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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) August 4, 2008

**TeleTech Holdings, Inc.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-11919

(Commission File Number)

84-1291044

(IRS Employee Identification No.)

9197 S. Peoria Street, Englewood, Colorado

(Address of principal executive offices)

80112

(Zip Code)

Registrant's telephone number, including area code (303) 397-8100

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operation and Financial Condition.**

On August 4, 2008, TeleTech Holdings, Inc. ("TeleTech") issued a press release announcing financial results for the quarter ended June 30, 2008.

A copy of the August 4, 2008 press release is attached hereto as Exhibit 99.1 and is hereby incorporated by reference.

In accordance with General Instruction B.2 of Form 8-K, the information contained in this Current Report on Form 8-K and attached Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.**

List below the financial statements, pro forma financial information and exhibits, if any, filed as a part of this report.

(d) Exhibits:

Exhibit Number	Description
99.1	Press Release dated August 4, 2008.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TeleTech Holdings, Inc.

(Registrant)

Date: August 4, 2008

By: /s/ Kenneth D. Tuchman

Kenneth D. Tuchman

Chief Executive Officer

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EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated August 4, 2008.



## Press Release

TeleTech Holdings, Inc. • 9197 South Peoria Street • Englewood, CO  
80112-5833 • [www.telettech.com](http://www.telettech.com)

**Investor Contact:**

Karen Breen  
303-397-8592

**Media Contact:**

KC Higgins  
303-397-8325

**TeleTech Announces Second Quarter 2008 Financial Results**

*Second Quarter Revenue Reaches Record \$357 Million;  
Signs Estimated \$65 Million of New Annualized Revenue During the Second Quarter;  
Generates \$12 Million of Free Cash Flow;  
Reaffirms \$100M Share Repurchase Authorization*

**Englewood, Colo., August 4, 2008** — TeleTech Holdings, Inc. (NASDAQ: TTEC), one of the largest and most geographically diverse global providers of business process outsourcing ("BPO") solutions, today announced business highlights for the second quarter ended June 30, 2008.

TeleTech reported record second quarter 2008 revenue of \$357 million, an 8.4 percent increase over second quarter 2007 revenue of \$330 million. Revenue in TeleTech's BPO segment grew 10.4 percent from the year-ago period.

TeleTech believes it has one of the largest and most geographically diverse offshore footprints of any global BPO provider with approximately 24,000 offshore workstations representing more than 60 percent of its total delivery capacity. Second quarter 2008 revenue from TeleTech's offshore delivery centers grew approximately 18 percent to \$156 million and represented 44 percent of total revenue. TeleTech's offshore workstations currently span seven countries including Argentina, Canada, Costa Rica, Malaysia, Mexico, the Philippines and South Africa.

TeleTech's income from operations was \$29.7 million or 8.3 percent of revenue. Income from operations for the second quarter 2008 included \$0.4 million of restructuring charges and, as previously disclosed, \$3.4 million of audit, legal and other professional fees associated with the Audit Committee's review of the Company's equity-based compensation practices and the subsequent financial restatement. Excluding these charges, which totaled \$3.8 million, TeleTech's income from operations in the second quarter 2008 was \$33.5 million or 9.4 percent of revenue, an increase from a 9.1 percent operating margin, excluding unusual charges, in the year-ago quarter. Furthermore, excluding \$2.0 million of non-cash expense in the 2008 second quarter for equity-based compensation, operating margin would have been 9.9 percent.

Fully diluted GAAP earnings per share for the second quarter 2008 were 28 cents on net income of \$20.4 million. Excluding the unusual charges discussed above, which totaled \$3.8 million pre-tax or approximately 4 cents per share after-tax, second quarter 2008 non-GAAP earnings per share were 32 cents, up 28 percent from 25 cents non-GAAP earnings per share in the year-ago quarter.

**EXECUTIVE COMMENTARY ON TELETECH'S SECOND QUARTER FINANCIAL RESULTS**

"I am pleased that we delivered record second quarter revenue of \$357 million," said Kenneth Tuchman, chairman and chief executive officer. "Our year-to-date BPO revenue grew 11.4 percent and our year-to-date operating margin, excluding unusual items, increased to 9.6 percent. We continue to perform well in a dynamic global economy and our leading industry position enabled us to win an estimated \$65 million in annualized new business during the second quarter of 2008. We believe the third quarter of 2008 will again represent a strong level of new business wins, based on the size and number of deals we are currently working to complete."

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## **SECOND QUARTER 2008 FINANCIAL HIGHLIGHTS**

### **Solid Balance Sheet Continues to Fund Organic Growth**

- As of June 30, 2008, TeleTech had cash and cash equivalents of \$127 million and total debt of \$90 million.
- Capital expenditures were \$21 million in the 2008 second quarter of which approximately 80 percent were for growth related needs with the balance for improving TeleTech's embedded infrastructure.

### **New Business**

- During the second quarter of 2008, TeleTech signed an estimated \$65 million in annualized long-term revenue from new and expanded client relationships.

### **Business Outlook**

- Consistent with our previous guidance, TeleTech expects 2008 revenue will grow a minimum of between 6 and 8 percent and 2008 operating margin will range between 9 and 10 percent, before unusual charges.

### **CONFERENCE CALL**

A conference call and webcast with management will be held on Monday, August 4, 2008, at 8:30 a.m. Eastern Time. You are invited to join the live webcast of the conference call by visiting the "Investors" section of the TeleTech website at [www.TeleTech.com](http://www.TeleTech.com). If you are unable to participate during the live webcast, a replay will be available on the TeleTech website through Monday, August 18, 2008.

### **NON-GAAP FINANCIAL MEASURES**

To supplement the Company's consolidated financial statements presented in accordance with generally accepted accounting principles (GAAP) in the United States, the Company uses the following non-GAAP financial measures: Free Cash Flow, Non-GAAP Income from Operations and Non-GAAP EPS. TeleTech believes that providing these non-GAAP financial measures provides investors with greater transparency to the information used by TeleTech's management in its financial and operational decision-making and allows investors to see TeleTech's results "through the eyes" of management. TeleTech also believes that providing this information better enables TeleTech's investors to understand its operating performance and information used by management to evaluate and measure such performance. The presentation of these financial measures are not intended to be used in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. A reconciliation of these non-GAAP financial measures is available in the financial tables attached to this press release.

### **ABOUT TELETECH**

TeleTech is one of the largest and most geographically diverse global providers of business process outsourcing solutions. We have a 26-year history of designing, implementing, and managing critical business processes for Global 1000 companies to help them improve their customers' experience, expand their strategic capabilities, and increase their operating efficiencies. By delivering a high-quality customer experience through the effective integration of customer-facing front-office processes with internal back-office processes, we enable our clients to better serve, grow, and retain their customer base. We use Six Sigma-based quality methods continually to design, implement, and enhance the business processes we deliver to our clients and we also apply this methodology to our own internal operations. We have developed deep domain expertise and support approximately 250 business process outsourcing programs serving 100 global clients in the automotive, communications and media, financial services, government, healthcare, retail, technology and travel and leisure industries. Our integrated global solutions are provided by more than 50,000 employees utilizing 39,000 workstations across 89 Delivery Centers in 17 countries.

### **FORWARD-LOOKING STATEMENTS**

Statements in this press release that relate to future results and events (including statements about future financial and operating performance) are forward-looking statements based on TeleTech's current

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expectations. Actual results and events in future periods could differ materially from those projected in these forward-looking statements because of a number of risks and uncertainties including: general economic, business and industry conditions; the loss of business or lower volumes from significant clients; delivery center utilization and labor rates; the pace at which we are able to ramp new business; the effect of TeleTech's failure to timely file all of its required reports under the Securities and Exchange Act of 1934 and its restatement of previously issued financial statements, including shareholder litigation and action by the SEC and/or other governmental agencies; negative tax or other implications for TeleTech resulting from any accounting adjustments or other factors; unexpected regulatory changes, tax laws, and data privacy measures; data privacy issues; our ability to accurately predict geographic revenue mix and seasonal sales trends; information technology and/or delivery center interruptions; issues or matters that may arise from governmental and/or administrative agency investigations; our ability to successfully remediate identified internal control deficiencies; litigation and governmental investigations or proceedings arising out of or related to accounting and financial reporting matters; fluctuations in foreign currency exchange rates along with our ability to effectively hedge exposure to changes in foreign currency exchange and/or interest rates; the ability to attract, retain and motivate key personnel; and political instability, the effect of armed hostilities, terrorism and natural disasters. A detailed discussion of these and other factors that could affect our results is included in TeleTech's SEC filings, including our Annual Report on Form 10-K for the year ended December 31, 2007.

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**TELETECH HOLDINGS, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share data)  
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2008	2007 As Restated	2008	2007 As Restated
<b>Revenue</b>	\$357,416	\$ 329,608	\$725,052	\$ 662,348
<b>Operating Expenses:</b>				
Cost of services	265,833	237,228	535,933	474,470
Selling, general and administrative	45,858	48,611	97,230	100,707
Depreciation and amortization	15,624	13,794	30,784	27,348
Restructuring charges, net	440	262	2,642	262
Impairment losses	—	13,515	—	13,515
Total operating expenses	<u>327,755</u>	<u>313,410</u>	<u>666,589</u>	<u>616,302</u>
<b>Income From Operations</b>	29,661	16,198	58,463	46,046
Other income (expense)	<u>(543)</u>	<u>(2,235)</u>	<u>(1,591)</u>	<u>(3,512)</u>
<b>Income Before Income Taxes and Minority Interest</b>	29,118	13,963	56,872	42,534
(Provision) benefit for income taxes	<u>(7,536)</u>	<u>(4,737)</u>	<u>(15,329)</u>	<u>(15,111)</u>
<b>Income Before Minority Interest</b>	21,582	9,226	41,543	27,423
Minority interest	<u>(1,220)</u>	<u>(508)</u>	<u>(2,056)</u>	<u>(942)</u>
<b>Net Income</b>	<u>\$ 20,362</u>	<u>\$ 8,718</u>	<u>\$ 39,487</u>	<u>\$ 26,481</u>
<b>Net Income Per Share:</b>				
Basic	<u>\$ 0.29</u>	<u>\$ 0.12</u>	<u>\$ 0.56</u>	<u>\$ 0.38</u>
Diluted	<u>\$ 0.28</u>	<u>\$ 0.12</u>	<u>\$ 0.55</u>	<u>\$ 0.36</u>
<b>Income From Operations Margin</b>	8.3%	4.9%	8.1%	7.0%
<b>Net Income Margin</b>	5.7%	2.6%	5.4%	4.0%
<b>Effective Tax Rate after Minority Interest</b>	25.9%	33.9%	27.0%	35.5%
<b>Weighted Average Shares Outstanding</b>				
Basic	69,977	70,580	69,957	70,474
Diluted	71,729	73,104	71,649	73,430



**TELETECH HOLDINGS, INC. AND SUBSIDIARIES**  
**SEGMENT INFORMATION**  
(In thousands)  
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	<u>2008</u>	<u>2007</u> As Restated	<u>2008</u>	<u>2007</u> As Restated
<b>Revenue:</b>				
North American BPO	\$ 243,238	\$ 225,792	\$ 505,700	\$ 460,237
International BPO	114,178	98,111	219,352	190,516
Database Marketing and Consulting	—	5,705	—	11,595
Total	<u>\$ 357,416</u>	<u>\$ 329,608</u>	<u>\$ 725,052</u>	<u>\$ 662,348</u>
<b>Income (Loss) From Operations:</b>				
North American BPO	\$ 26,457	\$ 28,742	\$ 59,001	\$ 62,347
International BPO	3,113	4,689	(143)	4,974
Database Marketing and Consulting	91	(17,233)	(395)	(21,275)
Total	<u>\$ 29,661</u>	<u>\$ 16,198</u>	<u>\$ 58,463</u>	<u>\$ 46,046</u>

**TELETECH HOLDINGS, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands)

	June 30, 2008 (Unaudited)	December 31, 2007
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 126,914	\$ 91,239
Accounts receivable, net	275,691	270,988
Other current assets	101,350	97,598
<b>Total current assets</b>	503,955	459,825
<b>Property and equipment, net</b>	180,979	174,809
<b>Other assets</b>	121,311	125,661
<b>Total assets</b>	<u>\$ 806,245</u>	<u>\$ 760,295</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Total current liabilities</b>	\$ 186,723	\$ 186,810
<b>Other long-term liabilities</b>	137,791	118,729
<b>Minority interest</b>	4,514	3,555
<b>Total stockholders' equity</b>	477,217	451,201
<b>Total liabilities and stockholders' equity</b>	<u>\$ 806,245</u>	<u>\$ 760,295</u>

**TELETECH HOLDINGS, INC. AND SUBSIDIARIES**  
**RECONCILIATION OF NON-GAAP FINANCIAL INFORMATION**  
(In thousands, except per share data)  
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
<b>Reconciliation of EBIT :</b>				
<b>Net Income</b>	\$ 20,362	\$ 8,718	\$ 39,487	\$ 26,481
Interest income	(1,388)	(492)	(2,474)	(885)
Interest expense	1,489	1,594	3,054	3,062
Provision (benefit) for income taxes	7,536	4,737	15,329	15,111
<b>EBIT</b>	<b>\$ 27,999</b>	<b>\$ 14,557</b>	<b>\$ 55,396</b>	<b>\$ 43,769</b>
<b>Reconciliation of Free Cash Flow :</b>				
<b>Cash Flow From Operating Activities:</b>				
Net income	\$ 20,362	\$ 8,718	\$ 39,487	\$ 26,481
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	15,624	13,794	30,784	27,348
Other	(2,856)	(3,274)	(10,966)	(3,758)
Net cash provided by operating activities	<u>\$ 33,130</u>	<u>\$ 19,238</u>	<u>\$ 59,305</u>	<u>\$ 50,071</u>
<b>Total Capital Expenditures</b>	<u>21,223</u>	<u>15,514</u>	<u>36,408</u>	<u>29,020</u>
<b>Free Cash Flow</b>	<u><b>\$ 11,907</b></u>	<u><b>\$ 3,724</b></u>	<u><b>\$ 22,897</b></u>	<u><b>\$ 21,051</b></u>
<b>Reconciliation of Non-GAAP Income from Operations :</b>				
<b>Income from Operations</b>	\$ 29,661	\$ 16,198	\$ 58,463	\$ 46,046
Restructuring charges, net	440	262	2,642	262
Impairment losses	—	13,515	—	13,515
Equity comp review and restatement expenses	3,386	—	8,354	—
<b>Non-GAAP Income from Operations</b>	<b>\$ 33,487</b>	<b>\$ 29,975</b>	<b>\$ 69,459</b>	<b>\$ 59,823</b>
<b>Reconciliation of Non-GAAP EPS :</b>				
<b>GAAP Net Income</b>	\$ 20,362	\$ 8,718	\$ 39,487	\$ 26,481
Add: Asset impairment and restructuring charges, net of related taxes	295	9,341	1,770	9,341
Add: Equity comp review and restatement expenses, net of related taxes	2,269	—	5,597	—
<b>Non-GAAP Net Income</b>	<b>\$ 22,925</b>	<b>\$ 18,059</b>	<b>\$ 46,854</b>	<b>\$ 35,822</b>
Diluted shares outstanding	71,729	73,104	71,649	73,430
<b>Non-GAAP Net Income per Diluted Share</b>	<b>\$ 0.32</b>	<b>\$ 0.25</b>	<b>\$ 0.65</b>	<b>\$ 0.49</b>