
Securities And Exchange Commission

Washington, DC 20549

FORM 8-K

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

Date of earliest event reported: February 10, 2004

Manhattan Associates, Inc.

(Exact Name of Registrant as Specified in Charter)

Georgia
(State or Other Jurisdiction
of Incorporation)

0-23999
(Commission File Number)

58-2373424
(I.R.S. Employer Identification No.)

2300 Windy Ridge Parkway, Suite 700, Atlanta, Georgia
(Address of Principal Executive Offices)

30339
(Zip Code)

(770) 955-7070
(Registrant's telephone number, including area code)

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits.

The following exhibit is furnished in accordance with Item 601 of Regulation S-K:

99.1 Press Release, dated February 10, 2004.

Item 12. Results of Operations and Financial Condition.

On February 10, 2004, the Company issued a press release providing the final results for its financial performance for the quarter and year ended December 31, 2003. A copy of this press release is attached as Exhibit 99.1. Pursuant to General Instruction B.6 of Form 8-K, this exhibit is "furnished" and not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934.

The press release includes, as additional information regarding the Company's operating results, the Company's adjusted net income and adjusted net income per share, which exclude the recovery from a bankrupt customer, a restructuring charge, an in-process research and development charge, acquisition-related expenses and the amortization of acquisition-related intangibles, net of income tax effects. The measures are not in accordance with, or an alternative for, GAAP and may be different from non-GAAP net income and non-GAAP per share measures used by other companies. The Company believes that this presentation of adjusted net income and adjusted net income per share provides useful information to investors regarding certain additional financial and business trends relating to the Company's financial condition and results of operations.

SIGNATURES

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

Manhattan Associates, Inc.

By: /s/ Edward K. Quibell

Edward K. Quibell

Senior Vice President and Chief Financial Officer

Dated: February 10, 2004

FOR IMMEDIATE RELEASE

Contact: Matt Roberts
Investor Relations/Business Analysis Manager
678.597.7317
mroberts@manh.com

MANHATTAN ASSOCIATES ANNOUNCES FINANCIAL RESULTS FOR THE FOURTH
QUARTER OF 2003

Record Software and Hosting Fees of \$12.1 million

ATLANTA - FEBRUARY 10, 2004 - Manhattan Associates(R), Inc. (Nasdaq: MANH), the global leader in providing supply chain execution (SCE) solutions, today announced results for the fourth quarter ended December 31, 2003.

KEY QUARTERLY FINANCIAL HIGHLIGHTS FOR MANHATTAN ASSOCIATES INCLUDE:

- Software and hosting fees for the quarter ended December 31, 2003, was a record \$12.1 million, an increase of 14% over the fourth quarter of 2002.
- Services revenue for the quarter ended December 31, 2003, was \$32.1 million, an increase of 17% over the fourth quarter of 2002. The services' gross margin remained strong at 58%.
- Total revenue for the quarter ended December 31, 2003, was \$49.4 million, an increase of 14% over the fourth quarter of 2002, excluding the Kmart recovery.

GAAP net income was \$6.5 million or \$0.21 per fully diluted share for the fourth quarter of 2003 compared to \$7.5 million or \$0.25 per fully diluted share for its fourth quarter of 2002.

Adjusted net income for the fourth quarter of 2003, which excludes the amortization of acquisition-related intangible assets, net of taxes, was a record \$7.2 million, or \$0.23 per fully

diluted share. Adjusted net income for the fourth quarter of 2002, which excludes the Kmart recovery, in-process research and development charge and the amortization of acquisition-related intangible assets, net of taxes, was \$7.0 million, or \$0.23 per fully diluted share.

For the year ended December 31, 2003, total revenue was a record \$196.8 million, with core revenue, which excludes hardware resales, increasing approximately 14% over the prior year. GAAP net income was \$21.8 million, or \$0.71 per fully diluted share for the year ended December 31, 2003. Adjusted net income for the year ended December 31, 2003, which excludes a \$0.8 million Kmart recovery, acquisition-related expenses, restructuring charge and the amortization of acquisition-related intangible assets, net of taxes, was \$24.7 million, or \$0.80 per fully diluted share. Adjusted net income for 2002, which excludes a \$2.3 million Kmart recovery, in-process research and development charge and the amortization of acquisition-related intangible assets, net of taxes, was \$25.8 million, or \$0.85 per fully diluted share.

The Company provides adjusted net income and adjusted net income per share in the press release as additional information of the Company's operating results. The measures are not in accordance with, or an alternative for, GAAP and may be different from non-GAAP net income and non-GAAP per share measures used by other companies. The Company believes that this presentation of adjusted net income and adjusted net income per share provides useful information to investors regarding certain additional financial and business trends relating to the Company's financial condition and results of operations. The effective tax rate used in calculating adjusted net income was 31.4% for the fourth quarter of 2003 and 34.3% for the year ended December 31, 2003.

"We are very pleased with the record fourth quarter and our overall strong performance in 2003," said Richard Haddrill, Manhattan Associates president and CEO. "The quarter's record license and hosting fees show strong demand for our solutions. With the improving overall economic climate, our improved international results and our strategic investments in 2003, we are in a powerful position as we enter 2004."

OTHER KEY HIGHLIGHTS FOR MANHATTAN ASSOCIATES INCLUDE THE FOLLOWING:

- Signed key new United States based customers in the quarter, including Ability Tri-Modal; Acushnet Company; Harold's Stores, Inc.; Metron North America; New York & Company, Group Inc.; Plaid Enterprises, Inc.; Raley's; and Red Envelope, Inc.
- Signed key new international customers including Clarks; Electronic Data Systems; Hagar hf; TDG plc; Transports Graveleau; and Wella.
- Expanded its partnerships with many existing United States based clients, including American Eagle Outfitters; ARAMARK Uniform and Career Apparel, Inc.; Cabela's Incorporated; McKesson Canada Corp.; Taro Pharmaceutical; TNT Logistics North America, Inc.; USF Corporation; and Wolverine Worldwide.
- Expanded its partnerships with many existing international clients including Exel plc; Halfords, Healthcare Logistics Ltd; NYK; and Office Depot.
- Unveiled its Integrated Logistics Solution for Retail, a new retail-specific solution that utilizes the modules of its SCE applications to create a comprehensive offering to manage the movement of goods from source to consumption.
- Received INDUSTRYWEEK's Technologies of the Year for 2003 award for its "RFID in a Box"(TM)solution.
- Named to Forbes' Best of the Web B2B list for 2003.
- Completed the acquisition of Streamsoft LLC's slotting optimization assets.
- Completed the acquisition of distributed order management software developer Avere, Inc. in January of 2004.
- Launched corporate product branding in Europe, aligning North American and European product branding to reflect core Transportation Management Systems (TMS), Trading Partner Management (TPM) and Warehouse Management Systems (WMS) nomenclature.

BUSINESS OUTLOOK FOR FIRST QUARTER 2004

Manhattan Associates currently intends to publish, in each quarterly earnings release, certain expectations with respect to future financial performance. The following statements regarding future financial performance are based on current expectations, which includes a modestly improving spending environment for information technology. These statements

are forward looking. Actual results may differ materially, especially in the current uncertain economic environment. These statements do not reflect the potential impact of mergers, acquisitions or other business combinations that may be completed after the date of this release.

Manhattan Associates will make its earnings release and published expectations available on its Web site (www.manh.com). Beginning March 15, 2004, Manhattan Associates will observe a "Quiet Period" during which Manhattan Associates and its representatives will not comment concerning previously published financial expectations. Prior to the start of the Quiet Period, the public can continue to rely on the expectations published in this Business Outlook section as still being Manhattan Associates' current expectation on matters covered, unless Manhattan Associates publishes a notice stating otherwise. The public should not rely on previously published expectations during the Quiet Period, and Manhattan Associates disclaims any obligation to update any previously published financial expectations during the Quiet Period. The Quiet Period will extend until the date when Manhattan Associates' next quarterly earnings release is published, presently scheduled for the fourth week of April 2004.

For the year ending December 31, 2004, Manhattan Associates currently expects to achieve adjusted earnings, which excludes the amortization of acquisition-related intangibles in the range of \$0.91 to \$1.04 per fully diluted share and GAAP earnings per share of \$0.83 to \$0.96 per fully diluted share. These expectations assume that the current general economic and capital spending environment will improve modestly over the course of the year.

ABOUT MANHATTAN ASSOCIATES

Manhattan Associates, Inc. is the global leader in providing supply chain execution solutions. We enable operational excellence through our warehousing and distribution, transportation and trading partner management applications. These integrated solutions leverage state-of-the-art technologies, innovative practices and our domain expertise to enhance performance, profitability and competitive advantage. Manhattan Associates has licensed more than 940 customers representing more than 1,400 facilities worldwide, which include some of the world's leading manufacturers, distributors and retailers. For more information about Manhattan Associates, visit www.manh.com.

This press release may contain "forward-looking statements" relating to Manhattan Associates, Inc. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are delays in product development, undetected software errors, competitive pressures, technical difficulties, market acceptance, availability of technical personnel, changes in customer requirements, risks of international operations and general economic conditions. Additional factors are set forth in "Safe Harbor Compliance Statement for Forward-Looking Statements" included as Exhibit 99.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002. Manhattan Associates undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes in future operating results.

MANHATTAN ASSOCIATES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2003	2002	2003	2002
	(unaudited)		(unaudited)	
Revenue:				
Software and hosting fees	\$ 12,077	\$ 10,583	\$ 43,229	\$ 40,233
Services	32,149	27,552	129,320	110,516

Hardware and other	5,219	5,170	23,417	22,675
Recovery relating to bankrupt customer	--	2,297	848	2,297
	-----	-----	-----	-----
Total revenue	49,445	45,602	196,814	175,721
Costs and Expenses:				
Cost of software and hosting fees	1,098	558	4,470	1,927
Cost of services	13,457	11,444	54,218	46,611
Cost of hardware and other	4,551	4,474	20,123	19,027
Research and development	6,775	5,065	27,358	20,780
Sales and marketing	7,744	6,764	31,200	26,413
General and administrative	6,067	5,393	23,711	20,943
Amortization of acquisition-related intangibles	978	170	3,432	1,772
Acquisition-related expenses	--	--	885	--
Restructuring charge	--	--	893	--
In-process research and development charge	--	1,470	--	1,470
	-----	-----	-----	-----
Total costs and expenses	40,670	35,338	166,290	138,943
Operating income	8,775	10,264	30,524	36,778
Other income, net	732	935	2,746	2,801
	-----	-----	-----	-----
Income before income taxes	9,507	11,199	33,270	39,579
Income tax provision	2,981	3,731	11,425	14,383
	-----	-----	-----	-----
Net income	\$ 6,526	\$ 7,468	\$ 21,845	\$ 25,196
	=====	=====	=====	=====
Basic net income per share	\$ 0.22	\$ 0.26	\$ 0.74	\$ 0.88
	=====	=====	=====	=====
Diluted net income per share	\$ 0.21	\$ 0.25	\$ 0.71	\$ 0.83
	=====	=====	=====	=====
Weighted average number of shares:				
Basic	29,957	28,873	29,532	28,653
	=====	=====	=====	=====
Diluted	31,341	30,323	30,882	30,451
	=====	=====	=====	=====
Reconciliation of Adjusted Net Income:				
Net income	\$ 6,526	\$ 7,468	\$ 21,845	\$ 25,196
Amortization of acquisition-related intangibles	978	170	3,432	1,772
Recovery relating to bankrupt customer	--	(2,297)	(848)	(2,297)
Acquisition-related expenses	--	--	885	--
Restructuring charge	--	--	893	--
In-process research and development charge	--	1,470	--	1,470
Income tax effect	(307)	219	(1,498)	(343)
	-----	-----	-----	-----
Adjusted net income	\$ 7,197	\$ 7,030	\$ 24,709	\$ 25,798
	=====	=====	=====	=====
Adjusted net income per diluted share	\$ 0.23	\$ 0.23	\$ 0.80	\$ 0.85
	=====	=====	=====	=====

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MANHATTAN ASSOCIATES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)

	December 31, 2003	December 31, 2002
	----- (unaudited)	-----
ASSETS		
Current Assets:		
Cash and cash equivalents	\$140,964	\$ 64,664
Short-term investments	4,992	57,193
Accounts receivable, net	40,790	32,384
Prepaid expenses and other current assets	4,627	3,199
Deferred income taxes	2,086	1,768

Total current assets	----- 193,459	----- 159,208
Long-term investments	9,447	--
Property and equipment, net	12,152	12,352
Intangible and other assets	48,961	48,636
	-----	-----
Total assets	\$264,019 =====	\$220,196 =====

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities:		
Accounts payable and accrued liabilities	\$ 17,024	\$ 19,047
Current portion of capital lease obligations	132	164
Deferred revenue	17,937	15,318
	-----	-----
Total current liabilities	35,093	34,529
Long-term portion of capital lease obligations	288	240
Deferred income taxes	396	141
Total shareholders' equity	228,242	185,286
	-----	-----
Total liabilities and shareholders' equity	\$264,019 =====	\$220,196 =====

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