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Interactive Data Q1 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

Your first question comes from the line of Randy Haugen - Piper Jaffray.

Randy Haugen - Piper Jaffray

You mentioned the impact of several one-time items. Could you quantify the overall impact there and also going into where it actually hit?

Andrew Hajducky

What we've got as far as one-time items is approximately \$1.3 million to \$1.5 million and it relates to bringing back some of the accruals that were established at year end that had to be trued up as of the first quarter.

Randy Haugen - Piper Jaffray

So did those mostly fall into SG&A?

Andrew Hajducky

Yes.

Randy Haugen - Piper Jaffray

So that's the reason for the significant drop there and it is probably going to go up to a more normalized level as we move into next quarter.

Andrew Hajducky

Well, some of these accruals are prepared from time to time; a number of these accruals were based upon estimates as of year end in which there were certain things that had changed subsequent to year end and we brought those accruals back down.

Now also, that affected our first quarter in a very positive way was foreign exchange and that was \$3.2 million that ran through the P&L both through cost of sales and SG&A.

Randy Haugen - Piper Jaffray

What type of impact have you actually seen from the financial services slowdown so far? Are you actually seeing pullbacks from clients at this point or is it more just rumblings about what's happenings in the market?

Stuart Clark

I would say it is more the latter at the moment, Randy. Nobody could avoid seeing the impacts on some of our big clients over the past few months. We have continued to be strongly engaged with them in terms of the relevance of our offerings as we talked about in the commentary and then activity levels, sales levels, we were very happy with them in the first quarter; activity levels have remained very, very high. We watch it very closely but that is how I've assessed it at the moment.

Randy Haugen - Piper Jaffray

If we take into account the cyclical headwinds for the industry that you're looking at but also the increase in regulatory rumblings which could be a positive for the business, are you guys incrementally more positive or negative now on the 2008 outlook than you were a couple of months ago when you last gave guidance?

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