



FOR IMMEDIATE RELEASE

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PERFICIENT REPORTS SECOND QUARTER RESULTS

AUSTIN, Texas – July 25, 2001 – Perficient, Inc. (NASDAQ: [PRFT](#)), an Internet services firm that uses emerging technologies to Web-enable complex enterprise systems, today reported financial results for the second quarter ended June 30, 2001. Revenue for the quarter was \$5,359,000 versus \$5,601,000 pro forma revenue in the second quarter of 2000, which resulted in a pro forma net loss of \$58,000 or \$0.01 loss per share compared to a pro forma net loss of \$157,000 or \$0.03 loss per share for the same period of 2000.

Second Quarter Highlights

Among other accomplishments in the second quarter, Perficient:

- Achieved positive cash flow from operations and reduced short-term borrowings by \$1,200,000.
- Reduced annualized costs by over \$2.3 million in the second quarter, for a total of \$6.6 million in annualized cost reductions since the fourth quarter of 2000.
- Renewed our \$6 million revolving credit facility with Silicon Valley Bank.
- Worked on technology design and implementation projects for more than 75 end-user clients, including HP, Chevron, S1 Corporation and Siemens.
- Landed over \$4 million in new direct business, in conjunction with our previously announced strategy to source more direct end-user projects and the expansion of our direct sales force, with new clients including AMD, Bank of America, Communications Data Group and TD Bank. This was in addition to more than \$2.7 million in VSO retainer and subcontract revenues delivered during the quarter.
- Launched an initiative to establish a leadership position in Web Services, a market segment forecast by IDC to reach \$50 billion in 2005, to capitalize on our current positioning and expertise surrounding middleware technologies.

“We are encouraged by the progress we achieved in a challenging environment,” said Jack McDonald, Chairman and CEO of Perficient. “Our investment in direct sales is beginning to pay off and we are aggressively pursuing the Web Services initiative with key partners like IBM. We will continue to focus on the programs that have helped us weather this economic downturn, like delivering the expertise and ‘heavy lifting’ skills our customers demand and maintaining the prudent financial leadership our management team has exercised this year.”

Pro forma net loss and pro forma net loss per share exclude the impact of goodwill amortization, depreciation, stock compensation, other noncash expenses and restructuring costs of \$143,000. Pro forma net loss for the second quarter of 2001 would have been \$148,000 or \$.03 per share including the restructuring charge.

**Investor Conference Call**

Perficient has scheduled an investor conference call at 4:30 p.m. EDT today, July 25, to discuss the company's second quarter results. Investors and other interested parties may listen to the call by dialing toll-free (888) 273-9885. The call will be available for playback beginning July 25 at 8:00 p.m. EDT and ending one week later on August 1 at 11:59 p.m. EDT. The playback number is (800) 475-6701, or (320) 365-3844 outside the United States, and the access code is 594651.

About Perficient

Perficient (NASDAQ: PRFT) is a leading Internet services firm that uses emerging technologies to web-enable complex enterprise systems. Perficient builds deep expertise around a targeted set of core technologies and products through unique partnerships with leading Internet software companies. Under these arrangements, the company provides customers and partners with teams of expert technology professionals that manage the implementation of their products for end-user customers. Perficient's expertise and experience is based on the company's success integrating next-generation solutions with customers' previous-generation IT assets. This provides the framework that allows the company to concentrate on three key solution segments: Web services and middleware, enterprise portal software and content management services. Perficient partners are leading Internet commerce "enablers" that provide the software platform for building the e-business infrastructure, such as IBM, Plumtree Software and Vignette Corporation. For more information, visit Perficient's Web site at www.perficient.com.

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Safe Harbor Statement

"Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995: This news release contains forward-looking statements, particularly with respect to our position for growth and the effectiveness of our model, that are subject to risk and uncertainties, including, but not limited to, the impact of competitive services, demand for services like those provided by the Company and market acceptance risks, fluctuations in operating results, cyclical market pressures on the technology industry and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission. Our reported results may be subject to adjustments, reserves, and other items that may be identified during the normal year-end audit process.



Perficient, Inc.
Pro Forma Consolidated Statements of Operations Including the Effect of Significant Acquisitions

	Three Months Ended	
	June 30,	
	2000	2001
	(unaudited)	
Consulting revenues	\$ 5,601,059	\$ 5,359,470
Cost of consulting revenues	<u>2,756,556</u>	<u>3,161,515</u>
Gross margin	2,844,503	2,197,955
Selling, general and administrative	<u>3,120,655</u>	<u>2,253,205</u>
Total pro forma operating loss (A)	(276,152)	(55,250)
Interest income (expense), net	<u>26,620</u>	<u>(37,469)</u>
Pretax pro forma net loss (A)	(249,532)	(92,719)
Pro forma benefit for income taxes (B)	<u>(92,327)</u>	<u>(34,306)</u>
Pro forma net loss (A)	<u><u>\$ (157,205)</u></u>	<u><u>\$ (58,413)</u></u>
Pro forma net loss per share (A):		
Basic and diluted	<u><u>\$ (0.03)</u></u>	<u><u>\$ (0.01)</u></u>
Shares used in computing basic pro forma net loss per share	<u><u>4,956,055</u></u>	<u><u>5,870,492</u></u>

(A) Pro forma operating loss, pretax pro forma net loss, pro forma net loss and pro forma net loss per share exclude the impact of goodwill amortization, depreciation, stock compensation, acquisition related, other noncash expenses and other one-time charges. One time charges during the second quarter of 2001 include the restructuring charge for severance associated with cost reduction initiatives taken. Selling, general and administrative expenses for 2001 exclude depreciation expense of \$140,882 and other noncash expenses of \$39,000.

(B) Pro forma net loss and pro forma net loss per share include a tax benefit at an assumed effective rate of 37%.

Pro forma results of operations for the three months ended June 30, 2000 include the results of Compete, Inc. as if the acquisition had occurred on January 1, 2000. This information is not necessarily indicative of the pro forma results of operations we would have obtained had we owned and operated Compete, Inc. as of that date.

Perficient, Inc.
Consolidated Statements of Operations

	Three Months Ended	
	June 30,	
	2000	2001
	(unaudited)	
Consulting revenues	\$ 4,677,303	\$ 5,359,470
Cost of consulting revenues	<u>2,342,094</u>	<u>3,161,515</u>
Gross margin	2,335,209	2,197,955
 Selling, general and administrative	 2,899,703	 2,433,087
Stock compensation	19,000	208,048
Intangibles amortization	3,215,361	4,912,277
Restructuring	<u>-</u>	<u>142,936</u>
Loss from operations	(3,798,855)	(5,498,393)
 Interest income (expense), net	 <u>50,078</u>	 <u>(37,469)</u>
Loss before income taxes	(3,748,777)	(5,535,862)
 Provision for income taxes	 <u>-</u>	 <u>7,739</u>
Net loss	<u><u>\$ (3,748,777)</u></u>	<u><u>\$ (5,543,601)</u></u>
 Basic and diluted net loss per share	 <u><u>\$ (0.81)</u></u>	 <u><u>\$ (0.94)</u></u>
 Shares used in computing net loss per share	 <u><u>4,604,043</u></u>	 <u><u>5,870,492</u></u>



Perficient, Inc.
Consolidated Balance Sheets

	December 31,	June 30,
	2000	2001
		(unaudited)
Assets		
Current assets:		
Cash	\$ 842,481	\$ 831,936
Accounts receivable, net	7,038,794	5,181,655
Income tax receivable	10,916	-
Other current assets	42,400	49,422
Total current assets	7,934,591	6,063,013
Property and equipment, net	804,406	700,986
Goodwill, net	45,558,173	36,048,839
Other noncurrent assets	317,772	277,231
Total assets	<u>\$ 54,614,942</u>	<u>\$ 43,090,069</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 358,779	\$ 198,045
Note payable to related party	224,969	-
Line of credit	1,500,000	1,200,000
Current portion of note payable	3,338	3,506
Current portion of capital lease obligation	81,415	66,202
Other current liabilities	2,392,568	1,788,419
Total current liabilities	4,561,069	3,256,172
Note payable, less current portion	7,232	5,506
Capital lease obligation, less current portion	72,694	14,473
Deferred income tax	-	192,514
Total liabilities	4,640,995	3,468,665
Stockholders' equity:		
Common stock	6,252	6,261
Additional paid-in capital	65,049,514	65,384,441
Unearned stock compensation	(76,000)	(23,333)
Accumulated other comprehensive loss	(1,665)	(50,187)
Retained deficit	(15,004,154)	(25,695,778)
Total stockholders' equity	49,973,947	39,621,404
Total liabilities and stockholders' equity	<u>\$ 54,614,942</u>	<u>\$ 43,090,069</u>