

American Software Fourth Quarter of Fiscal 2008 Result:

AMERICAN SOFTWARE, INC.
Consolidated Statements of Operations Information
(In thousands, except per share data)
(Unaudited)

	Fourth Quarter Ended			Twelve Months Ended		
	April 30,		Pct Chg.	April 30,		Pct Chg.
	2008	2007		2008	2007	
Revenues:						
License	\$ 4,696	\$ 6,648	(29%)	\$ 18,957	\$ 21,080	(10%)
Services & other	9,624	9,138	5%	41,656	36,258	15%
Maintenance	7,267	6,697	9%	28,388	27,029	5%
Total Revenues	<u>21,587</u>	<u>22,483</u>	<u>(4%)</u>	<u>89,001</u>	<u>84,367</u>	<u>5%</u>
Cost of Revenues:						
License	1,529	1,695	(10%)	6,149	6,169	0%
Services & other	6,761	6,140	10%	29,281	25,105	17%
Maintenance	2,020	1,933	5%	7,602	7,324	4%
Write-down of capitalized software development costs	-	-	nm	1,196	-	nm
Total Cost of Revenues	<u>10,310</u>	<u>9,768</u>	<u>6%</u>	<u>44,228</u>	<u>38,598</u>	<u>15%</u>
Gross Margin	<u>11,277</u>	<u>12,715</u>	<u>(11%)</u>	<u>44,773</u>	<u>45,769</u>	<u>(2%)</u>
Operating expenses:						
Research and development	2,499	2,783	(10%)	9,630	9,819	(2%)
Less: capitalized development	(520)	(586)	(11%)	(2,155)	(2,264)	(5%)
Sales and marketing	4,506	3,479	30%	15,804	14,079	12%
General and administrative	3,474	3,326	4%	13,048	13,756	(5%)
Acquisition related amortization of intangibles	88	87	1%	351	350	0%
Total Operating Expenses	<u>10,047</u>	<u>9,089</u>	<u>11%</u>	<u>36,678</u>	<u>35,740</u>	<u>3%</u>
Operating Earnings	<u>1,230</u>	<u>3,626</u>	<u>(66%)</u>	<u>8,095</u>	<u>10,029</u>	<u>(19%)</u>
Interest Income & Other, Net	476	1,182	(60%)	3,198	4,676	(32%)
Earnings Before Income Taxes and Minority Interest	<u>1,706</u>	<u>4,808</u>	<u>(65%)</u>	<u>11,293</u>	<u>14,705</u>	<u>(23%)</u>
Income Tax Expense	607	1,683	(64%)	4,004	5,496	(27%)
Minority Interest Expense	199	263	(24%)	756	776	(3%)
Net Earnings	<u>\$ 900</u>	<u>\$ 2,862</u>	<u>(69%)</u>	<u>\$ 6,533</u>	<u>\$ 8,433</u>	<u>(23%)</u>
Earnings per common share: (1)						
Basic	<u>\$ 0.04</u>	<u>\$ 0.12</u>	<u>(67%)</u>	<u>\$ 0.26</u>	<u>\$ 0.34</u>	<u>(24%)</u>
Diluted	<u>\$ 0.03</u>	<u>\$ 0.11</u>	<u>(73%)</u>	<u>\$ 0.25</u>	<u>\$ 0.33</u>	<u>(24%)</u>
Weighted average number of common shares outstanding:						
Basic	25,474	24,750		25,423	24,616	
Diluted	26,484	26,022		26,547	25,761	
Reconciliation of Adjusted Net Earnings:						
Net Earnings	\$ 900	\$ 2,862		\$ 6,533	\$ 8,433	
Acquisition related amortization of intangibles (2)	57	57		226	219	
Stock-based compensation (2)	143	123		515	516	
Write-down of capitalized software development costs (2)	-	-		771	-	
Adjusted Net Earnings	<u>\$ 1,100</u>	<u>\$ 3,042</u>	<u>(64%)</u>	<u>\$ 8,045</u>	<u>\$ 9,168</u>	<u>(12%)</u>
Adjusted Net Earnings per Diluted Share	<u>\$ 0.04</u>	<u>\$ 0.12</u>	<u>(67%)</u>	<u>\$ 0.30</u>	<u>\$ 0.36</u>	<u>(17%)</u>

(1) - Basic per share amounts are the same for Class A and Class B shares. Diluted per share amounts for Class A shares are shown above. Diluted per share for Class B shares under the two-class method are \$0.04 and \$0.12 for the three months ended April 30, 2008 and 2007 and \$0.26 and \$0.34 for the twelve months ended April 30, 2008 and 2007.

(2) - Tax affected
nm- not meaningful

American Software Fourth Quarter of Fiscal 2008 Result:

AMERICAN SOFTWARE, INC.
Consolidated Balance Sheet Information
(In thousands)
(Unaudited)

	April 30, 2008	April 30, 2007
Cash and Short-term investments	\$ 76,141	\$ 72,769
Accounts Receivable:		
Billed	12,563	12,489
Unbilled	3,311	3,860
Total Accounts Receivable, net	15,874	16,349
Prepays & Other	2,946	2,560
Current Assets	94,961	91,678
PP&E, net	6,903	7,080
Capitalized Software, net	4,657	6,137
Goodwill	11,912	11,210
Other Intangibles, net	1,586	1,472
Non-current Assets	198	239
Total Assets	<u>\$ 120,217</u>	<u>\$ 117,816</u>
Accounts Payable	\$ 1,578	\$ 1,138
Other Current Liabilities	5,954	8,853
Dividend Payable	2,286	1,984
Deferred Tax Liability	640	911
Deferred Revenues	16,441	15,441
Current Liabilities	26,899	28,327
Deferred Tax Liability	1,202	1,697
Minority Interest	5,621	5,061
Shareholders' Equity	86,495	82,731
Total Liabilities & Shareholders' Equity	<u>\$ 120,217</u>	<u>\$ 117,816</u>