



## Perot Systems Corp. Q3 2008 Earnings Call Transcript

### Question-and-Answer Session

---

This concludes the formal portion of the conference call. A question-and-answer session will now be conducted [Operator Instructions]. The first question will come from Rod Bourgeois with Stanford Bernstein.

**Rod Bourgeois - Stanford Bernstein**

Hey, guys.

**Peter Altabef - President and Chief Executive Officer**

Hi, Rod. How are you?

**Rod Bourgeois - Stanford Bernstein**

Doing fine. I want to ask about the seasonality in Q4. And I am not trying to be acute with this question. But, is the normal negative seasonality you expect in Q4 this year, consistent with the normal negative seasonality that you've seen in Q4s of the past. I guess, it seems that the \$0.02 of pressure that you are planning to see this year. From my recollection it's a little greater than what you've seen in the past. But that maybe because you have left new stuff ramping up right now to offset the pressure that you are going to see in Q4, given the client and decision that exists out there. So, can you clarify the negative seasonality situation that you have this year versus in the past couple of years at this point in time?

**John Harper - Chief Financial Officer**

Rod, I think... this is John. I think you hit it spot on. Typically, we see this level of seasonality. So this is very consistent with fourth quarters of past. But in many cases, we have had other things that came on and helped offset that. I think as we look forward to this fourth quarter, given the market environment and the level of uncertainty out there, we're being a little more cautious about being able to offset that impact. But all of that's factored into our guidance for the fourth quarter.

**Rod Bourgeois - Stanford Bernstein**

All right. So, in other words, if the deal flow were consistent with the normal year, you had apparently a pretty stacked pipeline heading into Q3. Some of those deals were apparently pushed out. I had those deals coming to fruition, would your Q4 outlook be a little better than what it is right now?

**John Harper - Chief Financial Officer**

I think so. I think that's a fair statement. And also the... in past years, the level of project work and impact that as well and we are being relatively cautious about the project environment given what's going on in the economy.

**Peter Altabef - President and Chief Executive Officer**

Copyright © 2008 CNET Networks, Inc. All Rights Reserved.