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## Insight Enterprises Inc. Q2 2008 Earnings Call Transcript

### Question-and-Answer Session

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Operator

(Operator Instruction). Our first question will come from the line of Brian Alexander of Raymond James. Please proceed.

**Brian Alexander**

Thanks good afternoon guys. Just on the implication of your guidance the \$1.50 to a \$1.60 which you provided last quarter and implied you would do about \$0.51 to \$0.56 this quarter excluding charges and I think if you backup the charges this quarter you did about 63, so you had some pretty meaningful upside this quarter, you also commented that your software business performed better than expected and I know that was key concern coming into the quarter and the expense which you've outlined today should be some additional benefit going forward as well. So I am just – given all that I am wondering why the range for the year didn't go up? What are the main factors in your mind that are keeping you from raising \$1.50 to a \$1.60 in light of the upside and all the factors I mentioned. Thanks.

**Rich Fennessy**

Sure Brian. First and foremost the expense actually that we took in 2Q as well as 1Q in the benefit of those expense, that's actually we took any consideration, we created the dollar to be 60 range on the last call. So we knew it and take as we call on the last earnings call some actions in the second quarter which we took and we think there is a right action to get our expense structure to where it need to be. But as it relates to looking at our 2Q results was clearly better than we were anticipating as we are very pleased by that. Really we did two things, one is we are – we are optimistic on our software business which we called out and we see that's playing out in the second half of the year. While at the same time we are actually quite conservative about the hardware market, and now the uncertainties we are seeing the marketplace today relative to the CapEx and people looking at their desktop no book service span and whether they can defer those projects into filing here. So we are actually looking to slower hardware growth in the second half of the year then we originally would expect in that kind of offsetting some of the upside that we solve in the software business in the second quarter. So the combination those fact and as well as these are the general uncertainty of the market and as I think we go on the second half of the year obviously, we are looking to go – trying to go drive the hedge performance, but as we look at it we think overall we are very slow demand environment.

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