

CIBER INC  
Form 8-K  
October 26, 2005

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **October 25, 2005**

**CIBER, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**0-23488**  
(Commission  
File Number)

**38-2046833**  
(IRS Employer  
Identification No.)

**5251 DTC Parkway, Suite 1400, Greenwood Village, Colorado**  
(Address of principal executive offices)

**80111**  
(Zip Code)

Registrant's telephone number, including area code: **(303) 220-0100**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  
  - o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  
  - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  
  - o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**INFORMATION TO BE INCLUDED IN THE REPORT**Item 2.02. Disclosure of Results of Operations and Financial Condition.

On October 25, 2005, we issued a press release in which we announced our financial results for the three and nine months ended September 30, 2005. The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The Company reports its financial results in accordance with generally accepted accounting principles ( GAAP ). However, management believes that certain non-GAAP financial measures used in managing the Company s business may provide users of this financial information with additional meaningful comparisons between current results and prior reported results. Certain of the information set forth in the attached press release constitutes non-GAAP financial measures within the meaning of Regulation G adopted by the Securities and Exchange Commission. We have presented below a reconciliation of these measures to the most directly comparable GAAP financial measure. The presentation of this additional information is not meant to be considered in isolation or as a substitute for comparable amounts determined in accordance with generally accepted accounting principles in the United States.

These non-GAAP financial measures are discussed below.

1. Free Cash Flow is measured as GAAP net income, plus depreciation and amortization of intangible assets, less capital expenditures, all as reported in our consolidated statements of operations and/or cash flows. The following table reconciles Free Cash Flow to the most comparable GAAP measure, net income.

Reconciliation of GAAP Net Income to Free Cash Flow (Non-GAAP)

*(In thousands)*

|  | Q3 - 2004 | Q3 - 2005 | YTD- 2004 | YTD - 2005 |
|--|-----------|-----------|-----------|------------|
| GAAP net income                        | \$ 8,355  | \$ 6,761  | \$ 22,250 | \$ 21,150  |
| Add: Depreciation                      | 3,192     | 2,770     | 7,736     | 8,476      |
| Add: Amortization of intangible assets | 1,223     | 1,454     | 2,839     | 4,513      |
| Less: Capital expenditures             | (1,633)   | (4,539)   | (4,782)   | (8,736)    |
| Free Cash Flow                         | \$ 11,137 | \$ 6,446  | \$ 28,043 | \$ 25,403  |

2. Net Free Cash Flow is equal to net cash provided by operating activities less capital expenditures, each as reported in our consolidated statements of cash flows. The following table reconciles Net Free Cash Flow to the most comparable GAAP measure, net cash provided by operating activities.

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Reconciliation of GAAP Net Cash Provided by Operating Activities to Net Free Cash Flow (Non-GAAP)

*(In thousands)*

|  | Q3 - 2004 | Q3 - 2005 | YTD- 2004 | YTD - 2005 |
|--|-----------|-----------|-----------|------------|
| GAAP net cash provided by operating activities | \$ 14,377 | \$ 6,431  | \$ 20,991 | \$ 25,278  |
| Less: Capital expenditures                     | (1,633)   | (4,539)   | (4,782)   | (8,736)    |
| Net Free Cash Flow                             | \$ 12,744 | \$ 1,892  | \$ 16,209 | \$ 16,542  |

3. **EBITA** EBITA is measured as GAAP net income, plus income tax expense, amortization of intangible assets, and interest and other expense, net, all as reported in our consolidated statements of operations. The following table reconciles EBITA to the most comparable GAAP measure, net income.

Reconciliation of GAAP Net Income to EBITA (Non-GAAP)

*(In thousands)*

|  | Q3 - 2004 |        | Q3 - 2005 |        | YTD - 2004 |        | YTD - 2005 |        |
|--|-----------|--------|-----------|--------|------------|--------|------------|--------|
| GAAP net income                        | \$        | 8,355  | \$        | 6,761  | \$         | 22,250 | \$         | 21,150 |
| Add: Income tax expense                |           | 4,854  |           | 3,035  |            | 13,736 |            | 12,226 |
| Add: Interest and other expense, net   |           | 1,109  |           | 1,534  |            | 1,978  |            | 5,456  |
| Add: Amortization of intangible assets |           | 1,223  |           | 1,454  |            | 2,839  |            | 4,513  |
| <b>EBITA</b>                           | \$        | 15,541 | \$        | 12,784 | \$         | 40,803 | \$         | 43,345 |

Item 9.01. Exhibits.

99.1 Press release dated October 25, 2005.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

**CIBER, Inc.**

Date: October 26, 2005

By: /s/ David G. Durham  
David G. Durham  
Chief Financial Officer, Senior  
Vice President and Treasurer