

## Logility Second Quarter of Fiscal Year 2006 Results

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

	Second Quarter Ended			Six Months Ended		
	October 31,			October 31,		
	2005	2004	Pct Chg.	2005	2004	Pct Chg.
Revenues:						
License	\$ 3,589	\$ 656	447%	\$ 6,025	\$ 2,070	191%
Services & other	1,336	1,148	16%	2,783	2,408	16%
Maintenance	4,349	3,027	44%	8,369	5,784	45%
Total Revenues	9,274	4,831	92%	17,177	10,262	67%
Cost of Revenues:						
License	918	840	9%	1,923	1,700	13%
Services & other	894	588	52%	1,766	1,250	41%
Maintenance	1,007	632	59%	1,934	1,072	80%
Total Cost of Revenues	2,819	2,060	37%	5,623	4,022	40%
Gross Margin	6,455	2,771	133%	11,554	6,240	85%
Operating expenses:						
Research and development	1,741	1,404	24%	3,396	2,735	24%
Less: capitalized development	(616)	(711)	(13%)	(1,233)	(1,381)	(11%)
Sales and marketing	2,493	1,779	40%	4,680	3,636	29%
General and administrative	1,489	805	85%	2,517	1,490	69%
Acquisition related amortization of intangibles	87	38	nm	174	38	nm
Total operating expenses	5,194	3,315	57%	9,534	6,518	46%
Operating earnings	1,261	(544)	nm	2,020	(278)	nm
Interest income & Other, net	6	16	(63%)	149	127	17%
Income before income taxes	1,267	(528)	nm	2,169	(151)	nm
Income tax provision/(benefit)	(2,458)	-	-	(2,425)	-	-
Net Earnings	\$ 3,725	\$ (528)	nm	\$ 4,594	\$ (151)	nm
Earnings per common share - Basic	\$ 0.29	\$ (0.04)	nm	\$ 0.36	\$ (0.01)	nm
Earnings per common share - Diluted	\$ 0.28	\$ (0.04)	nm	\$ 0.34	\$ (0.01)	nm
Weighted average number of common shares						
Basic	12,737	13,013		12,806	13,052	
Diluted	13,206	13,013		13,354	13,052	
<b>Reconciliation of Adjusted Net Income:</b>						
Net Earnings	\$ 3,725	\$ (528)		\$ 4,594	\$ (151)	
Acquisition related amortization of intangibles	87	-		174	-	
Writedown of minority investment	160	100		160	100	
Income tax provision/(benefit)	(2,458)	-		(2,425)	-	
Adjusted Net Earnings	\$ 1,514	\$ (428)		\$ 2,503	\$ (51)	
Adjusted Net Earnings per Share	\$ 0.11	\$ (0.03)		\$ 0.19	\$0.00	

nm- not meaningful

**Logility Second Quarter of Fiscal Year 2006 Results**

**Consolidated Balance Sheet Information  
(in thousands)**

	<b>October 31,</b>	
	<b>2005</b>	<b>2004</b>
	<b>(Unaudited)</b>	
Cash and Short & Long term investments	\$ 25,049	\$ 20,996
Accounts Receivable:		
Billed	4,843	4,096
Unbilled	1,744	505
Total Accounts Receivable, net	6,587	4,601
Prepays & Other Current Assets	1,602	1,877
PP&E, net	448	260
Capitalized Software, net	6,138	6,263
Deferred Income Tax	4,996	-
Non-current Assets	7,942	9,017
<b>Total Assets</b>	<b>\$ 52,762</b>	<b>\$ 43,014</b>
Accounts Payable	\$ 193	\$ 470
Other Current Liabilities	7,679	5,467
Deferred Income Tax	6,546	-
Deferred Revenues	8,765	5,695
Shareholders' Equity	29,579	31,382
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>\$ 52,762</b>	<b>\$ 43,014</b>