

O2 Selects Manugistics Supply Chain Solutions

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O2 Selects Manugistics Supply Chain Solutions to Increase Availability of Hand-Held Devices and Mobile Services in the UK

BRACKNELL, UK — 15 December 2003 — Manugistics (Nasdaq: MANU), a leading global provider of demand and supply chain management solutions, today announced that mobile network operator O2 (UK) Limited has selected and successfully implemented Manugistics supply chain management solutions to support the rapid growth of the company's diverse mobile communications offerings. The Manugistics solution will help to ensure that the latest hand held devices are available from O2, where and when customers are looking for them.

"The Manugistics solution has been delivered within a 12 week period for project inception to live operation for all Pre-Pay Handsets. It was critical for O2 to achieve this aggressive timescale in order to manage the massive demand expected over the Christmas period" said Peter Duggan, General Manager of O2 Supply Chain. "Our commitment to customer service requires a state of the art system for ensuring that we deliver the right products to the right place at the right time. We look forward to continuing our work with Manugistics to stay at the forefront of evolving best practices in the industry".

With the continuing expansion of its mobile communications offerings O2 recognised an opportunity to implement leading edge technology to streamline its internal demand forecasting process and prepare the company's Purchasing Plan. The company has turned to Manugistics to help establish one consolidated forecast, providing an outlook of projected demand across all retail locations and other channels. The fully integrated supply chain can enhance customer service levels while taking costs out of operations and reducing inventory levels.

“Our work with O2 provides a great example of the rapid return on investment that our supply chain management solutions are designed to provide,” commented Ron Kubera, Manugistics senior vice president, Northern Europe. “In the fast evolving market for mobile communications, leading organisations around the world are taking steps to be more responsive to marketplace demand. We look forward to continuing our work with the innovative team at O2.”

About O2

O2 aims to enrich customer's lives by enabling them to get the most from their mobile. As a leading provider of mobile services to consumers and businesses in the UK, O2 offers a range of services including text, media messaging, games, always on data connections (via "GPRS") and much more. O2 is the UK market leader in mobile data services such as text, with over half a billion messages being sent by O2 customers each month. O2 (UK) Limited is a subsidiary of mm O2 plc which also delivers O2 branded services in Ireland and Germany. O2 has approximately 12.6 million customers in the UK.

About Manugistics

Manugistics is a leader in delivering innovative pricing and supply chain software solutions. Today, more than 1,200 clients trust Manugistics to help them reduce costs, increase revenues and enhance margins. The company provides comprehensive solutions for supply chain management, service and parts management, pricing and revenue optimisation, and supplier relationship management. Manugistics has offices in Australia, Belgium, Brazil, France, Germany, Hong Kong, Italy, Japan, Mexico, The Netherlands, Singapore, Spain, Sweden, Taiwan, the United Kingdom and United States.

Its clients include industry leaders such as AT&T, Airgas, BMW, Boeing, Brown & Williamson, Caterpillar, Cisco Systems, Circuit City, Coca-Cola Bottling, Continental Airlines, DaimlerChrysler, Diageo, DuPont, Fairchild Semiconductor, Ford Motor Company, Harley-Davidson, Nestle, RadioShack, Smith & Nephew and Unilever. For more information, go to <http://www.manugistics.com>.

FORWARD LOOKING STATEMENT

This announcement contains forward-looking statements that involve risks and uncertainties that include, among others, continuing economic and political uncertainty, the timing and degree of business recovery, anticipated losses, unpredictability of future revenues, potential fluctuations in quarterly operating results, unexpected competition, risks related to quarterly performance, risks of new business areas, international expansion, business combinations and strategic alliances, lengthening of sales cycles for software products and services, and the effectiveness of the cost reduction efforts undertaken by Manugistics and their impact on the company's ability to operate its business. A decreased demand for enterprise application software due to weakened economic conditions could result in decreased revenues or

lower revenue growth rates. More information about factors that potentially could affect Manugistics' financial results is included in Manugistics filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended February 28, 2003 and Quarterly Report on form 10-Q for the period ended May 31, 2003. Manugistics assumes no obligation to update the forward-looking information contained in this announcement.

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