



Third Quarter
Financial Report

September 30, 2003



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 September 30, 2003, we had approximately 6,000 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 and our subsidiary DigiTerra, Inc. 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 70% of our operations are directed at commercial clientele, 30% 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 and SAP. CES supports the Customer Relationship Management (CRM) offerings of these enterprise partners, and in addition, provides services for users of independent CRM software, such as Siebel and Onyx. CES is an Oracle Certified Solutions 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.

DigiTerra, Inc. primarily provides middle-market companies with packaged software assessment, planning and implementation services, with an emphasis on software from J. D. Edwards and Lawson, as well as several Supply Chain Management (SCM) products. DigiTerra'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 Intermec.

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.

	Sequential Quarters				Quarter over Quarter				Year over Year			
	Q2 '03		Q3 '03		Q3 '02		Q3 '03		9 Mos. 9/30/02		9 Mos. 9/30/03	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Company Total												
Consulting Services	\$ 168,950	95.37	\$ 168,495	94.72	\$ 152,839	95.93	\$ 168,495	94.72	\$ 429,244	95.62	\$ 502,309	95.75
Other Revenue	8,193	4.63	9,396	5.28	6,486	4.07	9,396	5.28	19,671	4.38	22,280	4.25
Total Revenue	177,143	100.00	177,891	100.00	159,325	100.00	177,891	100.00	448,915	100.00	524,589	100.00
Gross Profit-Services	49,478	29.29	47,330	28.09	43,867	28.70	47,330	28.09	122,991	28.65	143,341	28.54
Gross Profit-Other	2,635	32.16	2,377	25.30	2,049	31.60	2,377	25.30	6,521	33.15	6,070	27.24
Total Gross Profit	52,113	29.42	49,707	27.94	45,916	28.82	49,707	27.94	129,512	28.85	149,411	28.48
Selling, General & Administrative Expenses	39,938	22.55	41,452	23.30	37,414	23.48	41,452	23.30	112,284	25.01	120,613	22.99
Other Charges	-	0.00	-	0.00	-	0.00	-	0.00	-	0.00	-	0.00
Operating Income before amortization expense	12,175	6.87	8,255	4.64	8,502	5.34	8,255	4.64	17,228	3.84	28,797	5.49
Amortization Expense	784	0.44	710	0.40	319	0.20	710	0.40	519	0.12	2,023	0.39
Other Income (Expense)	(126)	(0.07)	(347)	(0.20)	(677)	(0.42)	(347)	(0.20)	(1,165)	(0.26)	(866)	(0.17)
Income Before Taxes	11,265	6.36	7,198	4.05	7,506	4.71	7,198	4.05	15,544	3.46	25,909	4.94
Provision for Income Taxes	4,419	2.49	2,806	1.58	3,102	1.95	2,806	1.58	6,317	1.41	10,103	1.93
Net Income	6,846	3.86	4,392	2.47	4,404	2.76	4,392	2.47	9,227	2.06	15,806	3.01
Performance Metrics												
Ending Billable Headcount	5,090		5,170		4,780		5,170		4,780		5,170	
Overhead Employees	720		750		680		750		680		750	
Average Billing Rate	\$73.02		\$71.38		\$71.40		\$71.38		\$72.60		\$72.59	
Utilization	90.5%		88.0%		89.2%		88.0%		88.4%		89.9%	

Corporate/Intersegment Eliminations	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Total Revenue	\$ (438)	(0.25)	\$ (569)	(0.32)	\$ (1,064)	(0.67)	\$ (569)	(0.32)	\$ (2,510)	(0.56)	\$ (1,618)	(0.31)
Total Gross Profit	(33)	(0.02)	(66)	(0.04)	(107)	(0.07)	(66)	(0.04)	(407)	(0.09)	(104)	(0.02)
Selling, General & Administrative Expenses	5,163	2.91	7,091	3.99	6,792	4.26	7,091	3.99	18,556	4.13	17,369	3.31
Other Charges	-	0.00	-	0.00	-	0.00	-	0.00	-	0.00	-	0.00
Operating Income before amortization expense	(5,196)	(2.93)	(7,157)	(4.02)	(6,899)	(4.33)	(7,157)	(4.02)	(18,963)	(4.22)	(17,474)	(3.33)

Custom Solutions Segment	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Consulting Services	\$ 127,669	96.63	\$ 128,990	95.20	\$ 129,731	97.15	\$ 128,990	95.20	\$ 357,511	96.95	\$ 385,351	96.44
Other Revenue	4,452	3.37	6,503	4.80	3,800	2.85	6,503	4.80	11,254	3.05	14,223	3.56
Total Revenue	132,121	100.00	135,493	100.00	133,530	100.00	135,493	100.00	368,765	100.00	399,574	100.00
Gross Profit-Services	35,098	27.49	34,234	26.54	35,985	27.74	34,234	26.54	99,551	27.85	103,713	26.91
Gross Profit-Other	433	9.71	733	11.28	446	11.74	733	11.28	1,359	12.08	1,514	10.64
Total Gross Profit	35,531	26.89	34,968	25.81	36,431	27.28	34,968	25.81	100,910	27.36	105,227	26.33
Selling, General & Administrative Expenses	22,193	16.80	22,984	16.96	22,778	17.06	22,984	16.96	67,764	18.38	67,686	16.94
Operating Income	13,338	10.10	11,984	8.84	13,653	10.22	11,984	8.84	33,146	8.99	37,541	9.40
Performance Metrics												
Ending Billable Headcount	4,120		4,200		4,260		4,200		4,260		4,200	
Overhead Employees	550		580		590		580		590		580	
Average Billing Rate	\$64.83		\$63.53		\$65.92		\$63.53		\$66.39		\$64.80	
Utilization	93.9%		92.3%		91.8%		92.3%		91.8%		93.6%	

Package Solutions Segment	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Consulting Services	\$ 21,768	86.37	\$ 22,034	88.95	\$ 19,712	88.00	\$ 22,034	88.95	\$ 60,461	88.47	\$ 65,331	89.82
Other Revenue	3,436	13.64	2,738	11.05	2,686	11.99	2,738	11.05	7,879	11.53	7,404	10.18
Total Revenue	25,203	100.00	24,772	100.00	22,399	100.00	24,772	100.00	68,340	100.00	72,734	100.00
Gross Profit-Services	7,619	35.00	7,690	34.90	6,886	34.93	7,690	34.90	18,891	31.25	23,158	35.45
Gross Profit-Other	2,071	60.26	1,604	58.57	1,603	59.69	1,604	58.57	5,068	64.32	4,242	57.29
Total Gross Profit	9,690	38.45	9,293	37.52	8,489	37.90	9,293	37.52	23,959	35.06	27,400	37.67
Selling, General & Administrative Expenses	6,604	26.20	6,329	25.55	6,471	28.89	6,329	25.55	21,898	32.04	19,537	26.86
Operating Income	3,086	12.24	2,964	11.96	2,018	9.01	2,964	11.96	2,061	3.02	7,863	10.81
Performance Metrics												
Ending Headcount	420		420		420		420		420		420	
Overhead Employees	80		80		80		80		80		80	
Average Billing Rate	\$147.25		\$146.36		\$146.49		\$146.36		\$145.30		\$147.66	
Utilization	78.6%		75.1%		66.8%		75.1%		63.3%		76.5%	

Europe Segment	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Consulting Services	\$ 19,951	98.49	\$ 18,040	99.15	\$ 4,460	100.00	\$ 18,040	99.15	\$ 13,782	96.24	\$ 53,245	98.79
Other Revenue	305	1.51	155	0.85	-	0.00	155	0.85	538	3.76	653	1.21
Total Revenue	20,257	100.00	18,195	100.00	4,460	100.00	18,195	100.00	14,320	100.00	53,899	100.00
Gross Profit-Services	6,794	34.05	5,472	30.33	1,103	24.72	5,472	30.33	4,956	35.96	16,574	31.13
Gross Profit-Other	131	42.82	40	25.56	-	#DIV/0!	40	25.56	94	17.47	314	48.10
Total Gross Profit	6,925	34.19	5,512	30.29	1,103	24.72	5,512	30.29	5,050	35.27	16,888	31.33
Selling, General & Administrative Expenses	5,978	29.51	5,048	27.74	1,373	30.79	5,048	27.74	4,066	28.40	16,021	29.72
Operating Income	947	4.68	464	2.55	(270)	(6.04)	464	2.55	984	6.87	867	1.61
Performance Metrics												
Ending Headcount	550		550		100		550		100		550	
Overhead Employees	90		90		10		90		10		90	
Average Billing Rate	\$101.53		\$104.28		\$92.43		\$104.28		\$98.84		\$102.60	
Utilization	72.4%		62.2%		67.5%		62.2%		73.4%		68.9%	



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.