

Logility Third Quarter of Fiscal Year 2009 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,		
	2009	2008	Pct Chg.	2009	2008	Pct Chg.
Revenues:						
License	\$ 3,671	\$ 2,333	57%	\$ 8,952	\$ 10,409	(14%)
Services & other	1,271	1,933	(34%)	4,227	5,985	(29%)
Maintenance	5,701	5,665	1%	17,335	16,636	4%
Total Revenues	10,643	9,931	7%	30,514	33,030	(8%)
Cost of Revenues:						
License	994	1,364	(27%)	3,732	4,518	(17%)
Services & other	750	853	(12%)	2,442	2,898	(16%)
Maintenance	1,211	1,261	(4%)	3,666	3,609	2%
Write-down of capitalized software development costs	-	1,196	nm	-	1,196	nm
Total Cost of Revenues	2,955	4,674	(37%)	9,840	12,221	(19%)
Gross Margin	7,688	5,257	46%	20,674	20,809	(1%)
Operating expenses:						
Research and development	1,725	1,719	0%	5,298	5,544	(4%)
Less: capitalized development	(482)	(480)	0%	(1,503)	(1,635)	(8%)
Sales and marketing	2,437	2,402	1%	7,160	7,279	(2%)
General and administrative	1,134	854	33%	3,492	3,485	0%
Acquisition related amortization of intangibles	87	87	0%	262	262	0%
Total Operating Expenses	4,901	4,582	7%	14,709	14,935	(2%)
Operating Earnings	2,787	675	313%	5,965	5,874	2%
Interest Income (expense) & Other, Net	(44)	538	na	141	1,451	(90%)
Earnings Before Income Taxes	2,743	1,213	126%	6,106	7,325	(17%)
Income Tax Expense	987	378	161%	2,104	2,971	(29%)
Net Earnings	\$ 1,756	\$ 835	110%	\$ 4,002	\$ 4,354	(8%)
Earnings per common share:						
Basic	\$ 0.14	\$ 0.06	133%	\$ 0.31	\$ 0.34	(9%)
Diluted	\$ 0.14	\$ 0.06	133%	\$ 0.31	\$ 0.33	(6%)
Weighted Average Number of Common Shares:						
Basic	12,860	12,964		12,864	12,950	
Diluted	12,970	13,336		13,042	13,372	
Reconciliation of Adjusted Net Earnings:						
Net Earnings	\$ 1,756	\$ 835		\$ 4,002	\$ 4,354	
Acquisition related amortization of intangibles(1)	55	60		172	156	
Stock-based compensation (1)	69	69		219	165	
Write-down of capitalized software development costs (1)	-	823		-	710	
Tax valuation adjustment (non-cash)	-	-		-	283	
Adjusted net earnings	\$ 1,880	\$ 1,787	5%	\$ 4,393	\$ 5,668	(22%)
Adjusted Net Earnings per Share - Diluted	\$ 0.14	\$ 0.13	8%	\$ 0.34	\$ 0.42	(19%)

(1) - Tax affected using the effective tax rate for the three and nine month period ended January 31, 2009

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

	<u>January 31, 2009</u>	<u>April 30, 2008</u>
Cash and Short-term investments	\$ 35,378	\$ 42,732
Accounts Receivable:		
Billed	6,218	6,897
Unbilled	427	1,424
Total Accounts Receivable, net	<u>6,645</u>	<u>8,321</u>
Deferred Tax Assets	74	74
Prepays & Other Current Assets	<u>2,450</u>	<u>2,256</u>
Current Assets	44,547	53,383
Investments - Long term	11,931	-
PP&E, net	298	401
Capitalized Software, net	4,399	4,560
Goodwill	5,809	5,809
Other Intangibles, net	590	871
Other non-current Assets	41	48
Total Assets	<u>\$ 67,615</u>	<u>\$ 65,072</u>
Accounts Payable	\$ 371	\$ 543
Accrued Compensation and Related costs	1,286	1,282
Accrued Reseller Commissions	858	1,013
Other Current Liabilities	729	965
Due to American Software Inc.	650	638
Deferred Revenues	<u>11,581</u>	<u>12,622</u>
Current Liabilities	15,475	17,063
Deferred Tax Liability	1,577	1,620
Shareholders' Equity	50,563	46,389
Total Liabilities & Shareholders' Equity	<u>\$ 67,615</u>	<u>\$ 65,072</u>