

Logility Third Quarter of Fiscal Year 2006 Results

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

	Third Quarter Ended			Nine Months Ended		
	January 31,			January 31,		
	2006	2005	Pct Chg.	2006	2005	Pct Chg.
Revenues:						
License	\$ 4,000	\$ 2,431	65%	\$ 10,026	\$ 4,501	123%
Services & other	1,352	1,220	11%	4,135	3,628	14%
Maintenance	4,698	3,464	36%	13,067	9,248	41%
Total Revenues	10,050	7,115	41%	27,228	17,377	57%
Cost of Revenues:						
License	652	1,311	(50%)	2,570	3,011	(15%)
Services & other	811	671	21%	2,577	1,921	34%
Maintenance	1,159	987	17%	3,092	2,059	50%
Total Cost of Revenues	2,622	2,969	(12%)	8,239	6,991	18%
Gross Margin	7,428	4,146	79%	18,989	10,386	83%
Operating expenses:						
Research and development	1,787	1,591	12%	5,183	4,326	20%
Less: capitalized development	(537)	(703)	(24%)	(1,771)	(2,084)	(15%)
Sales and marketing	2,841	2,094	36%	7,522	5,730	31%
General and administrative	1,077	1,309	(18%)	3,593	2,799	28%
Acquisition related amortization of intangibles	88	79	11%	263	117	125%
Total operating expenses	5,256	4,370	20%	14,790	10,888	36%
Operating earnings (loss)	2,172	(224)	nm	4,199	(502)	nm
Interest income & other, net	224	50	348%	373	177	111%
Income (loss) before income taxes	2,396	(174)	nm	4,572	(325)	nm
Income tax provision/(benefit)	541	-	-	(1,884)	-	-
Net Earnings (loss)	\$ 1,855	\$ (174)	nm	\$ 6,456	\$ (325)	nm
Earnings per common share:						
Earnings (loss) per common share - Basic	\$ 0.15	\$ (0.01)	nm	\$ 0.50	\$ (0.02)	nm
Earnings (loss) per common share - Diluted	\$ 0.14	\$ (0.01)	nm	\$ 0.49	\$ (0.02)	nm
Weighted average number of common shares:						
Basic	12,787	12,963		12,799	13,023	
Diluted	13,172	12,963		13,198	13,023	
Reconciliation of Adjusted Net Income:						
Net Earnings (loss)	\$ 1,855	\$ (174)		\$ 6,456	\$ (325)	
Acquisition related amortization of intangibles	88	79		263	117	
Writedown of minority investment	-	-		160	100	
Income tax provision/(benefit)	-	-		(1,884)	-	
Adjusted Net Earnings (loss)	\$ 1,943	\$ (95)		\$ 4,995	\$ (108)	
Adjusted Net Earnings(loss) per Share	\$ 0.15	\$ (0.01)		\$ 0.38	\$ (0.01)	

nm- not meaningful

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Consolidated Balance Sheet Information
(in thousands)
(Unaudited)

	January 31,	
	2006	2005
Cash and Short & Long term investments	\$ 26,700	\$ 23,133
Accounts Receivable:		
Billed	7,315	5,498
Unbilled	1,317	696
Total Accounts Receivable, net	8,632	6,194
Prepays & Other Current Assets	2,701	1,717
PP&E, net	460	325
Capitalized Software, net	6,449	6,409
Deferred Income Taxes	1,806	-
Non-current Assets	7,829	8,932
Total Assets	\$ 54,577	\$ 46,710
Accounts Payable	\$ 255	\$ 525
Other Current Liabilities	8,013	6,545
Deferred Revenues	10,012	8,418
Deferred Income Taxes - Long Term - Due to ASI	4,228	-
Shareholders' Equity	32,069	31,222
Total Liabilities & Shareholders' Equity	\$ 54,577	\$ 46,710