

Logility Third Quarter of Fiscal Year 2008 Results

LOGILITY, INC. Consolidated Statements of Operations Information (In thousands, except per share data) (Unaudited)

	Third Quarter Ended			Nine Months Ended		
	January 31,			January 31,		
	2008	2007	Pct Chg.	2008	2007	Pct Chg.
Revenues:						
License	\$ 2,333	\$ 3,900	(40%)	\$ 10,409	\$ 10,544	(1%)
Services & other	1,933	1,773	9%	5,985	4,775	25%
Maintenance	5,665	5,623	1%	16,636	15,589	7%
Total Revenues	<u>9,931</u>	<u>11,296</u>	<u>(12%)</u>	<u>33,030</u>	<u>30,908</u>	<u>7%</u>
Cost of Revenues:						
License	1,364	1,318	3%	4,518	4,192	8%
Services & other	853	879	(3%)	2,898	2,570	13%
Maintenance	1,261	1,229	3%	3,609	3,675	(2%)
Write-down of capitalized software development costs	1,196	-	nm	1,196	-	nm
Total Cost of Revenues	<u>4,674</u>	<u>3,426</u>	<u>36%</u>	<u>12,221</u>	<u>10,437</u>	<u>17%</u>
Gross Margin	<u>5,257</u>	<u>7,870</u>	<u>(33%)</u>	<u>20,809</u>	<u>20,471</u>	<u>2%</u>
Operating expenses:						
Research and development	1,719	1,868	(8%)	5,544	5,391	3%
Less: capitalized development	(480)	(495)	(3%)	(1,635)	(1,678)	(3%)
Sales and marketing	2,402	2,378	1%	7,279	7,310	0%
General and administrative	853	1,381	(38%)	3,484	3,821	(9%)
Acquisition related amortization of intangibles	88	88	0%	263	263	0%
Total Operating Expenses	<u>4,582</u>	<u>5,220</u>	<u>(12%)</u>	<u>14,935</u>	<u>15,107</u>	<u>(1%)</u>
Operating Earnings	<u>675</u>	<u>2,650</u>	<u>(75%)</u>	<u>5,874</u>	<u>5,364</u>	<u>10%</u>
Interest Income & Other, Net	538	456	18%	1,451	1,226	18%
Earnings Before Income Taxes	1,213	3,106	(61%)	7,325	6,590	11%
Income Tax Expense	378	1,111	(66%)	2,971	2,559	16%
Net Earnings	<u>\$ 835</u>	<u>\$ 1,995</u>	<u>(58%)</u>	<u>\$ 4,354</u>	<u>\$ 4,031</u>	<u>8%</u>
Earnings per common share:						
Basic	<u>\$ 0.06</u>	<u>\$ 0.15</u>	<u>(60%)</u>	<u>\$ 0.34</u>	<u>\$ 0.31</u>	<u>10%</u>
Diluted	<u>\$ 0.06</u>	<u>\$ 0.15</u>	<u>(60%)</u>	<u>\$ 0.33</u>	<u>\$ 0.30</u>	<u>10%</u>
Weighted Average Number of Common Shares:						
Basic	12,964	12,898		12,950	12,897	
Diluted	13,336	13,220		13,372	13,247	
Reconciliation of Adjusted Net Earnings:						
Net Earnings	\$ 835	\$ 1,995		\$ 4,354	\$ 4,031	
Acquisition related amortization of intangibles(1)	61	57		156	161	
Stock-based compensation (1)	69	55		165	177	
Write-down of capitalized software development costs (1)	823	-		710	-	
Tax valuation adjustment (non-cash)	-	-		283	-	
Adjusted net earnings	<u>\$ 1,788</u>	<u>\$ 2,107</u>	<u>(15%)</u>	<u>\$ 5,668</u>	<u>\$ 4,369</u>	<u>30%</u>
Adjusted Net Earnings per Share - Diluted	<u>\$ 0.13</u>	<u>\$ 0.16</u>	<u>(19%)</u>	<u>\$ 0.42</u>	<u>\$ 0.33</u>	<u>27%</u>

(1) - Tax affected
nm- not meaningful

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LOGILITY, INC.
Consolidated Balance Sheet Information
(in thousands)
(Unaudited)

	January 31, 2008	April 30, 2007
Cash and Short-term investments	\$ 41,372	\$ 32,316
Accounts Receivable:		
Billed	6,308	7,764
Unbilled	977	1,412
Total Accounts Receivable, net	7,285	9,176
Deferred Tax Assets	486	1,361
Due from ASI	-	1,167
Prepays & Other Current Assets	2,409	1,995
Current Assets	51,552	46,015
PP&E, net	453	436
Capitalized Software, net	4,595	6,042
Goodwill	5,809	5,809
Other Intangibles, net	965	1,288
Non-current Assets	61	67
Total Assets	\$ 63,435	\$ 59,657
Accounts Payable	\$ 398	\$ 275
Other Current Liabilities	2,898	5,680
Due to ASI	1,633	-
Deferred Revenues	11,329	11,350
Current Liabilities	16,258	17,305
Deferred Tax Liability	1,792	1,940
Shareholders' Equity	45,385	40,412
Total Liabilities & Shareholders' Equity	\$ 63,435	\$ 59,657