



ciber

First Quarter
Financial Report

March 31, 2004



COMPANY OVERVIEW

CIBER, Inc. and its subsidiaries provide information technology (IT) system integration consulting and other services and to a lesser extent, resell certain hardware and software products. Our clients consist primarily of Fortune 500 and middle market companies across most major industries and governmental agencies. We operate from 70 offices across the United States, Canada and Europe. As of March 31, 2004, we had approximately 7,200 employees.

We began operations in 1974 to assist companies in need of computer programming support. In the mid-1980s, we initiated a growth strategy that included expanding our range of computer-related services, developing a professional sales force and selectively acquiring established complementary companies. We continue to expand and modify our service offerings to address changes in customer demands and rapidly changing technology. In addition, we look to form strategic alliances with select package software and hardware vendors to stay at the leading edge of technology advances, to develop new business and to generate additional revenue.

Our principal executive offices are located at 5251 DTC Parkway, Suite 1400, Greenwood Village, CO, 80111. Our Internet address is www.ciber.com. CIBER is traded on the New York Stock Exchange with the market symbol: CBR.

CIBER currently has three reportable segments, Custom Solutions, Package Solutions and CIBER Europe. The Custom Solutions segment primarily includes our CIBER custom branch offices. Our Package Solutions segment is comprised of our CIBER Enterprise Solutions Division. CIBER Europe is made up of our ECSoft acquisition and CIBER Solution Partners.

CIBER Custom Solutions

Our CIBER custom branch operations provide IT project solutions and IT staffing in custom developed software environments. Each branch office has local leadership, sales, recruiting and delivery capabilities. Our branch office network is integral to our business strategy. Through the branch office network, we can (1) offer a broad range of consulting services on a local basis, (2) respond to changing market demands for IT services through a variety of contacts in many industries and geographic areas and (3) maintain a quality professional staff because of our nationwide reputation and our training programs. Our strategy is to leverage our long-standing staffing relationships to win strategic consulting and/or project solutions and systems integration business.

The migration toward a more solutions-based business model has resulted from our efforts to (1) create significant thought leadership in leading technologies through our National Practices, (2) establish a consultative sales methodology that enhances our ability to identify, pursue and close solutions-based business, and (3) improve our solutions delivery capability by continuing to refine our project management and delivery methodology. Our National Practices, which support the local sales and delivery functions, include: Enterprise Application Integration, Business Intelligence, Internet Solutions, Infrastructure and Security, Wireless Integration, Outsourcing, and Managed Services.



While ~65% of our operations are directed at commercial clientele, ~35% of our operations have a focus on state and federal government organizations. Our State Government Practice has a number of specialty focus areas, including: health and human services; public health; law and justice, and motor vehicles, among others. Our Federal Government Practice initiatives include: defense/aerospace; outsourcing; human resource and financial management systems; and strategy and enterprise services.

CIBER Package Solutions

Our CIBER Enterprise Solutions Division (CES) provides consulting services to support software from enterprise solutions vendors including Oracle, PeopleSoft, SAP, Lawson, as well as several Supply Chain Management (SCM) products. CES's Technology Solutions Practice helps clients select, configure and design IT platform-related solutions and is an authorized reseller of selected hardware and software products from IBM, Hewlett-Packard, Sun Microsystems and Intermecc.

CES is an Oracle Certified Advantage Partner, a PeopleSoft Certified Consulting Partner as well as an SAP Services Partner. CES has vertical expertise in healthcare, higher education, public sector, telecommunications and manufacturing, among others.

CIBER Europe

CIBER Europe, a combination of ECsoft and CIBER Solution Partners provides a broad range of business and technical consulting services to include, application development, package implementation, systems integration, and support services. CIBER Europe has operations in the United Kingdom, Scandinavia and the Netherlands. CIBER Europe strives to help their customers exploit advances in information technology so that they can gain increased competitive advantage and create new business opportunities.

IBER, Inc.
 Operating Results Analysis
 Quarter Ended March 31, 2004

Dollars in thousands, except for Billing Rate & Employees

	Sequential Quarters				Quarter over Quarter			
	Q4 '03		Q1 '04		Q1 '03		Q1 '04	
	Amount	%	Amount	%	Amount	%	Amount	%
Company Total								
Consulting Services	\$ 161,664	96.57	\$ 173,289	96.24	\$ 164,864	97.23	\$ 173,289	96.24
Other Revenue	5,734	3.43	6,766	3.76	4,691	2.77	6,766	3.76
Total Revenue	167,398	100.00	180,055	100.00	169,555	100.00	180,055	100.00
Gross Profit-Services	42,304	26.17	47,674	27.51	46,532	28.22	47,674	27.51
Gross Profit-Other	1,575	27.46	1,749	25.85	1,058	22.55	1,749	25.85
Total Gross Profit	43,879	26.21	49,423	27.45	47,590	28.07	49,423	27.45
Selling, General & Administrative Expenses:	37,550	22.43	39,099	21.71	39,222	23.13	39,099	21.71
Other Charges	-	0.00	-	0.00	-	0.00	-	0.00
Operating Income before amortization expense	6,329	3.78	10,324	5.73	8,367	4.93	10,324	5.73
Amortization Expense	641	0.38	609	0.34	529	0.31	609	0.34
Other Income (Expense)	(162)	(0.10)	64	0.04	(393)	(0.23)	64	0.04
Income Before Taxes	5,526	3.30	9,779	5.43	7,446	4.39	9,779	5.43
Provision for Income Taxes	1,348	0.80	3,814	2.12	2,878	1.70	3,814	2.12
Net Income	4,178	2.50	5,965	3.31	4,568	2.69	5,965	3.31
Performance Metrics								
Ending Billable Headcount	4,980		6,400		5,100		6,400	
Overhead Employees	705		800		765		800	
Average Billing Rate	\$71.55		\$72.34		\$73.45		\$72.34	
Utilization	85.8%		90.6%		91.1%		90.6%	

	Amount	%	Amount	%	Amount	%	Amount	%
Corporate/Intersegment Eliminations:								
Total Revenue	\$ (678)	(0.40)	\$ (934)	(0.52)	\$ (612)	(0.36)	\$ (934)	(0.52)
Total Gross Profit	(640)	(0.38)	493	0.27	(5)	(0.00)	493	0.27
Selling, General & Administrative Expenses:	4,775	2.85	4,669	2.59	5,115	3.02	4,669	2.59
Other Charges	-	0.00	-	0.00	-	0.00	-	0.00
Operating Income before amortization expense	(5,415)	(3.23)	(4,176)	(2.32)	(5,119)	(3.02)	(4,176)	(2.32)

	Amount	%	Amount	%	Amount	%	Amount	%
Custom Solutions Segment								
Consulting Services	\$ 120,760	97.08	\$ 131,788	97.07	\$ 128,691	97.52	\$ 131,788	97.07
Other Revenue	3,638	2.92	3,983	2.93	3,270	2.48	3,983	2.93
Total Revenue	124,398	100.00	135,771	100.00	131,961	100.00	135,771	100.00
Gross Profit-Services	30,038	24.87	34,821	26.42	34,378	26.71	34,821	26.42
Gross Profit-Other	489	13.44	499	12.52	349	10.67	499	12.52
Total Gross Profit	30,527	24.54	35,320	26.01	34,728	26.32	35,320	26.01
Selling, General & Administrative Expenses:	21,294	17.12	23,343	17.19	22,510	17.06	23,343	17.19
Operating Income	9,233	7.42	11,977	8.82	12,218	9.26	11,977	8.82
Performance Metrics								
Ending Billable Headcount	4,100		5,500		4,120		5,500	
Overhead Employees	550		655		575		655	
Average Billing Rate	\$63.75		\$61.66		\$66.06		\$61.66	
Utilization	89.4%		94.4%		94.5%		94.4%	

	Amount	%	Amount	%	Amount	%	Amount	%
Package Solutions Segment								
Consulting Services	\$ 19,049	90.42	\$ 19,398	91.10	\$ 21,531	94.60	\$ 19,398	91.10
Other Revenue	2,018	9.58	1,895	8.90	1,228	5.40	1,895	8.90
Total Revenue	21,067	100.00	21,293	100.00	22,758	100.00	21,293	100.00
Gross Profit-Services	5,548	29.13	5,338	27.52	7,850	36.46	5,338	27.52
Gross Profit-Other	989	49.03	1,060	55.96	565	46.02	1,060	55.96
Total Gross Profit	6,538	31.03	6,398	30.05	8,415	36.98	6,398	30.05
Selling, General & Administrative Expenses:	5,534	26.27	5,388	25.31	6,604	29.02	5,388	25.31
Operating Income	1,004	4.77	1,010	4.74	1,811	7.96	1,010	4.74
Performance Metrics								
Ending Headcount	390		375		430		375	
Overhead Employees	75		65		85		65	
Average Billing Rate	\$144.54		\$145.25		\$148.24		\$145.25	
Utilization	70.5%		69.3%		75.3%		69.3%	

	Amount	%	Amount	%	Amount	%	Amount	%
Europe Segment								
Consulting Services	\$ 22,533	99.65	\$ 23,037	96.29	\$ 15,254	98.75	\$ 23,037	96.29
Other Revenue	78	0.35	888	3.71	193	1.25	888	3.71
Total Revenue	22,611	100.00	23,925	100.00	15,446	100.00	23,925	100.00
Gross Profit-Services	7,355	32.64	7,022	30.48	4,307	28.23	7,022	30.48
Gross Profit-Other	99	125.64	190	21.38	144	74.66	190	21.38
Total Gross Profit	7,454	32.97	7,212	30.15	4,450	28.81	7,212	30.15
Selling, General & Administrative Expenses:	5,947	26.30	5,699	23.82	4,995	32.34	5,699	23.82
Operating Income	1,507	6.67	1,513	6.33	(545)	(3.53)	1,513	6.33
Performance Metrics								
Ending Headcount	490		525		550		525	
Overhead Employees	80		80		105		80	
Average Billing Rate	\$105.74		\$117.50		\$101.82		\$117.50	
Utilization	67.2%		71.9%		72.1%		71.9%	



FORWARD LOOKING STATEMENT

Except for the historical information and discussions contained herein, statements contained in this report may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially, as discussed in the company's filings with the Securities and Exchange Commission. CIBER and the CIBER logo are trademarks or registered trademarks of CIBER, Inc.