FINAL TRANSCRIPT

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DHX - Q2 2011 Dice Holdings Inc Earnings Conference Call

Event Date/Time: Jul. 26. 2011 / 12:30PM GMT

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PRESENTATION

Operator

Good day, ladies and gentlemen, and welcome to the second quarter 2011 Dice Holdings earnings conference call. My name is Tanya, and I will be your conference moderator for today.

(Operator instructions).

I would now like to hand the presentation over to your host for today's call, Jennifer Bewley, Director of Investor Relations.

Jennifer Bewley - *Dice Holdings, Inc. - Director, IR*

Thanks, Tanya, and good morning, everyone.

With me on the call today is Scot Melland, Chairman, President and CEO of Dice Holdings, along with Mike Durney, the Senior Vice President of Finance and CFO.

Please note this morning we issued a press release describing the Company's results for the second quarter of 2011. A copy of that release can be viewed on the Company's website at DiceHoldingsInc.com. In fact, we routinely post all material information to our website and would encourage all investors to visit the site for more information on the Company.

Before we begin, I'd like to note that today's call includes certain forward-looking statements, especially statements regarding future financial and operating results of the Company and its businesses. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances.

Actual results may vary materially from those expressed or implied in the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. The principal risks that could cause our results to differ materially from our current expectations are detailed in the Company's SEC filings, including our Annual Report on Form 10-K in the sections entitled Risk Factors, Forward-Looking Statements and Management's Discussion and Analysis of Financial Conditions and Results of Operations. The Company is under no obligation to update any forward-looking statements except as required by federal securities law.

Today's call also includes certain non-GAAP financial measures, including adjusted EBITDA, adjusted EBITDA margin and free cash flow. For details on these measures, including why we use them, and reconciliations to the most comparable GAAP measures, please refer to our earnings release and our Form 8-K, which has been furnished to the SEC, both of which are available on our website.

I'll turn the call over to Scot.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Thank you, Jennifer.

First, let me welcome all of you to the Dice Holdings second quarter 2011 conference call. I'll start today by briefly discussing our second quarter performance, including our perspective on the current online recruitment market, and the performance of our key verticals. Then I'll hand it over to Mike Durney, our CFO, to take you through the details of our financial performance. After Mike, I'll make a few closing remarks, and then we'll open up the call for questions.

Throughout the second quarter we continued to see a gradual improvement in the online recruitment market. That, along with solid sales and marketing execution, led to another quarter of very strong financial performance. In Q2, worldwide revenues grew 50% year over year, to nearly $45 million, including the contribution from our energy acquisitions. On an organic basis, our revenues increased 37% year over year. Customer billings increased 43%, or 32% on an organic basis. Once again, profitability grew faster than revenues, with our adjusted EBITDA up 63% year on year, to $18.5 million. And we generated more than $20 million in free cash flow, a very strong quarter of performance.

So, despite a slower overall job market we continue to see strong recruiting activity in our core technology, finance and energy verticals. Each of our career sites is experiencing healthy usage by both our customers and our community of users, and we continue to grow our customer base around the world. I think this performance demonstrates the unique value our vertical solutions deliver for both direct hiring companies as well as recruiting and staffing firms. As you know, customers have many choices today on how to recruit for their companies or their clients, and they are frequently choosing our services.

Now let's take a closer look at our key verticals.

At Dice.com the business continued to grow nicely. Recruitment activity on the site as seen in both job listings and resume database searches was up again, and grew consistently throughout the quarter. The number of recruitment package customers grew 19% year over year, driven primarily by small and medium-sized direct hiring companies and small recruiting and consulting firms. Yield per customer increased again, setting a new record, as recruitment package customers added more job slots, database licenses and advertising to their contracts. New business booked was also up strongly year over year, but lower than in Q1, reflecting the normal seasonal pattern for a second quarter.

During the quarter our Dice Tech community continued to grow, enabling us to give our customers access to a larger but still targeted pool of tech professionals. New resumes posted on Dice.com were up 11% year over year, putting our current searchable collection at more than 1.2 million. I should note here that this does not include the millions of registered users and email alert recipients who we touch on a regular basis.

The increased resume flow was due in part to usability improvements we have made to the site and the impact of our new Dice Blog Network, which provides original content to our Tech community. These and other improvements are part of our company-wide program to expand the vertical features, functionality and content made available to users of our career sites, and you will see more of these product upgrades in the months to come. Overall, with technology unemployment in the United States at 3.3% and shortages of tech talent being felt in several metro areas and skill sets around the country, we expect this healthy tech recruiting market to continue for the foreseeable future.

Turning to our Finance segment, eFinancialCareers had another strong quarter, with revenues up 48% year over year, or 37% in pounds sterling. Growth was driven by both an increase in the number of clients we serve around the world and an increase in yield per client. In Q2 the UK, our largest eFC market, achieved record quarterly revenues, and our Asia-Pacific and North American regions both increased revenues by 48% year over year.

On the job seeker side, traffic to eFinancialCareers global network continues to grow, and we added 75,000 new searchable resumes to the eFC service, putting our searchable collection at approximately 800,000 worldwide. With the quality of our financial services community and our reach into the major financial markets around the world, eFC offers a very targeted and efficient way to recruit for financial services professionals. Looking forward, we expect the financial services recruiting overall will moderate a bit in the second half of 2011, after a very strong first half of the year. However, we still expect to grow our customer base and usage at eFC as we continue to penetrate the local financial markets around the world.

Moving on to Energy, our new Energy vertical continues to outperform our expectations, driven by significant customer additions at Rigzone and strong recruitment events at WorldwideWorker. High commodity prices are driving more exploration and production projects around the world, which is increasing the need for experienced oil and gas talent and the need to recruit that talent in various regions around the world. This strong environment, along with the investments we've made in sales and marketing, is driving significant customer and advertising growth. Usage of our energy sites is also growing, as evidenced by both our job postings, which were up more than 40% year over year in the second quarter, and the increase in our user traffic to our sites.

So, overall, Q2 was quite a success. We turned in strong billings, revenue and profitability and continued to improve and upgrade our services. As we look to the second half of the year, we expect that solid performance to continue.

So, with that, let me turn it over to Mike for more on the financials.

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

Great. Thanks, Scot, and thanks, everyone, for taking the time to join the call today.

I think the financial story of the second quarter is one of strong sales, increasing revenues, growing customer account, greater operating leverage, expanding margins and strong cash generation. Overall, revenues increased 50%, to $44.9 million and customer billings increased 43%. If you exclude the impact from the energy acquisitions, revenues grew 37% and billing grew 32%. The second quarter ended up being better than our expectations, with strong revenue growth across the board and outperformance of eFinancialCareers and both of our energy brands. The combination of targeted communities and efficiency has proved to be very active in today's online recruiting market. Adjusted EBITDA grew 63%, to $18.5 million, a 41% adjusted EBITDA margin.

So, with that overview, let's get to the segments.

Revenue in the Technology & Clearance segment increased 32% year over year, to $28.3 million. Dice grew 33%, while Clearance jobs posted 29% growth. Looking more closely at customer metrics, Dice.com recruitment package customers increased during the quarter by 450, to 8,050 on June 30. We view the trend of annual contracts as an important measure of our business. At quarter end about 6,850 customers, or 85%, were under annual contract, an increase of 350 from the 6,500 we had at March 31. And at June 30 we have 1,200 more customers under annual contract than we had a year ago.

Average revenue per customer increased 2% sequentially, to $921 per month, another record for the Company, with service level upgrades continuing to be the primary driver. This is right in line with where we thought we'd be after the jump we saw in the first quarter, and we expect going forward we'll continue to be at the 1% to 2% sequential growth level.

In Q2 the renewal rate on annual contracts was 73%, within our historic range of 72% to 78% that renew in the month that their contract is up for renewal. As a reminder the second quarter is our smallest renewal book of the year for annual contracts. We have 1,350 annual contracts up for renewal in Q2. Like last quarter, about 20% of the customers that didn't initially renew renewed in the month after their contract was up for renewal, measured through the end of July.

Revenue for the eFinancialCareers business was up 48% year over year, to $11.5 million. Currency translation added about $900,000 to the year-over-year performance, and, excluding that impact, revenues grew 37%. So, for the eFinancialCareers geographies I'll discuss the results in base currencies -- pounds sterling for the UK, euro for the rest of EMEA, Singapore dollars for Asia and US dollars for North America.

In the UK, which is our largest market, revenues grew 30% year over year, and we continued to see solid customer (inaudible). In the quarter we saw upsells and upgrades of service continue at both traditional investment banks as well as recruiters who are serving the market. For continental Europe and the Middle East, revenues grew 26% in euros. We continue to see strong results in France, Benelux and Germany, with solid demand in particular from consultancies. Demand in the Middle East continues to be soft, but it is a small part of the business.

Today about two-thirds of our finance segment business is in Europe, and we're certainly not overlooking the ongoing sovereign debt issues. However, to date it doesn't seem to have had much of an impact on our business, and we saw strength in June. We do anticipate, though, a traditional summer lull, which we see nearly every year.

In Asia, revenues increased 48% in Sing dollars, another strong quarter. Banks and recruiters are telling us they expect the rate of hiring to slow in the second half. However, the customer opportunity for us is still significant in the region, and we expect to continue to penetrate the market throughout the rest of the year.

For the North American eFinancialCareers business revenues increased 48%. Urgency to hires reduced a little, but the trend towards banks doing more recruiting on their own continues.

Switching over to Energy, revenues were $4.2 million in the second quarter. Rigzone's Career Center and advertising sales have been very strong, as has WorldwideWorker's recruitment events business. The second quarter is an important one for recruitment events, including the largest of the year at the offshore technology conference in Houston in May. WorldwideWorker hosted a successful recruitment pavilion there, and Rigzone and WorldwideWorker worked quite well together on the event, generating about $400,000 in revenue.

The Rigzone earnout period ended on June 30, and their outperformance has been the primary driver of the change in acquisition-related contingencies charge. We recorded a pretax charge of $1.4 million in the second quarter, reflecting the impact of Rigzone's continuing financial performance growth. We now expect total consideration of $11.7 million will be paid in October, and the total purchase price for the Rigzone acquisition is now anticipated to be approximately $51 million.

So, to wrap up our segments, our US business grew 47%, or 33% without Rigzone, and internationally we grew 60%, or 48% without WorldwideWorker.

Cash operating expenses totaled $26.4 million, up 42% year over year. The primary drivers are increased marketing spend, the inclusion of our Energy businesses, which is a little over a $2 million increase, higher sales compensation due to higher customer billings, and investment in product development. In addition, in the quarter cost of revenues reflects a provision for sales and use tax liabilities.

Adjusted EBITDA grew 63%, to $18.5 million, which resulted in adjusted EBITDA margin of 41%. Net income for the quarter more than doubled, to $7.7 million, or $0.11 earnings per diluted share. Included in net income is a pretax charge of $1.3 million in acquisition-related contingencies, which encompasses each of the acquisitions with remaining obligations. As I mentioned earlier, this was primarily driven by the financial and operating metrics performance at Rigzone.

So, moving on to cash generation, cash from operations was $23.4 million, an increase of 122% year over year. Cash from operations was helped in part by a tax refund in the quarter, and capital expenditures totaled $2.8 million, so Q3 free cash flow was $20.7 million, more than doubling year over year.

Deferred revenue totaled $60 million at June 30, an increase of 46% year over year and up slightly from March 31. As a reminder, in normal years deferred revenue is typically flat in the second and third quarters, so we're pleased to tally our seventh consecutive sequential increase and overcome the smallest renewal book of the year in the Dice.com business.

Our net cash position was $49.9 million at June 30, with total debt outstanding of $17 million, after having repaid $4 million during the quarter.

Overall, strong execution during the quarter drove terrific financial performance. It's a great combination and continues to demonstrate how effectively our business model operates for all constituencies -- our customers, our users and our company.

So, moving ahead to guidance for the full year, the only significant change is to increase our revenue expectation by $3 million, to $180 million, or 40% growth year over year. In the earnings release we provide an estimated breakdown by segment to help understand the trends in the business. Keep in mind it's rounded and intended to be directional. Cash operating expenses are still expected to be $103 million, so our adjusted EBITDA is now expected to be $77 million, also $3 million higher, yielding an adjusted EBITDA margin of 43%, comfortably in the middle of our historical range.

For the third quarter, we expect revenues of $46.5 million, up 35% year over year. We anticipate cash operating expenses of $26.5 million and adjusted EBITDA of $20 million, for a margin of 43%. Overall, cash operating expenses will be relatively flat compared to the second quarter. We anticipate slightly more spending in product development and slightly less in G&A and sales and marketing lines, but no significant changes.

And so with that I'll turn it back over to Scot.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Thank you, Mike.

As you can see, Q2 was another great quarter for our company. We turned in strong billings, revenue growth and profitability, and we continued to move our products forward.

Let me speak a little bit about the market. There is a significant amount of uncertainty today about the direction of the global economy and the labor markets. However, we have the good fortune of operating in some of the strongest vertical markets -- technology, finance, energy and healthcare -- where the unemployment rate is lower and job turnover is naturally higher. As a result, we remain confident that we will achieve our growth and profitability goals.

As I mentioned earlier today, customers have many choices for how they solve their recruiting challenges. Some of those choices are new. Some are not so new. And our specialized vertical service -- our approach -- is doing quite well in this competitive and changing marketplace.

So, as we move into the second half of the year we continue to focus on our strategic priorities, including customer acquisitions to further penetrate our market opportunity; expansion into new regions and metro areas around the world; investment in marketing, sales and product development to support that growth and to further differentiate our vertical services; and building out our energy business, which we have only begun to tap.

So, thank you all today for listening. Let's open up the call for questions.

QUESTIONS AND ANSWERS

Operator

(Operator instructions).

Our first question will come from the line of Doug Arthur, with Evercore. Please proceed with your question.

Doug Arthur - *Evercore Partners - Analyst*

Yes, good morning, two questions. Mike, you -- on the first quarter conference call I think you threw out a product development number for the year of $14 million. Is that still the case, or have you bumped that up? And, second, Scot, any granularity in the tech market on what verticals are kind of moving around in terms of demand, or is it pretty much status quo?

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

Yes, so, Doug, on the first question, we did say -- we said a couple of times that we thought this year product development would be roughly double what last year's was, including the full-year impact of the energy business, and that hasn't changed, so it's roughly the same as what we had said.

Doug Arthur - *Evercore Partners - Analyst*

Okay.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

And I think, Doug, on the question of what's going on inside of the tech market, I think what we saw early on was more of a regional phenomenon rather than a particular vertical or infrastructure kind of split, where the major tech markets were the first ones to respond. They were very strong. As of really the last three to six months we've seen that spread out to really all metro markets in the US. So this has gone from being, I think, a tight labor market focused on just the tech centers of the US to now a tight labor market for tech that's really everywhere. There's always hot areas of technology where there's extra squeezes. I mean, today I think we're particularly tight in mobile app development. I think we're particularly tight in some of the new technologies. Cloud computing, virtualization are hot areas, and, of course, anything having to do with security or security work around networks or databases.

Doug Arthur - *Evercore Partners - Analyst*

Great. Thank you.

Operator

Our next question comes from the line of Jim Janesky, with Avondale Partners. Please proceed with your question.

Jim Janesky - *Avondale Partners, LLC - Analyst*

Yes, good morning. In terms of deferred revenue as you move into the third quarter, do you expect another increase, and in what verticals would those increases be in or not be in?

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

Yes, I think we would expect it to be roughly flat. As we say often, deferred revenue is somewhat timing based. It somewhat gets billed before or after the end of the quarter. So, we generally look at Q2 and Q3 as being relatively flat given the mix of business, and so we think that that would continue.

Jim Janesky - *Avondale Partners, LLC - Analyst*

Okay, but, and then increase into Q4 again?

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

Yes.

Jim Janesky - *Avondale Partners, LLC - Analyst*

Okay. And, Scot, back in 2008, early in the year you started to notice a change in some of your key metrics that you follow when the employment market started to turn down. What are you experiencing now in terms of those metrics?

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Yes, I think when you talk about 2008, we looked at -- we always look at things like new customer generation, what's happening with renewal rates, what are our customers telling us in terms of the activity in their business and what's happening with activity on our sites, and so back in 2008 we started to see those trail off, and that led us to conclude that really the market overall was starting to change and we needed to get in front of it.

I think what we're seeing today is something very different. So, what we're seeing today is we have active usage of our sites, both on the customer side and on the job seeker side of the fence. Our customer growth has been very healthy. Mike pointed out that this was -- as Q2s go, this was an unusually good Q2, given typically what happens in a Q2, given the way customers think about buying our services. So we're not seeing anything that looks like 2008 today.

Jim Janesky - *Avondale Partners, LLC - Analyst*

Okay. And that includes all your verticals? Energy has been unusually strong, but even within Tech and eFinancial?

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Yes.

Jim Janesky - *Avondale Partners, LLC - Analyst*

Okay. Thank you.

Operator

Our next question comes from the line of John Blackledge, with Credit Suisse. Please proceed with your question.

John Blackledge - *Credit Suisse - Analyst*

Thank you. A couple of questions. This is for Scot or Mike. Dice's performance has been great through the first two quarters, and growth prospects look good in the back half of the year, but it would appear the North American labor environment is a bit weaker than it was at the start of the year. Just wondering if you guys would agree, and if you can give us a sense of what you're seeing in terms of client budget sentiment heading into the back half of the year and into 2012. And then just a second question would be I think Scot mentioned moderation of financial services in the second half of '11, just wondering which area or geography may be weakening a bit. Thank you.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

So, I think first on the question of North America and the job market and such, if you look at the data that's come out from the BLS, I think it's fair to say that overall in aggregate the job market in the US is not as healthy as it was at the beginning of the year, although I think -- you know, when we talk about this we always try to point people to some interesting facts that lead us to believe it's really not as bad as people think it is.

The first is if you dig into the numbers what you see is that we've essentially had 16 months of private sector job growth. That's pretty good. And it may not be as strong as everybody wants. It may not be as large as everybody wants, or historically what they would expect, but it's heading in the right direction. I think that's an indicator that that will probably continue.

And then, if you look into the way this recovery has shaped itself, it really is a sector story. There are certain parts of the labor market that are doing well, and there are certain parts that are not doing well. On the well side I think you've got to -- you definitely have to say that technology is doing well, business and professional services are doing well, healthcare is doing well, believe it or not, parts of manufacturing -- export-driven manufacturing is doing well. On the less well or not so good side you've got construction, and you've got real estate finance, and you've got local government not doing well, so -- and then sort of other sectors sort of wishy-washy in between.

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So, I think our perspective is that -- and given the surveys that we've done -- we think that the private job market, the private sector job market, is actually healthier than what people suspect. It's definitely healthier in the skilled parts of the market. And as far as client budgets and sentiment, I think there's probably a sentiment of caution out there today. But we've seen -- at the beginning of the year we saw client budgets being larger this year than last year, and we haven't really seen anything that changes that perspective today.

John Blackledge - *Credit Suisse - Analyst*

That's great color. Just to follow up on the -- I think you mentioned financial services, there may be some moderation in the back half of the year. I'm just wondering if you can provide more color there.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Yes, I think in Europe you have the traditional summer slowdown, so we've started to see that. I don't think it's any different than what we've seen in most prior years. North America, there's been some slowdown in what we would refer to as the urgency to recruit and the urgency to hire, but people are still using the service, and so there are still activity levels and people are recruiting. But I think it's generally those two markets.

John Blackledge - *Credit Suisse - Analyst*

Thanks. Great color.

Operator

Our next question comes from the line of Craig Huber, with Access 342. Please proceed with your question.

Craig Huber - *Access 342 - Analyst*

Yes, good morning. My first question, there's been a lot of concern from investors in recent months about the LinkedIn threat. Can you just address that if you would, please? Can you guys peacefully coexist out there, both thrive here, as you guys look out on the next five-plus years?

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Sure. Sure. Certainly with the IPO, successful IPO of LinkedIn, I think that's created a lot of buzz around the service, and justifiably so. I think one of the things we talk about quite a bit when we're with investors and at our investor presentations is that LinkedIn may be new to the investment community, it's really not new to us. We've been competing with or competing alongside of LinkedIn for several years now. They've had a set of recruitment products for probably three years. They have had a national sales force that's much larger than ours for a period of time. And so they've been out there competing pretty extensively. And the customer behavior that we have seen is that customers generally buy both services, because they use us in different ways.

So, to the question of the threat, LinkedIn is a very good sourcing service. It's out there. It's another choice for customers to use, and they're using it. At the same time, customers are using us. They're using us in greater frequency. And typically what we see within customers is they get a piece of the budget, we get a piece of the budget, and I would expect that to continue.

Craig Huber - *Access 342 - Analyst*

And then my other question, please, for the market, can you just talk a little bit about what you're seeing for pricing out there with your major competitors, CareerBuilder, obviously Monster, what you've seen with pricing with LinkedIn, just the marketplace in general? You guys obviously successfully raised prices by 10%, 11%, I guess, last fall, but what are you seeing from your competitors on pricing? Thanks.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Pricing in general, the pricing environment is better today, certainly, than it was 12 and 18 and 24 months ago, and I think that's really a response that the market is more active today than it was. So, customers still want to get a great deal, and they still want to negotiate, but they have to hire people, and they have less time to negotiate, less time to fiddle around with us. And so, as a result, the pricing environment I think for everyone is a bit better. We still see pockets of competition out there competitive -- out there on the pricing front, but overall it's better.

Craig Huber - *Access 342 - Analyst*

And then my last question, if I could, can you just give us a little further breakdown on your thoughts between your large cost categories -- cost of revenues, product development, sales and marketing -- what investors should expect those categories to do with costs in the back half of the year, if you would? Thanks.

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

Yes, I think generally speaking you should see continued increases in product development as we continue to do more both from a product standpoint and from an editorial and content standpoint, which ends up in product development. I think cost of revenues will be lower than the second quarter, because I mentioned earlier there's a provision in this period for some sales and use tax liabilities. G&A, we'll continue to get operating leverage from G&A, so, which leaves sales and marketing. Sales and marketing tends to fluctuate a little bit from quarter to quarter, but I would expect the fourth quarter, as it often is, to be less from -- we spend less in marketing from the Thanksgiving to New Year's period, as has been the case every year. But that's the way I would think about the lines.

Craig Huber - *Access 342 - Analyst*

Great. Thank you.

Operator

Our next question comes from the line of Michael Purcell, with Stifel Nicolaus. Please proceed with your question.

Michael Purcell - *Stifel Nicolaus - Analyst*

Good morning, all. Two quick questions. Your customer count is up about 1,000 in the first half of the year at Dice.com, and I'm wondering, is that kind of 500 net add a good run rate going forward, or is that a little too aggressive? And, secondly, I was wondering if there's any FX outlook in your guidance for the second half of the year.

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

I would say that the way the seasonality generally works is I would expect the net add number in Q3 to be lower -- while we don't give guidance on a specific number from beginning to end of a period, I would expect the growth rate to be slightly lower. Q4 we generally have a drop-off at the end of the year because activity goes down, and so shorter term customers, we tend to have a lot fewer of them between Thanksgiving and New Year, so I would not expect us to increase by 1,000 in the back half of the year. I would think it would be quite a bit less.

On an FX basis, I mean, generally speaking when we give guidance, unless we think that there's some direction out there, we use the current rate, and so that's what we've used.

Michael Purcell - *Stifel Nicolaus - Analyst*

Okay, great. Thank you.

Operator

Our next question comes from the line of Tim McHugh, with William Blair & Company. Please proceed with your question.

Tim McHugh - *William Blair & Company - Analyst*

Yes, thanks. First I just want to ask a couple of numbers questions. Did you say what the sales and use tax impact was on that cost of service line?

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

We did not, and won't.

Tim McHugh - *William Blair & Company - Analyst*

Okay.

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

(Multiple speakers)

Tim McHugh - *William Blair & Company - Analyst*

Okay. Another one is can you talk about -- I'm not sure if you said this and I missed it, but did you talk at all about the billings growth by the different segments? Was any of them substantially higher or lower than that overall 43%, or 32% organic number you gave?

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

We didn't mention them specifically, but if you look overall, obviously the impact of Energy is significant, because the Energy business has really grown quite a bit, and we only had WorldwideWorker last year in the second quarter. eFinancialCareers is in the range, the overall range. Dice and Clearance, Tech & Clearance segment, is slightly lower.

Tim McHugh - *William Blair & Company - Analyst*

Okay. And then, lastly, you mentioned, or, Scot, you mentioned LinkedIn with an increasingly large sales force relative to what you guys have. Can you update us, how big is your sales force today, and how have you kind of grown that number over the last kind of 12 to 18 months?

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Sure. I think when you think about our sales force, we have a -- we have sales reps who carry a bag or have a territory and are actively selling. We are pretty high on the sales support side of things, so we try to makes our salespeople very efficient. So overall across the Company you're probably talking about a sales force of about 100 or so, and where the sales team is up about a little over 20% year over year.

Tim McHugh - *William Blair & Company - Analyst*

Okay. Thank you.

Operator

(Operator instructions).

Our next question comes from the line of John Janedis, with UBS. Please proceed with your question.

John Janedis - *UBS AG - Analyst*

Hi, thank you. Mike, you talked about the trend of banks recruiting more on their own. Is there any way to size the impact, and has that trend been accelerating over the past couple of quarters?

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

It has continued to grow over the last couple of quarters coming out of the downturn. So one of the things that we do is spend a fair amount of time with direct hiring customers to train them on the system and educate them on the efficiency that our service provides. And so bigger banks and even smaller ones continue to increase the amount of recruitment they do on their own in addition to what they're outsourcing to third-party recruiters. But we've seen that continue to increase. I don't know that there's an easy way to quantify it for you other than to look at customer by customer.

John Janedis - *UBS AG - Analyst*

Okay. And then, Scot, can you give us an update on the Dice Talent Network and also maybe talk about the mobile opportunity and how you think your offering will evolve over the next year or two?

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Sure. As far as the Dice Talent Network, participation in it continues to grow. So we've got about 3,600 recruiters involved in it, about 2,800 companies involved in it. Each month -- I think I mentioned earlier on an earlier call that it turns out the most popular part of the network has been the employer branding pages. I think we've learned from that experience. So each month the employer branding pages are garnering about 200,000 or so visits, reviews. So, I think we're pleased with how this is growing, but this is very much a long-term kind of service offering for us. It's going to take a while for the adoption to happen and for the usage to happen. And I think you'll see us start to change, given what we've learned from that, now start to change it and mold it into the parts that the customers and the job seekers really value, so offering more of those parts of the service. I'm sorry, and the section part of your question? Oh, the mobile platform.

John Janedis - *UBS AG - Analyst*

Mobile.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Yes, so, mobile, we have developed and have a soft launch of mobile applications today. We actually have mobile applications for Dice.com on the Apple, Android and BlackBerry platforms. They're in kind of soft launch mode today. And I think we'll expect that that will roll out formally probably in September and we'll see much more usage over those platforms. So, I think -- one of the things that we're focused on today with our product development is that the world has changed. Today there's many more platforms or ways of reaching people online, whether it's mobile, whether it's services like Facebook and others that have their own platforms where people do things, whereas in the years past it was just the web. And so I think you'll expect -- you could probably expect that we will be building our services to reach people in all these various platforms over time.

John Janedis - *UBS AG - Analyst*

Great. Thank you.

Operator

Our next question comes from the line of Youssef Squali, with Jefferies & Company. Please proceed with your question.

Youssef Squali - *Jefferies & Company - Analyst*

Thank you very much. A few questions, please. So, I guess, Scot, starting with you, there is a -- arguably, if you look at LinkedIn, they skew a little more on the passive side, you guys skew maybe a little more on the active side. There are some press reports out there that have been reporting that employers are mostly now looking for passive candidates. I was wondering if you, first of all, agree with that finding, and, second, whether this is something that could ultimately hurt the active job boards like yours. And then, I guess maybe can you just talk about your customer billings in the first quarter? I think in the second quarter you said it was 32% up organic. What was it in Q1? And then I have a follow-up.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Sure. So, passive versus active, it's interesting that people like to put our business into these two buckets. The reality is that customers -- ultimately customers, whether they're staffing firms, consulting firms, or they're direct hiring companies, they want great candidates. If you -- and on the passive side there's a -- I think there's a belief out there that if somebody's passive they're a more attractive candidate. Ultimately, if they're truly passive they're not a good candidate at all, because they're not going to change their job. You're not going to be able to pull them out of the company. You're wasting your time recruiting them. So what you really want as a recruiter or as a company is you want somebody who is highly qualified and is willing to listen to your recruiting message and respond to that. And so it's actually somewhere in between the two.

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And if you look -- and just to point out a distinction about our service, if you look at our service, we obviously have active users, because those people tend to respond to job postings. I think you could argue that the people responding to the LinkedIn job postings are also active job seekers. But along with that we have a number of people that are using our service that are employed and are interested in hearing about opportunities and interested in networking and building their careers, and these are the types of candidates that are the ones that are going to move and respond to recruiting pitches from customers and recruiters and in fact are the ones that are highly qualified that the companies and recruiters really want to deal with. So, one of the advantages we have in the marketplace is that we are a very efficient way for recruiters and for companies to reach these people.

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

Youssef, on the second question, the growth rate in the first quarter is 43%.

Youssef Squali - *Jefferies & Company - Analyst*

And that was the -- that's compared to the 32% organic?

Mike Durney - *Dice Holdings, Inc. - SVP, Finance & CFO*

Yes.

Youssef Squali - *Jefferies & Company - Analyst*

Okay, and I guess lastly for me, maybe Scot, again, can you just address the insider selling happening at the Company? We've seen a fair amount of it. Were all of these part of a 10b5-1 or not? Thanks.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Oh, so, when you say insiders you mean the management team?

Youssef Squali - *Jefferies & Company - Analyst*

Correct. Yes.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

Versus our (multiple speakers) investors.

Youssef Squali - *Jefferies & Company - Analyst*

Right.

Scot Melland - *Dice Holdings, Inc. - Chairman, President & CEO*

I'm not -- I don't know if all of the sales have been related to 10b5-1s, but I would say the majority of the sales are related to 10b5-1s. And I think -- to put this in perspective for investors, we were public for three and a half years really before there were any reasonable liquidity opportunities, and so I think it's quite natural to expect that members of the senior team would set up 10b5 programs.

Youssef Squali - *Jefferies & Company - Analyst*

Okay. All right. Great. Thank you very much.

Operator

We have no additional questions at this time. I would now like to hand the conference back over to management for closing remarks.

Jennifer Bewley - *Dice Holdings, Inc. - Director, IR*

Thanks, everyone, for your time this morning and interest in Dice Holdings. Management will be available to answer any follow-up questions you have. Please call Investor Relations at 212-448-4181 to be placed in the queue. Have a good day.

Operator

Thank you for attending today's conference. This concludes the presentation. You may now disconnect, and have a great day.
