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## Cognizant Technology Solutions Corp. Q3 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from the line of Adam Frisch with UBS.

#### Adam Frisch - UBS

Can you provide some color on deal ramp ups from strategic customers signed in let's say the past four to eight quarters and maybe some spending trends of your top 20 customers?

#### Gordon Coburn

Let me start with spending trends at the top 5 and 10, because those are the numbers that historically we've given out. The top five represented 19% of revenue during the quarter, which translates into 2% sequential growth and that 2% includes a reduction in revenue at one of our healthcare payer clients that we talked about on our last call.

Well, we actually saw growth at all of our other top five clients on a sequential basis. And our top 10 represented 29.7% of revenue, which was 4% sequential growth. Francisco, you want to give some high level comments on any changes in ramp ups?

#### Francisco D'Souza

We've not seen any changes to projected ramp ups of deals that we won over the last few quarters. Those continue on track. As we've said in the past few calls, given the current economic environment, the demand tends to be shifting more towards Application Maintenance, IT Infrastructure Services and BPO and that type of service offering, but we haven't seen ramp ups get pushed out or delayed of clients that we've won, let's say, over the last two or three quarters.

#### Adam Frisch - UBS

Even in the strategic area, correct?

#### Francisco D'Souza

With the large clients? No, they continue to ramp, yes.

#### Adam Frisch - UBS

Okay. What areas do you expect to grow the most over the next several quarters assuming the economy is weakening and will stay weak for a while? Do you expect BPO and ITO to be bigger growth going forward? Is that a potential opportunity for you given the environment?

**Francisco D'Souza**

I think application maintenance will continue to grow in excess of application development. I think BPO and IT Infrastructure Services will continue to show healthy growth, but you have to keep that in perspective that they'll still represent relatively small percent of total company revenue and we're growing off a small base. Then I think that, outside of the impact of the currencies that we talked about, I think that there is still large parts of Europe, particularly continental Europe that are relatively underpenetrated from an off shoring standpoint.

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