

MANUGISTICS GROUP INC  
Form 8-K  
June 30, 2005

# 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), **June 30, 2005**

## MANUGISTICS GROUP, INC.

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation)

**0-22154**  
(Commission File Number No.)

**52-1469385**  
(IRS Employer Identification No.)

**9715 Key West Avenue**  
**Rockville, Maryland 20850**

(Address of principal executive offices)

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Registrant's telephone number, including area code:

**(301) 255-5000**

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:

- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  
  - o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  
  - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  
  - o 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 Operations and Financial Condition.**

On June 30, 2005, the Company announced via press release the Company's results for its first quarter ended May 31, 2005. A copy of the Company's press release is attached hereto as Exhibit 99.1. The information contained in Item 2.02 of this Form 8-K and the attached exhibit are furnished to, but not filed with, the Securities and Exchange Commission. The information contained in this Item 2.02 and in the accompanying exhibit shall not be incorporated by reference to any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference to such filing.

**SIGNATURES**

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.

**MANUGISTICS GROUP, INC.**

(Registrant)

Dated: June 30, 2005

By

/s/ Raghavan Rajaji  
Raghavan Rajaji  
Executive Vice President and  
Chief Financial Officer

**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
99.1	Press release dated June 30, 2005

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## MANUGISTICS GROUP, INC AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - GAAP (1)

(in thousands, except per share data)

	Three Months Ended May 31, (Unaudited)	
	2005	2004
<b>REVENUE:</b>		
Software	\$ 8,391	\$ 10,368
Support	21,815	21,421
Services	14,681	17,558
Reimbursed expenses	1,770	2,236
Total revenue	46,657	51,583
<b>OPERATING EXPENSES:</b>		
<b>Cost of Revenue:</b>		
Cost of software	4,468	3,914
Amortization of acquired technology	1,991	3,546
Cost of services and support	15,388	18,190
Cost of reimbursed expenses	1,770	2,236
Sales and marketing	11,208	15,240
Product development	7,498	8,328
General and administrative	5,268	6,014
Amortization of intangibles	1,663	1,662
Exit and disposal activities	427	(2,517)
Non-cash stock option compensation charge		120
Total operating expenses	49,681	56,733
OPERATING LOSS	(3,024)	(5,150)
OTHER EXPENSE, NET	(1,496)	(2,262)
LOSS BEFORE INCOME TAXES	(4,520)	(7,412)
PROVISION FOR INCOME TAXES	396	321
NET LOSS	\$ (4,916)	\$ (7,733)
BASIC AND DILUTED LOSS PER SHARE	\$ (0.06)	\$ (0.09)
SHARES USED IN BASIC AND DILUTED LOSS PER SHARE CALCULATION	82,109	81,819

(1) GAAP = Generally Accepted Accounting Principles

## MANUGISTICS GROUP, INC AND SUBSIDIARIES

## ADJUSTED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - NON - GAAP (1)

(in thousands, except per share data)

	Three Months Ended May 31, (Unaudited)	
	2005	2004
<b>REVENUE:</b>		
Software	\$ 8,391	\$ 10,368
Support	21,815	21,421
Services	14,681	17,558
Reimbursed expenses	1,770	2,236
Total revenue	46,657	51,583
<b>OPERATING EXPENSES:</b>		
<b>Cost of Revenue:</b>		
Cost of software	4,468	3,914
Cost of services and support	15,388	18,190
Cost of reimbursed expenses	1,770	2,236
Sales and marketing	11,208	15,240
Product development	7,498	8,328
General and administrative	5,268	6,014
Total operating expenses	45,600	53,922
ADJUSTED OPERATING INCOME (LOSS)	1,057	(2,339)
OTHER EXPENSE, NET	(1,496)	(2,262)
ADJUSTED LOSS BEFORE INCOME TAXES	(439)	(4,601)
PROVISION FOR INCOME TAXES	396	321
ADJUSTED NET LOSS	\$ (835)	\$ (4,922)
BASIC AND DILUTED ADJUSTED LOSS PER SHARE	\$ (0.01)	\$ (0.06)
SHARES USED IN BASIC AND DILUTED ADJUSTED LOSS PER SHARE CALCULATION	82,109	81,819

(1) The adjusted condensed consolidated statements of operations is a non-GAAP presentation of the Company's financial performance that is intended to enhance the understanding of the results of operations. Please see the reconciliation to GAAP results that also accompanies this press release.

**MANUGISTICS GROUP, INC AND SUBSIDIARIES**

**RECONCILIATION OF GAAP TO ADJUSTED CONDENSED CONSOLIDATED**

**STATEMENTS OF OPERATIONS**

**THREE MONTHS ENDED MAY 31, 2005**

(in thousands, except per share data)

(Unaudited)

	<b>GAAP</b>	<b>Adjustments</b>	<b>Adjusted (1)</b>
<b>REVENUE:</b>			