free at the SEC's website ([www.sec.gov](http://www.sec.gov)). If the transaction is consummated, Constant Contact's stockholders will cease to have any equity interest in Constant Contact and will have no right to participate in its earnings and future growth. Neither Endurance nor Constant Contact assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.*

*These prepared remarks include data based on our internal estimates. While we believe that our internal estimates are reasonable, no independent source has verified such estimates.*

*The information on, or that can be accessed through, any of our or Constant Contact's websites is not deemed to be incorporated in these prepared remarks or to be part of these prepared remarks. These prepared remarks also contain non-GAAP financial measures as defined by the Securities and Exchange Commission in Regulation G. Reconciliations of the non-GAAP financial measures to their comparable GAAP measures are included in the 2015 Third Quarter earnings release and presentation, each dated November 2, 2015, and available in the investor relations section of our website at [www.endurance.com](http://www.endurance.com).*

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## **Angela White – Director, Investor Relations**

Hi this is Angela White, Director of Investor Relations at Endurance International Group. It is my pleasure to welcome you to our third quarter 2015 earnings call. First, we will go through some prepared remarks after which we will turn to Q&A. We have prepared a presentation to accompany our comments which is available at the investor relations section of our website at [ir.endurance.com](http://ir.endurance.com). While not necessary to follow along, we recommend referencing the presentation slides alongside our prepared remarks. As is customary, let me now read the safe harbor statement.

Statements made on today's call will include forward-looking statements about Endurance's future expectations, plans and prospects. All such forward-looking statements are subject to risks and uncertainties. Please refer to the cautionary language in today's earnings release and the announcement of the Constant Contact acquisition, and to our Form 10-Q filed with the SEC on August 7, 2015 for discussion of the risks and uncertainties that could cause our actual results to be materially different from those contemplated in these forward-looking statements. Endurance does not assume any obligation to update any forward-looking statements.

This communication is being made in respect of the proposed transaction involving Constant Contact and Endurance. A special stockholder meeting will be announced soon to obtain stockholder approval in connection with the proposed merger between Constant Contact and Endurance. Constant Contact expects to file with the SEC a proxy statement and other relevant documents in connection with the proposed merger. The definitive proxy statement will be sent or given to the shareholders of Constant Contact and will contain important information about the proposed transaction and related matters. INVESTORS OF CONSTANT CONTACT ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT AND OTHER RELEVANT MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT CONSTANT CONTACT, ENDURANCE AND THE PROPOSED MERGER. Investors may obtain a free copy of these materials (when they are available) and other documents filed by Constant Contact with the SEC at the SEC's website at [www.sec.gov](http://www.sec.gov), at Constant Contact's website at [www.constantcontact.com](http://www.constantcontact.com) or by sending a written request to Constant Contact at 1601 Trapelo Road, Waltham, Massachusetts 02451, Attention: Investor Relations Department.

Constant Contact, Endurance, and their respective directors, executive officers and certain other members of management and employees may be deemed to be participants in soliciting proxies from Constant Contact's stockholders in connection with the proposed merger. Information regarding Constant Contact's and Endurance's directors and executive officers is set forth in their respective definitive proxy statements for their respective 2015 Annual Meetings of Stockholders and their respective most recent annual reports on Form 10-K. Information regarding other persons who may, under the rules of the SEC, be considered to be participants in the solicitation of Constant Contact's stockholders in connection with the proposed merger will be set forth in Constant Contact's definitive proxy statement for its special stockholder meeting. Additional information regarding these individuals and Constant Contact's and Endurance's respective directors and executive officers and any direct or indirect interests they may have in the proposed merger will be set forth in the definitive proxy statement when and if it is filed with the SEC in connection with the proposed merger.

During this call, we will present several non-GAAP financial measures, including adjusted EBITDA, unlevered free cash flow (uFCF), uFCF (as reported), free cash flow (FCF), adjusted revenue and average revenue per subscriber (ARPS). A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures is available in the presentation located in the investor relations section of our website.

With that, I will turn you over to Hari Ravichandran, our founder, President and CEO.

### **Hari Ravichandran – Founder, President and CEO**

**Slide 5** Thanks Angela, good morning everyone, and welcome to our third quarter 2015 earnings call. Before providing commentary on Q3, I'd first like to discuss the Constant Contact transaction that we announced this morning, concurrent with the earnings release. We are very excited about the transaction, the company, its offerings, and how it fits with Endurance.

Strategically this acquisition combines two companies focused on helping SMBs grow and succeed via online services and products. We share much in common, such as our technology capabilities and our enthusiasm for small business success, but we also see an opportunity to bring together our different competencies. As some of you know, Constant Contact is a leading online marketing platform targeted at helping SMBs and non-profits grow their enterprises through a suite of products such as email marketing, campaigns, event management, and contact management. We at Endurance have historically focused on other SMB online services, primarily through our web presence solutions. Typically once SMBs are up and running, key on their list of priorities is growing their business. In order to address these needs, over the years we have expanded our offerings and provided tools such as security, backup, and e-commerce solutions, but have done so primarily by means of partner offers through our distribution platform. With this transaction, we see continued opportunity to expand our position as a provider of complete end-to-end web presence and marketing solutions for SMBs.

Endurance's 4.5 million subscribers on platform will now have access to a full suite of Constant Contact products and other services. Outside of the Endurance base, Constant Contact will have access to our healthy subscriber acquisition funnel and capabilities in marketing to SMBs, thereby enhancing their subscriber acquisition economics. We also believe that Endurance's experience promoting multiple brands targeted at specific SMB segments positions us well to potentially provide further adaptations of Constant Contact products through alternative brands, while continuing to offer the higher-engagement products Constant Contact currently offers.

The transaction also benefits us through scale, both operationally and financially. We expect that this will come from leveraging of fixed costs, the sharing of talent in technology and product, and the reduction of redundant costs, which Marc will discuss in his section. Additionally, as our scale continues to build, we believe we will be able to leverage our position in technology, marketing channels, and product to support longer-term growth and value creation for our subscribers. This transaction is expected to bring Endurance to over \$1 billion in estimated combined pro forma 2015 adjusted revenue and approximately \$350 million in estimated pro forma 2015 adjusted EBITDA. On a combined pro forma basis for fiscal 2016, we expect our adjusted revenue to grow at low double-digits year over year and adjusted EBITDA to reach

approximately \$400 million. This positions us ahead of our original pace in our journey to reaching our longer-term adjusted EBITDA and free cash flow goals.

In addition to scale, we are excited that the Constant Contact team will be joining us and bringing complementary focus and capabilities in areas that we see as an extension of Endurance's competencies. We have historically focused more on our marketing network and distribution platform, and to a lesser degree on product development. Constant Contact has focused more on product, and specifically on user experience, robust subscriber analytics, and engagement models. Their extraordinary understanding of the SMB market is a result of focus and investment in understanding the needs and addressing the problems SMBs face as they build their businesses. We believe that the addition of these capabilities to our strong foundation will enhance our standing as a leader in online SMB services as we have expanded beyond web presence to a full suite of products and services that are essential for SMBs in their journey to success.

While we believe the transaction will create many opportunities for future benefit, we have already seen positives coming from our existing partnership with Constant Contact. We have known each other for many years and have partnered on different programs. We are excited by the cross-sell opportunity associated with adding Constant Contact's products, and feel very comfortable that there is considerable appetite within our subscriber base for their suite of products. As a result of a program we launched earlier this year, we are now driving approximately five percent of Constant Contact's new unique customer additions. Further, after initial analysis, we are excited about the strong recurring revenue and high retention rates of subscribers using the Constant Contact product.

**Slide 6** Turning for a moment to our historic acquisitions and our track record, Endurance has completed over 40 acquisitions of varying sizes and strategic purposes since we started the business, and we believe that M&A is one of our core competencies. Constant Contact will continue to operate as its own distinct brand, and join other brands in the Endurance portfolio that serve the large, fragmented SMB online services market. We believe that our approach to operating a portfolio of brands under one umbrella facilitates a united framework for management of operations, creating scale efficiencies in the organization. Regardless of whether an acquisition skews more toward a growth profile or a cash flow profile, we have been able to achieve improved efficiencies as we integrate their operations into the existing Endurance technology and distribution platform.

**Slide 7** Now, to details of the transaction. We signed a definitive agreement for the purchase of the outstanding Constant Contact shares at \$32.00 per share, in an all cash transaction. With approximately 32 million shares outstanding, the total transaction value is approximately \$1.1 billion. The valuation translates into approximately 12x estimated 2015 adjusted EBITDA, including cash on their balance sheet at closing, and before factoring in synergies. Assuming annualized run rate synergies in addition, the multiple is closer to 7x estimated 2015 adjusted EBITDA. In 2015 we expect combined pro forma adjusted revenue of approximately \$1.1 billion, and combined pro forma adjusted EBITDA of approximately \$350 million. We expect cost savings of approximately \$55 million by the end of year one on a run rate basis. For 2016, on a combined pro forma basis, we expect 10% to 12% year over year growth in adjusted revenue and adjusted EBITDA of approximately \$400 million. This transaction is expected to generate double digit accretion to free cash flow. Financing for the transaction has been fully committed. We expect the transaction to close

in the first quarter of 2016 contingent upon approval from Constant Contact shareholders, antitrust clearance, and other customary closing conditions. The transaction is also subject to a go shop period that ends on November 21, 2015.

**Slide 8** When we think about the SMB online services space, and Endurance's place in the landscape, we believe that our low-cost subscriber onboarding funnel sets us apart, leveraging our strong word of mouth and partner network to drive subscribers into multiple brands supporting multiple product segments. Once on our platform, we drive value with these subscribers via multiple touchpoints to provide them a more comprehensive web presence solution. Over the years, every aspect of this strategy has expanded as you can see in the slide.

**Slide 9** As these SMBs grow their businesses, they look for tools and services that help them meet their goals. Constant Contact has been a leading online marketing platform that focuses on helping SMBs and non-profits grow with a suite of products and services aimed at helping their customers reach their growth and marketing goals. The company was founded in 1995, went public in 2007, and has continued to be a category leader in SMB online marketing services. We believe that Constant Contact's core product still has less than 30 percent penetration in our target SMB market and still has significant room to grow. In addition to email marketing, the company has added other tools to its suite, including surveys, event marketing, contact management, and reporting. Again, we are very excited to bring their talent and capabilities to our portfolio of brands and excited at the prospect of offering our subscribers a more comprehensive suite of solutions that addresses the wide range of their online marketing needs.

**Slide 10** Our focus on the web presence space has allowed us to grow the business and realize the scale benefits that come with a growing base of millions of subscribers, and addressing their expanding needs. The acquisition of Constant Contact allows us to build on this model providing both our subscribers and theirs with access to a full suite of products and services, and creating future opportunity for cross sell over the lifetime of a subscriber. We believe that with the addition of these important tools for SMBs, we have a long runway to provide additional value.

**Slide 11** Turning now to the Endurance business, we delivered a solid quarter with results that were within our range of expectations, which Marc will review in more detail in his section. In addition to the Constant Contact acquisition, we continue to focus on core business initiatives and expanding the gateways to our platform through products and services other than our traditional hosting. We see positive indicators in our site builder joint venture, and other products such as security solutions. Internationally we continue to increase efforts, and have invested in building out our teams to support Brazil and our recent Mexico site launch. Third quarter GAAP revenue in the international business was 38%, similar to Q3 of last fiscal year. Our current marketing partnership with Constant Contact continued to perform well. Also on the M&A front during the quarter, we acquired a data center in Provo, Utah, which we believe will allow us to better align our technology operations and data center support. Over time, as we complete the integration of the data center, we expect to see approximately \$7 million of annualized savings.

We feel confident that the investments we have been making in these core business initiatives will drive revenue growth in fiscal 2016. We had expected that some of these initiatives would bear results in this

fiscal year; however, full launch of some of our products such as cloud hosting and optimized WordPress have been delayed into the later part of this fiscal year, and the corresponding compounding of revenue will be pushed into 2016. During Q3, we took further steps to form a more agile organization, which we believe will drive better decision making and cost efficiencies as the business evolves. As a result of these changes we had a higher than usual restructuring expenses in Q3. We feel very confident in our position to drive healthy growth in both revenue and adjusted EBITDA in fiscal 2016 on a standalone basis.

Despite all the moving pieces during the quarter, we are very pleased at the results and the continued work our teams are doing in order to support our place as a leader in SMB online services. We are excited about accelerating our journey to reaching our long-term goals and driving long-term shareholder value. Now, I'd like to turn the call over to Marc Montagner, our CFO.

**Marc Montagner, Chief Financial Officer**

**Slide 13** Thanks Hari. First of all, I'm very pleased to report that in the third quarter, both adjusted revenue and adjusted EBITDA grew 15% year over year, and came within our range of expectations:

- adjusted revenue was \$190.3 million, reflecting year over year growth of 15%;
- adjusted EBITDA was \$66.6 million, also reflecting year over year growth of 15%;
- unlevered free cash flow, as reported was \$51.2 million, reflecting 2% year over year growth;
- and free cash flow was \$27.9 million.

Free cash flow in the quarter was impacted by integration and restructuring, and transaction and legal related expenses of approximately \$9.4 million. Foreign currency fluctuations have also impacted our results over the last quarter. Excluding the impact of year over year currency exchange rates, adjusted revenue and adjusted EBITDA would have been higher by approximately \$1.2 million, and \$0.9 million, respectively.

**Slide 14** Looking at results on a year to date basis for the nine months ending September 30, 2015:

- adjusted revenue grew 16% year over year, to \$552.3 million;
- adjusted EBITDA grew at 13% year over year, to \$195.7 million;
- unlevered free cash flow, as reported, grew 16% year over year, to \$166.5 million;
- and free cash flow grew 29% year over year, to \$107.7 million.

**Slide 15** Turning to operating metrics, we increased net subscribers by over 87,000 in Q3, bringing total subscribers on platform to approximately 4.5 million. Average revenue per subscriber (ARPS) was \$14.29. On a year-to-date basis, ARPS was \$14.36 versus \$14.35 for the same period a year ago.

**Slide 16** Turning to other metrics, I would like to mention that we are not showing three performance metrics this quarter—MRR, number of products per subscriber (PPS), and number of subscribers paying us over \$500 per year. We recently identified an error while migrating some data from a legacy business intelligence system to an upgraded BI system, which impacted these metrics. We are in the process of recalculating figures. This system is completely separate from the ERP system that produces our financials

and subscriber data. We believe that our previously reported MRR figures will remain at 99% for at least the last four quarters. Revised figures for both the number of products per subscriber and number of \$500-plus subscribers are expected to be lower than the previously reported figures. This does not impact our GAAP financial results, adjusted revenue, adjusted EBITDA, free cash flow, and or unlevered free cash flow metrics. This also does not impact ARPS, subscriber count, churn, or unit economics. We will provide updated metrics information as soon as it is available.

The purpose of the PPS and \$500-plus metrics was to provide additional insight to elements that can directionally impact ARPS. Here on this slide, we show you on a more granular level how customers' spending on our platform evolves over time. We're providing two views—one for current active subscribers and one for subscribers over time. This last chart factors in the impact of churn. Typically, a new subscriber will come to platform at a lower introductory price for the first term, which is typically twelve months. Coming out of introductory pricing and cross-selling of additional products drives monthly spend higher over time. Driving subscriber unit growth puts downward pressure on average monthly spend because of the lower introductory pricing in the first year. However, we drive significant value from new subscribers as they increase their spending with us over time. As a result, we tend to index more toward subscriber growth which provides opportunity to generate additional revenues and free cash flow.

**Slide 17** Now that we have reviewed the Q3 results, let's turn to guidance for the remainder of the year.

- Starting with adjusted revenue, with one quarter left in the fiscal year, we are narrowing our 2015 guidance range, and expect adjusted revenue in the range of \$745 million to \$750 million, or 15% year over year growth at the mid-point of the range.
- Adjusted EBITDA expectations for the full year 2015 are now \$265 million to \$270 million, reflecting 14% year over year growth at the mid-point of the range.
- Full year 2015 expectations for unlevered free cash flow, as reported, remain unchanged at approximately \$220 million to \$230 million, reflecting 16% year over year growth at the mid-point of the range.
- Free cash flow is now expected to be approximately \$142 million, reflecting growth of 23% year over year.

**Slide 18** Turning to fiscal 2016 guidance, we expect that our fiscal 2015 investments, as well as a disciplined view on capital deployment, whether via re-investment in the business or through M&A, will continue to build value for our shareholders. For 2016, we want to focus on free cash flow generation and disciplined top line growth.

First, on a standalone basis, our expectations for fiscal year 2016 are as follows:

- Annual adjusted revenue year over year growth of approximately 11% to 13%
- Annual adjusted EBITDA year over year growth of approximately 11% to 13%
- Capex of approximately 5% of adjusted revenue, and
- Free cash flow year over year growth of approximately 15% to 20%.

When taking into consideration the impact of the acquisition of Constant Contact, our guidance for fiscal 2016 on a combined pro forma basis is as follows:



- Annual adjusted revenue year over year growth of approximately 10% to 12%
- Adjusted EBITDA of approximately \$400 million for the full year including realized synergies, and
- Capex of approximately 5% of combined adjusted revenue.

On a combined basis, pro forma run rate synergies of approximately \$55 million would result in an adjusted EBITDA margin of 35% or more. Also, including costs to achieve synergies, the transaction is expected to drive double digit accretion to free cash flow in fiscal 2016.

We feel extremely confident about delivering at least \$55 million of cost synergies on an annual run rate basis. These synergies have been built on a bottoms up approach and we believe they are very achievable. Our plan is to realize at least \$25 million of cost synergies in fiscal 2016. Additional revenue synergies or cross-sell opportunities are not factored into the synergies figures.

**Slide 19** We plan to finance the Constant Contact transaction through an incremental \$1,085 million in debt--\$735 million in an incremental term loan and \$350 million in high yield debt at a fixed rate. Credit Suisse and Goldman Sachs are providing debt financing on a fully committed basis. Additionally, as part of this transaction, we anticipate extending the maturity of our existing term loan.

Next year, fiscal 2016, we expect combined pro forma adjusted EBITDA of approximately \$400 million for the full year, including realized synergies of \$25 million. This translates into leverage of 4.3x on a secured basis and 5.2x on an unsecured basis. Exiting 2016 with a run rate of synergies of \$55 million, pro forma adjusted EBITDA is expected to be \$430 million for the full year 2016. This would take down our leverage by almost half a turn by the end of 2016.

**Slide 20** In conclusion, we are very pleased to see that our business achieved a 15% year over year growth rate in the last quarter, and we feel very confident about fiscal 2016. Finally, we expect our business to drive significant adjusted EBITDA and free cash flow growth for the next few years. We feel confident that opportunities in our core business combined with M&A will accelerate delivery of our long-term financial goals. Now, I'd like to turn to the call back to the operator to begin Q&A.