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## i2 Technologies, Inc Q2 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from Greg McDowell - JMP Securities.

#### Greg McDowell - JMP Securities

I know given what you have just said about the SRC, you may not be able to answer this question but I am going to ask it anyway. Does the SAP settlement, does that settlement change the thinking of the SRC and might it expect or essentially expedite a strategic takeout?

#### Michael Berry

Greg, I do not know if that changes what the SRC is thinking. I think the SRC clearly has understood or certainly got into the equation the value of our Intellectual Property. It certainly takes one more uncertainty out of the picture either way but I would not say that it makes anyone alternative anymore likely because of that settlement.

#### Greg McDowell - JMP Securities

Okay great and then my second question has to do with the slight decline in maintenance. You mentioned that some of the renewals had pushed into the third quarter. I guess if you could provide some more color on why the renewals pushed. I mean are these renewals that where the maintenance contract is already expired and the customers are using the i2 software and are not up-to-date on maintenance? Can you just give us a sense of those renewals that pushed?

#### Michael Berry

Greg there is typically a couple of things that cause the volatility on maintenance revenue on a quarterly basis. One relates to a pair of deals that were push in the quarter. The other things will be if we have customers where we do not recognize the revenue until we actually get cash in the door. So, it was a mix of those. Those customers are active i2 customers out of maintenance since they got caught up in some of the renegotiations and discussions on a lot of things that those customers are doing.

Again, they are active customers. We certainly expect them to be renewed in Q3 but we cannot take the revenue if it does not get signed in the quarter.

#### Pallab Chatterjee

Just to make sure that you understand the overall from bulk of our customers that are very pleased with the customer business managers strategy has resulted in most of our big customers renewing without any difficult.

**Michael Berry**

And I think that is a great point Pallab brings up. If you take a look at the contracts that we made in Q2, the renewal rate measured by revenue was in the upper 90%. I think the field in the CBM is doing a great job on the maintenance renewal and that the other thing Greg is we set a multiple times. Please look at the maintenance revenue on a trailing four quarter because that is going to bump around a little bit on a quarterly basis.

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