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For Immediate Release

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## **CIBER REPORTS SECOND QUARTER AND FIRST HALF 2009**

GREENWOOD VILLAGE, Colorado – July 28, 2009 – Today CIBER, Inc. (NYSE: CBR), reported its results for the second quarter and first half of 2009, ended June 30<sup>th</sup>.

### Management Comments:

“Given economic headwinds and broad-based IT project delays, we were pleased to post another profitable, positive cash flow quarter, albeit not as robust as we anticipated ninety days ago,” said Mac Slingerlend, CIBER’s President and Chief Executive Officer. “The second quarter represented very tough year-over-year comparisons, given the very weak U.S. dollar a year ago, the successful completion of a large project in 2008, and the global credit malaise that began last summer. We are encouraged that recent wins and project starts in the third quarter, combined with our vastly improved U.S. SAP Practice performance, will again demonstrate the quality of our employees and real value of our business model.”

### Second Quarter and First Half of 2009

- Revenue of \$260.6 million for 2Q09 compares to \$317.6 million for 2Q08. This 18% decrease was 11% organic and 8% due to a stronger U.S. dollar than the year ago period, offset by 1% acquired growth. First half 2009 revenue of \$519.1 million compares to \$612.0 million for the first half of 2008. Of the 15% half year decrease, 8% was organic, again reflecting global economic conditions and currency values.
- Operating income for 2Q09 of \$7.5 million compares to \$17.4 million in the year earlier quarter. For the first half of 2009, operating income of \$14.5 million compares to \$32.3 million for the like 2008 period.
- Net income of \$4.7 million for 2Q09 compares to \$8.2 million for 2Q08. First half comparisons were \$8.9 million versus \$14.1 million, respectively.

- GAAP EPS of \$0.07 per share for 2Q09 compares to \$0.14 per share a year ago; first half comparisons are \$0.13 per share versus \$0.23 per share a year ago. Both 2009 periods include greater share counts from our 1Q09 offering.
- EBITDA of \$25.5 million for the first half of 2009, compares to \$43.4 million for 2008's first half. Of these, \$13.0 million and \$23.1 million were for the respective second quarters of each year. (See appended table.)

## 2Q09 Operational Highlights

### Custom Solutions & IT Outsourcing Divisions (Including Indian Operations)

These Divisions have held up well in billable headcounts, but a shift in client requests led to assignments with lower bill rates and gross margins. Work on value-added, Practice-led work is proving effective with new business, while staffing work has been greatly curtailed by clients.

- Our ITO Division improved their cost structure in 2Q09, and has two meaningful new wins for the third quarter and a robust pipeline.
- CIBER India is successfully delivering all of their offshore engagements and the Iteamic acquisition has been fully integrated.
- Commercial clients vary from those with stronger balance sheets doing new work to those in industries more severely hit by global economies doing less.
- State & Local clients remain concerned about tax receipts and tend to be holding off on letting material new work.

### U.S. ERP Division

- The greatly improved results for our SAP Practice show up in second quarter Divisional results, and will be more evident year-over-year when the September 2009 quarter is reported.
- Our Oracle Practice continues to maintain headcount and its utilization ratios are very good, with the public sector projects leading the way.
- Our Lawson Practice successfully completed several projects recently, including the statewide New Hampshire rollout, and is developing a good pipeline for future quarters.

### Federal Government Division

- New wins of multiple award ID/IQ contracts bode well for forthcoming quarters, albeit Federal agency takedowns of task orders continued to be slow in 2Q09.
- A win at Ft. Polk, LA started approximately 40 new consultants in June.

### European Division

- A wild card with international operations is always foreign exchange. The U.S. dollar was its comparative weakest in 2Q08, making for tough year-over-year comparisons in 2009. A continuation of recent exchange values would help our second half numbers become more comparable to a year ago, especially the fourth quarter of 2009.

- Revenue of \$85.3 million for the quarter and \$168.6 million for 1H09 compares to \$116.0 million and \$215.7 million for the respective 2008 periods. Approximately 95% of the first half decrease is FX related. (See Organic Revenue Changes Table appended.)
- A new \$15.0 million plus, multi-year win at quarter's end combines our Nordic and ITO operations in Europe and the U.S., highlighting the strength and purpose of our business model.

#### Eastern Asia & Pacific Operations

- Australia and New Zealand operations have improved each month since February, overcoming global financial noises.
- Chinese operations improved greatly in 2Q09 on higher revenue.

#### Balance Sheet Highlights (June 30, 2009)

- Cash was \$34.5 million and long-term debt was \$112.1 million. Debt has been reduced by an impressive \$53.6 million since the end of 2008.
- DSOs for services were 66 days at quarter's end. Noteworthy, over \$4 million was collected from the City of New Orleans for Hurricane Katrina work since the June 30<sup>th</sup> reporting period.
- On the financing front, the Company met the planned tighter covenants in its bank credit facility, but continues to explore more intermediate term solutions.

#### Pipeline and Wins Data

The Company's pipeline (U.S. only) was at \$2.3 billion at June 30, 2009; this is a \$0.4 billion reduction from March and reflects a culling of delayed opportunities. YTD wins (all operations) were \$527.0 million, maintaining a 1:1 book-to-bill ratio.

#### Outlook

While economic conditions remain less predictable than usual, the Company currently believes that revenue for its third quarter will be \$260-265 million and GAAP EPS will be \$0.07-0.09 per share. For the year, the Company is adjusting its revenue expectation for 2009 fiscal revenue to \$1.050-1.075 billion, and that GAAP EPS will be \$0.30-0.33 per share.

#### Conference Call and Webcast

A webcast to discuss the Company's financial results and outlook will be held at 11:00 a.m. ET on Tuesday, July 28, 2009 and may be heard live by visiting the Investor Relations portion of the Company website at [www.ciber.com/cbr/](http://www.ciber.com/cbr/). To participate in the call, dial 877.941.7133 within the United States, and 480.629.9031 internationally, using the conference ID number 4119513. A replay of the conference call will be available for 30 days by dialing 800.406.7325 within the United States, and 303.590.3030 internationally, using the ID number 4119513. The replay will also be available on CIBER's website.

#### **About CIBER, Inc.**

CIBER, Inc. (NYSE: CBR) is a pure-play international system integration consultancy and outsourcing company with superior value-priced services and reliable delivery for both private and government sector

clients. CIBER's services are offered globally on a project- or strategic-staffing basis, in both custom and enterprise resource planning (ERP) package environments, and across all technology platforms, operating systems and infrastructures. Founded in 1974 and headquartered in Greenwood Village, Colo., CIBER now serves client businesses from over 40 U.S. offices, 25 European offices and seven offices in Asia/Pacific. Operating in 18 countries, with more than 8,500 employees and annual revenue over \$1.1 billion, CIBER and its IT specialists continuously build and upgrade clients' systems to "competitive advantage status." CIBER is included in the Russell 2000 Index and the S&P Small Cap 600 Index. CIBER, the Reliable Global IT Services Partner. [www.ciber.com](http://www.ciber.com).

**Forward-Looking and Cautionary Statements**

Statements contained in this release 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 undertakes neither intention nor obligation to publicly update or revise any forward-looking statements. CIBER and the CIBER logo are trademarks or registered trademarks of CIBER, Inc. Copyright© 2009.

**CIBER, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**

| <i>In thousands, except per share data</i>   | Three Months Ended<br>June 30, |                 | Six Months Ended<br>June 30, |                 |
|----------------------------------------------|--------------------------------|-----------------|------------------------------|-----------------|
|                                              | 2008                           | 2009            | 2008                         | 2009            |
| Consulting services                          | \$ 300,317                     | \$ 250,095      | \$ 581,480                   | \$ 498,057      |
| Other revenue                                | 17,262                         | 10,509          | 30,563                       | 21,022          |
| Total revenue                                | <u>317,579</u>                 | <u>260,604</u>  | <u>612,043</u>               | <u>519,079</u>  |
| Cost of consulting services                  | 218,176                        | 187,820         | 423,296                      | 375,093         |
| Cost of other revenue                        | 12,301                         | 6,855           | 20,680                       | 13,175          |
| Selling, general and administrative expenses | 68,045                         | 57,004          | 132,536                      | 113,462         |
| Amortization of intangible assets            | 1,648                          | 1,457           | 3,219                        | 2,865           |
| Operating income                             | <u>17,409</u>                  | <u>7,468</u>    | <u>32,312</u>                | <u>14,484</u>   |
| Other expense, net                           | 3,869                          | 553             | 8,733                        | 856             |
| Income before income taxes                   | <u>13,540</u>                  | <u>6,915</u>    | <u>23,579</u>                | <u>13,628</u>   |
| Income tax expense                           | 5,084                          | 2,206           | 8,840                        | 4,622           |
| Consolidated net income                      | <u>8,456</u>                   | <u>4,709</u>    | <u>14,739</u>                | <u>9,006</u>    |
| Net income noncontrolling interests          | 271                            | 53              | 627                          | 85              |
| Net income attributable to CIBER, Inc.       | <u>\$ 8,185</u>                | <u>\$ 4,656</u> | <u>\$ 14,112</u>             | <u>\$ 8,921</u> |
| <br>                                         |                                |                 |                              |                 |
| Earnings per share – diluted                 | <u>\$0.14</u>                  | <u>\$0.07</u>   | <u>\$0.23</u>                | <u>\$0.13</u>   |
| <br>                                         |                                |                 |                              |                 |
| Weighted average shares – diluted            | <u>60,344</u>                  | <u>69,733</u>   | <u>60,334</u>                | <u>66,456</u>   |

For the three months ended June 30, 2008 and 2009, respectively, earnings per share – basic were \$0.14 and \$0.07 and weighted average shares – basic were 60,000 and 69,638.

For the six months ended June 30, 2008 and 2009, respectively, earnings per share – basic were \$0.23 and \$0.13 and weighted average shares – basic were 60,132 and 66,395.

**CIBER, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets**  
**(Unaudited)**

*In thousands*

|                                                    | <b>December 31,<br/>2008</b>  | <b>June 30,<br/>2009</b>      |
|----------------------------------------------------|-------------------------------|-------------------------------|
|                                                    | <hr/>                         | <hr/>                         |
| <b><u>Assets</u></b>                               |                               |                               |
| Current assets:                                    |                               |                               |
| Cash and cash equivalents                          | \$ 48,849                     | \$ 34,549                     |
| Accounts receivable, net                           | 235,066                       | 226,667                       |
| Prepaid expenses and other current assets          | 20,633                        | 21,181                        |
| Deferred income taxes                              | 4,883                         | 7,384                         |
| Total current assets                               | <hr/> 309,431                 | <hr/> 289,781                 |
| Property and equipment, net                        | 27,372                        | 26,100                        |
| Intangible assets, net                             | 449,813                       | 457,010                       |
| Other assets                                       | 10,904                        | 10,646                        |
| Total assets                                       | <hr/> <b>\$ 797,520</b> <hr/> | <hr/> <b>\$ 783,537</b> <hr/> |
| <b><u>Liabilities and Shareholders' Equity</u></b> |                               |                               |
| Current liabilities:                               |                               |                               |
| Accounts payable                                   | \$ 35,373                     | \$ 29,707                     |
| Accrued compensation and related liabilities       | 62,437                        | 52,648                        |
| Other accrued expenses and liabilities             | 44,514                        | 48,692                        |
| Income taxes payable                               | 1,874                         | 9,865                         |
| Total current liabilities                          | <hr/> 144,198                 | <hr/> 140,912                 |
| Long-term bank debt                                | 165,710                       | 112,093                       |
| Deferred income taxes                              | 34,288                        | 36,019                        |
| Total liabilities                                  | <hr/> 344,196                 | <hr/> 289,024                 |
| Total shareholders' equity                         | <hr/> 453,324                 | <hr/> 494,513                 |
| Total liabilities and shareholders' equity         | <hr/> <b>\$ 797,520</b> <hr/> | <hr/> <b>\$ 783,537</b> <hr/> |

**CIBER, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Cash Flows**  
**(Unaudited)**

| <i>In thousands</i>                                                               | <b>Six Months Ended</b> |                  |
|-----------------------------------------------------------------------------------|-------------------------|------------------|
|                                                                                   | <b>June 30,</b>         |                  |
|                                                                                   | <b>2008</b>             | <b>2009</b>      |
| <b>Operating activities:</b>                                                      |                         |                  |
| Net income                                                                        | \$ 14,739               | \$ 9,006         |
| Adjustments to reconcile net income to net cash provided by operating activities: |                         |                  |
| Depreciation                                                                      | 6,260                   | 6,025            |
| Amortization of intangible assets                                                 | 3,219                   | 2,865            |
| Other, net                                                                        | 16,730                  | 7,185            |
| Net cash provided by operating activities                                         | <u>40,948</u>           | <u>25,081</u>    |
| <b>Investing activities:</b>                                                      |                         |                  |
| Acquisitions, net of cash acquired                                                | (7,267)                 | (4,258)          |
| Purchases of property and equipment, net                                          | (8,135)                 | (4,160)          |
| Other                                                                             | 233                     | -                |
| Net cash used in investing activities                                             | <u>(15,169)</u>         | <u>(8,418)</u>   |
| <b>Financing activities:</b>                                                      |                         |                  |
| Employee stock purchases and options exercised                                    | 1,131                   | 1,147            |
| Purchases of treasury stock                                                       | (5,809)                 | (2,676)          |
| Borrowings (payments) on long-term bank debt, net                                 | 53,124                  | (54,256)         |
| Retirement of debentures                                                          | (68,779)                | -                |
| Sales of common stock                                                             | -                       | 23,220           |
| Other, net                                                                        | (150)                   | (222)            |
| Net cash used in financing activities                                             | <u>(20,483)</u>         | <u>(32,787)</u>  |
| Effect of foreign exchange rate changes on cash                                   | 1,708                   | 1,824            |
| Net increase (decrease) in cash and cash equivalents                              | <u>7,004</u>            | <u>(14,300)</u>  |
| Cash and cash equivalents, beginning of period                                    | 31,717                  | 48,849           |
| Cash and cash equivalents, end of period                                          | <u>\$ 38,721</u>        | <u>\$ 34,549</u> |

**Selected Financial Information**  
**Unaudited Reconciliation of Non-GAAP and Segment Financial Measures**

**I. Reconciliation of Revenue Growth Components (\$ in millions)**

**Three Months Ended**

| <u>Divisions</u> | <u>June 30,<br/>2008</u> | <u>Organic</u> | <u>Acquired</u> | <u>Foreign<br/>Exchange</u> | <u>Total</u> | <u>June 30,<br/>2009</u> |
|------------------|--------------------------|----------------|-----------------|-----------------------------|--------------|--------------------------|
| Custom Sols/ITO  | \$ 136.8                 | -18.2%         | 0.9%            | - %                         | -17.3%       | \$ 113.1                 |
| US ERP           | 31.5                     | 2.5            | -               | -                           | 2.5          | 32.3                     |
| Federal          | 33.3                     | -10.2          | -               | -                           | -10.2        | 29.9                     |
| Europe           | 116.0                    | -5.5           | 0.1             | -21.1                       | -26.5        | 85.3                     |
|                  | <u>\$ 317.6</u>          | <u>-10.6%</u>  | <u>0.4%</u>     | <u>-7.7%</u>                | <u>17.9%</u> | <u>\$ 260.6</u>          |

**Six Months Ended**

| <u>Divisions</u> | <u>June 30,<br/>2008</u> | <u>Organic</u> | <u>Acquired</u> | <u>Foreign<br/>Exchange</u> | <u>Total</u>  | <u>June 30,<br/>2009</u> |
|------------------|--------------------------|----------------|-----------------|-----------------------------|---------------|--------------------------|
| Custom Sols/ITO  | \$ 268.0                 | -15.0%         | 0.9%            | - %                         | -14.1%        | \$ 230.1                 |
| US ERP           | 63.0                     | -2.1           | -               | -                           | -2.1          | 61.7                     |
| Federal          | 65.3                     | -10.1          | -               | -                           | -10.1         | 58.7                     |
| Europe           | 215.7                    | -1.3           | 0.3             | -20.8                       | -21.8         | 168.6                    |
|                  | <u>\$ 612.0</u>          | <u>-8.4%</u>   | <u>0.5%</u>     | <u>-7.3%</u>                | <u>-15.2%</u> | <u>\$ 519.1</u>          |

**II. EBITDA Reconciliation to Net Income (\$ in thousands)**

|                                    | Three Months Ended |                  | Six Months Ended |                  |
|------------------------------------|--------------------|------------------|------------------|------------------|
|                                    | June 30,<br>2008   | June 30,<br>2009 | June 30,<br>2008 | June 30,<br>2009 |
| Net Income Attributable to CIBER   | \$ 8,185           | \$ 4,656         | \$ 14,112        | \$ 8,921         |
| Net Income Noncontrolling Interest | 271                | 53               | 627              | 85               |
| Consolidated Net Income            | 8,456              | 4,709            | 14,739           | 9,006            |
| Income Tax                         | 5,084              | 2,206            | 8,840            | 4,622            |
| Pre-Tax Income                     | 13,540             | 6,915            | 23,579           | 13,628           |
| Other Expense, net                 | 3,869              | 553              | 8,733            | 856              |
| Operating Income                   | 17,409             | 7,468            | 32,312           | 14,484           |
| Share Based Comp.                  | 791                | 1,093            | 1,560            | 2,169            |
| Amortization                       | 1,648              | 1,457            | 3,219            | 2,865            |
| Depreciation                       | 3,205              | 3,000            | 6,260            | 6,025            |
| EBITDA                             | <u>\$ 23,053</u>   | <u>\$ 13,018</u> | <u>\$ 43,351</u> | <u>\$ 25,543</u> |

### III. Segment Operating Results Analysis

#### Operating Results Analysis (\$ in millions)

| <b>Revenue</b>                         | <b>Three Months Ended</b> |          |                      |          | <b>Six Months Ended</b> |          |                      |          |
|----------------------------------------|---------------------------|----------|----------------------|----------|-------------------------|----------|----------------------|----------|
|                                        | <b>June 30, 2008</b>      |          | <b>June 30, 2009</b> |          | <b>June 30, 2008</b>    |          | <b>June 30, 2009</b> |          |
|                                        | <b>\$</b>                 | <b>%</b> | <b>\$</b>            | <b>%</b> | <b>\$</b>               | <b>%</b> | <b>\$</b>            | <b>%</b> |
| <b>Custom Solutions</b> <sup>(1)</sup> |                           |          |                      |          |                         |          |                      |          |
| Commercial/ITO                         | \$ 100.7                  | 32       | \$ 90.7              | 34       | \$ 201.2                | 33       | \$ 183.2             | 35       |
| State & Local                          | 36.1                      | 11       | 22.4                 | 9        | 66.8                    | 11       | 46.9                 | 9        |
| Sub                                    | 136.8                     | 43       | 113.1                | 43       | 268.0                   | 44       | 230.1                | 44       |
| <b>US ERP</b> <sup>(2)</sup>           |                           |          |                      |          |                         |          |                      |          |
| Commercial                             | 14.0                      | 4        | 12.3                 | 5        | 28.1                    | 4        | 25.3                 | 5        |
| State & Local                          | 17.5                      | 6        | 20.0                 | 7        | 34.9                    | 6        | 36.4                 | 7        |
| Sub                                    | 31.5                      | 10       | 32.3                 | 12       | 63.0                    | 10       | 61.7                 | 12       |
| Federal                                | 33.3                      | 10       | 29.9                 | 12       | 65.3                    | 11       | 58.7                 | 11       |
| Europe <sup>(3)</sup>                  | 116.0                     | 37       | 85.3                 | 33       | 215.7                   | 35       | 168.6                | 33       |
| Total                                  | \$ 317.6                  | 100%     | \$ 260.6             | 100%     | \$ 612.0                | 100%     | \$ 519.1             | 100%     |
|                                        |                           |          |                      |          |                         |          |                      |          |
|                                        |                           |          |                      |          |                         |          |                      |          |
| <b>EBITA</b>                           | <b>Three Months Ended</b> |          |                      |          | <b>Six Months Ended</b> |          |                      |          |
|                                        | <b>June 30, 2008</b>      |          | <b>June 30, 2009</b> |          | <b>June 30, 2008</b>    |          | <b>June 30, 2009</b> |          |
|                                        | <b>\$</b>                 | <b>%</b> | <b>\$</b>            | <b>%</b> | <b>\$</b>               | <b>%</b> | <b>\$</b>            | <b>%</b> |
| <b>Custom Solutions</b> <sup>(1)</sup> |                           |          |                      |          |                         |          |                      |          |
| Commercial/ITO                         | -                         | -        | -                    | -        | -                       | -        | -                    | -        |
| State & Local                          | -                         | -        | -                    | -        | -                       | -        | -                    | -        |
| Sub                                    | \$ 13.5                   | 10       | \$ 7.5               | 7        | \$ 26.7                 | 10       | \$ 15.7              | 7        |
| <b>US ERP</b> <sup>(2)</sup>           |                           |          |                      |          |                         |          |                      |          |
| Commercial                             | -                         | -        | -                    | -        | -                       | -        | -                    | -        |
| State & Local                          | -                         | -        | -                    | -        | -                       | -        | -                    | -        |
| Sub                                    | 0.2                       | 1        | 2.7                  | 8        | 1.8                     | 3        | 3.6                  | 6        |
| Federal                                | 3.0                       | 9        | 1.5                  | 5        | 4.4                     | 7        | 3.3                  | 6        |
| Europe <sup>(3)</sup>                  | 9.9                       | 9        | 4.3                  | 5        | 16.4                    | 8        | 8.4                  | 5        |
| Corporate                              | (7.6)                     | (2)      | (7.1)                | (3)      | (13.8)                  | (2)      | (13.6)               | (3)      |
| <b>EBITA</b>                           | 19.0                      | 6        | 8.9                  | 3        | 35.5                    | 6        | 17.4                 | 3        |
| Amortization                           | (1.6)                     | (1)      | (1.4)                | (-)      | (3.2)                   | (1)      | 2.9                  | (-)      |
| Operating Income                       | \$ 17.4                   | 5%       | \$ 7.5               | 3%       | \$ 32.3                 | 5%       | \$ 14.5              | 3%       |
|                                        |                           |          |                      |          |                         |          |                      |          |

Note: India operations are in Custom Solutions and Asia Pacific operations are in Europe; Custom Solutions also includes domestic eliminations.

<sup>(1)</sup> These Divisions have been combined and prior revenue partially reclassified, accordingly, margins cannot be accurately separated.

<sup>(2)</sup> This activity has always been operated together; highlighting State & Local revenue will assist the overall view of CIBER's public sector emphasis.

<sup>(3)</sup> Public sector business also exists in the European Division, both national and local; it is approximately 5% of these revenues.