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• **JDA Software Group, Inc.**
• **NEWS RELEASE**
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JDA Announces First Quarter 2006 Results

Scottsdale, Ariz. – April 24, 2006 – JDA® Software Group, Inc. today announced financial results for the first quarter ended March 31, 2006. JDA reported total revenues of \$47.9 million and software revenues of \$7.1 million for first quarter 2006, compared to total revenues of \$50.3 million and software revenues of \$10.2 million for first quarter 2005.

JDA reported GAAP net income for first quarter 2006 of \$0.02 per share, as compared to a GAAP net income of \$0.02 per share in first quarter 2005. The Company reported adjusted non-GAAP earnings for first quarter 2006 of \$0.06 per share, which excludes amortization of acquired software technology and intangibles and a discrete tax item benefit resulting from a change in estimate, as compared to adjusted non-GAAP earnings per share of \$0.08 for first quarter 2005, which excluded amortization of acquired software technology and intangibles, a restructuring charge and adjustments to acquisition-related reserves, and discrete tax item benefits.

“The first quarter was a disappointing start to 2006 with a significant number of deals failing to close in our projected timeframe,” commented **Hamish Brewer, JDA Chief Executive Officer**. “During the first quarter we closed some deals that slipped out of the fourth quarter 2005. However, most of those fourth quarter deals remain open in second quarter and we have added some new deals that slipped during first quarter to our list. We are retaining our annual guidance for software, total revenue and earnings growth in 2006 based on this continued pipeline of deals.”

FIRST QUARTER 2006 HIGHLIGHTS

- **Licensing of Next Generation Products:** JDA signed two new agreements with existing customers in first quarter for its next generation applications on the Portfolio *Enabled*® framework. South African retailer **Mr. Price Group Limited** signed for Portfolio Replenishment Optimization by E3® and Enterprise Planning by Arthur®. US-based specialty retailer **Hot Topic, Inc.** licensed Enterprise Planning by Arthur.
- **Regional Sales Activity:** The Americas closed \$5.3 million in software license deals in first quarter 2006, compared to \$10.2 million in fourth quarter 2005 and \$6.5 million in first quarter 2005. Europe, Middle East and Africa closed \$1.7 million in software license deals in first quarter 2006, compared to \$2.8 million in fourth quarter 2005 and \$3.0 million in first quarter 2005. Asia Pacific closed \$131,000 in software license deals in first quarter 2006, compared to \$2.5 million in fourth quarter 2005 and \$782,000 in first quarter 2005.

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- **Kohl's and Grupo Elektra among Closed Deals:** JDA signed 59 new software deals during the first quarter, including five deals for two or more JDA Portfolio software applications and one deal greater than \$1 million. Current customers that signed licenses in first quarter 2006 include: **Grupo Elektra, S.A. de C.V., Kohl's Department Stores, Inc., Charlotte Russe Holding, Inc.** and **VIP Discount Auto Center.**
- **Strong Cash Generation:** JDA ended first quarter 2006 with \$118.0 million in cash and marketable securities as compared to \$111.5 million at December 31, 2005. JDA generated \$5.1 million in cash flow from operations during first quarter 2006 as compared to \$5.8 million in first quarter 2005. DSOs were 81 days at the end of first quarter 2006, compared to 69 days at the end of fourth quarter 2005.

Conference Call and Webcast Information for Today's Announcements

JDA will host a conference call and web cast at 4:45 pm Eastern today to discuss the pending acquisition of Manugistics Group, Inc. and its first quarter 2006 earnings results. To participate in the call, dial 1-800-921-9431 (United States) or 1-973-935-8505 (International) and ask the operator for the "JDA Software Group First Quarter 2006 Earnings Release Conference Call." A replay of the conference call will begin Monday, April 24, 2006 at 6:45 pm (Eastern) and will end on May 24, 2006 at 12:00 pm (Eastern). You can hear the replay by dialing 1-877-519-4471 (United States) or 1-973-341-3080 (International) using pin number 7194044.

To participate in the live Web cast of the call, which will include a presentation, visit the following web page at the time of the conference call: <http://viaid.net/dce.aspx?sid=00002F09>. A replay of the Web cast will be available approximately 10 minutes after the conclusion of the event.

ABOUT JDA SOFTWARE

JDA® Software Group, Inc. (Nasdaq:JDAS) is the global leader in helping more than 4,900 retail, manufacturing and wholesale customers in 60 countries realize real demand chain results. By capitalizing on its market position and financial strength, JDA commits significant resources to advancing the JDA Portfolio® suite of demand chain solutions. JDA Portfolio software enables high performance planning, promoting, flowing, pricing, managing and selling of finished goods from the supplier warehouse to the consumer. With offices in major cities around the world, JDA employs the industry's most experienced demand chain experts to develop, deliver and support its solutions. For more information, visit jda.com, email info@jda.com or call 1-800-479-7382.

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particularly in volatile markets and industries such as our own, as well as the risk of increased competition and other risks detailed from time to time in the "Risk Factors" section of our filings with the Securities and Exchange Commission. As a result of these and other risks, actual results may differ materially from those predicted. We undertake no obligation to update information in this release.

"JDA" and "JDA Portfolio" are trademarks or registered trademarks of JDA Software Group. Any trade, product or service name referenced in this document using the name "JDA" is a trademark and/or property of JDA Software Group. All other trade, product, or service names referenced in this release may be trademarks or registered trademarks of their respective holders'.

JDA SOFTWARE GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)

	March 31, 2006	December 31, 2005
ASSETS	(Unaudited)	
Current Assets:		
Cash and cash equivalents	\$ 71,002	\$ 71,035
Marketable securities	47,024	40,472
Total cash, cash equivalents and marketable securities	118,026	111,507
Accounts receivable, net	43,067	42,415
Deferred tax asset	4,165	4,361
Prepaid expenses and other current assets	9,366	8,142
Promissory note receivable	—	1,213
Total current assets	174,624	167,638
Property and Equipment, net	42,027	42,825
Goodwill	60,531	60,531
Other Intangibles, net:		
Customer lists	23,882	24,775
Acquired software technology	14,486	15,739
Trademarks	2,391	2,391
	40,759	42,905
Deferred Tax Asset	16,690	16,673
Total assets	<u>\$ 334,631</u>	<u>\$ 330,572</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 1,819	\$ 1,768
Accrued expenses and other liabilities	16,221	18,677
Income tax payable	746	1,386
Deferred revenue	32,117	26,775
Total current liabilities	50,903	48,606
Stockholders' Equity:		
Preferred stock, \$.01 par value; authorized 2,000,000 shares; none issued or outstanding	—	—
Common stock, \$.01 par value; authorized, 50,000,000 shares; issued 30,334,092 and 30,222,983 shares, respectively	303	302
Additional paid-in capital	258,986	257,816
Deferred compensation	(720)	(725)
Retained earnings	39,459	38,972
Accumulated other comprehensive loss	(1,042)	(1,188)
	296,986	295,177
Less treasury stock, at costs, 1,165,547 and 1,162,202 shares, respectively	(13,258)	(13,211)
Total stockholders' equity	283,728	281,966
Total liabilities and stockholders' equity	<u>\$ 334,631</u>	<u>\$ 330,572</u>

JDA SOFTWARE GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except earnings per share data, unaudited)

	Three Months Ended March 31,	
	2006	2005
REVENUES:		
Software licenses.....	\$ 7,143	\$ 10,217
Maintenance services.....	<u>21,653</u>	<u>21,706</u>
Product revenues.....	28,796	31,923
Consulting services.....	17,408	16,914
Reimbursed expenses.....	<u>1,649</u>	<u>1,414</u>
Service revenues.....	19,057	18,328
Total revenues.....	<u>47,853</u>	<u>50,251</u>
COST OF REVENUES:		
Cost of software licenses.....	392	225
Amortization of acquired software technology.....	1,253	1,299
Cost of maintenance services.....	<u>5,963</u>	<u>5,613</u>
Cost of product revenues.....	7,608	7,137
Cost of consulting services.....	12,054	12,951
Reimbursed expenses.....	<u>1,649</u>	<u>1,414</u>
Cost of service revenues.....	13,703	14,365
Total cost of revenues.....	<u>21,311</u>	<u>21,502</u>
GROSS PROFIT	26,542	28,749
OPERATING EXPENSES:		
Product development.....	10,758	11,676
Sales and marketing.....	8,216	9,402
General and administrative.....	6,965	5,529
Amortization of intangibles.....	893	849
Restructuring charge and adjustments to acquisition-related reserves.....	<u>—</u>	<u>1,559</u>
Total operating expenses.....	<u>26,832</u>	<u>29,015</u>
OPERATING LOSS	(290)	(266)
Other income, net.....	<u>930</u>	<u>516</u>
INCOME BEFORE INCOME TAX PROVISION (BENEFIT)	640	250
Income tax provision (benefit).....	<u>153</u>	<u>(453)</u>
NET INCOME	<u>\$ 487</u>	<u>\$ 703</u>
BASIC EARNINGS PER SHARE	<u>\$.02</u>	<u>\$.02</u>
DILUTED EARNINGS PER SHARE	<u>\$.02</u>	<u>\$.02</u>
SHARES USED TO COMPUTE:		
Basic earnings per share.....	<u>29,105</u>	<u>29,152</u>
Diluted earnings per share.....	<u>29,674</u>	<u>29,526</u>

JDA SOFTWARE GROUP, INC.
NON-GAAP MEASURES OF PERFORMANCE
(in thousands, except share data, unaudited)

	Three Months Ended March 31,	
	2006	2005
<u>NON-GAAP OPERATING INCOME</u>		
Operating loss (GAAP BASIS)	\$ (290)	\$ (266)
Adjustments for non-GAAP measures of performance:		
Amortization of acquired software technology	1,253	1,299
Amortization of intangibles	893	849
Restructuring charge and adjustments to acquisition-related reserves	—	1,559
Adjusted non-GAAP operating income	\$ 1,856	\$ 3,441
<u>NON-GAAP OPERATING INCOME, as a percentage of revenue</u>		
Operating loss (GAAP BASIS)	(1%)	(1%)
Adjustments for non-GAAP measures of performance:		
Amortization of acquired software technology	3%	3%
Amortization of intangibles	2%	2%
Restructuring charge and adjustments to acquisition-related reserves	—%	3%
Adjusted non-GAAP operating income	4%	7%
<u>NON-GAAP EARNINGS (LOSS) PER SHARE</u>		
Diluted earnings per share (GAAP BASIS)	\$.02	\$.02
Adjustments for non-GAAP measures of performance, net of tax:		
Amortization of acquired software technology	.03	.03
Amortization of intangibles	.02	.02
Restructuring charge and adjustments to acquisition-related reserves	—	.03
Discrete tax item benefits	(.01)	(.02)
Adjusted non-GAAP diluted earnings per share	\$.06	\$.08
Shares used to compute diluted earnings per share amounts (GAAP BASIS)	29,674	29,526
Shares used to compute adjusted non-GAAP diluted earnings per share amounts	29,674	29,526
<u>CASH FLOW INFORMATION</u>		
Net cash provided by operating activities	\$ 5,067	\$ 5,841
Net cash used in investing activities:		
Net purchase of marketable securities	\$ (6,526)	\$ (427)
Purchase of other property and equipment	(742)	(1,579)
Payments received on promissory note receivable	1,213	1,052
Other, net	(106)	(104)
	\$ (6,161)	\$ (1,058)
Net cash (used in) provided by financing activities:		
Issuance of common stock – equity plans	\$ 894	\$ 649
Purchase of treasury stock	(47)	(2,151)
Other, net	6	(11)
	\$ 853	\$ (1,513)