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## Innodata Isogen Q4 2007 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions). We'll go first to Shane Kim with Camden Partners.

#### Shane Kim - Camden Partners

Hi, guys, great quarter. If you look at your outlook in the most recent quarter it was revenue growth in the 80% range and you obviously exceeded that. Is there any seasonality in the revenue cycles for your customers?

#### Jack Abuhoff

Hi, Shane. Yeah, I think our outlook was for 75%, we did 83%, and there is seasonality. There is often times a push at yearend to hit some goals, customer goals. There is sometimes some budget that needs to be used up. So I think generally speaking, we do see that, and then new programs start, there is some ramp up, and we accelerate through year.

#### Shane Kim - Camden Partners

So were you essentially surprised, because I think based on your guidance, which was not too long ago, that it would sort of put the revenue figures somewhere in the \$18 million range, and so, did somehow perhaps revenue from Q1 of '08 surprise you sort of falling into Q4 '07 or are they mutually exclusive?

#### Jack Abuhoff

There is a little of that. Clearly, if we could design things perfectly, it might look a little bit different. But the fact is that we're banking on very satisfied clients.

#### Shane Kim - Camden Partners

Okay. And you had a comment about you believe that perhaps your business maybe have some countercyclical aspects to it in the past three months. Are you seeing aspects of that or is that your expectation?

#### Jack Abuhoff

I think it's both. My expectation is based on my experience. We do two things. We help people to save money, reduce cost from current operations, and increasingly we're helping people with their new

products builds, rather than building it first internally and then outsourcing to us three years later, they are coming to us first. We are not seeing any slowdown in new product plans; the budgets are intact at our customers. But they are coming to us.

**Shane Kim - Camden Partners**

Great. And, on a year-over-year basis, you grew revenues in absolute figures of about \$26 million. How much can you break that out versus new customers that were sort of new in calendar 2007 versus growth that came from existing customers that you had been working with in 2006 or exiting the year in '06?

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