

Ariba, Inc. and Subsidiaries
Reconciliation of Outlook for the Quarter Ending December 31, 2005
(Unaudited; in thousands, except per share data)

The following tables reconcile the specific items excluded from GAAP in the calculation of non-GAAP projected operating results for the period indicated below:

	Range for the Three Months Ending December 31, 2005	
	Low	High
<u>Projected expense reconciliation:</u>		
GAAP projected total expenses	\$ 86,000	\$ 85,000
Amortization of intangible assets	(5,000)	(5,000)
Stock-based compensation	(9,500)	(9,500)
Restructuring and integration costs	(1,000)	(1,000)
Non-GAAP projected total expenses	<u>\$ 70,500</u>	<u>\$ 69,500</u>

	Range for the Three Months Ending December 31, 2005	
	Low	High
<u>Projected net income (loss) reconciliation:</u>		
GAAP projected net loss	\$ (11,000)	\$ (8,000)
Amortization of intangible assets	5,000	5,000
Stock-based compensation	9,500	9,500
Restructuring and integration costs	1,000	1,000
Non-GAAP projected net income	<u>\$ 4,500</u>	<u>\$ 7,500</u>

	Range for the Three Months Ending December 31, 2005	
	Low	High
<u>Projected net income (loss) per share reconciliation:</u>		
GAAP projected net loss per share - basic	\$ (0.17)	\$ (0.12)
Amortization of intangible assets	0.08	0.08
Stock-based compensation	0.15	0.15
Restructuring and integration costs	0.02	0.02
Non-GAAP projected net income per share - basic	<u>\$ 0.07</u>	<u>\$ 0.11</u>
Non-GAAP projected net income per share - diluted	\$ 0.06	\$ 0.10

Ariba provides quarterly and annual financial statements that are prepared in accordance with generally accepted accounting principles (GAAP). In addition, Ariba provides certain non-GAAP financial information. This non-GAAP financial information excludes the following types of costs and expenses that are included in GAAP: i) amortization of intangible assets, ii) stock-based compensation, and iii) restructuring and integration costs. Management reviews this non-GAAP financial information in evaluating Ariba's historical and projected financial performance, and believes that it may assist investors in assessing its ongoing operations. The presentation of this additional information is not meant to be considered in isolation or as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. We have provided a reconciliation of the non-GAAP financial information with the comparable financial information reported in accordance with GAAP for the given period.