

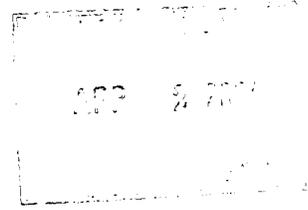


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**IN ACCORDANCE WITH RULE 311 OF  
REGULATION S-T, THESE EXHIBITS  
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**UNITED STATES  
Securities and Exchange Commission  
Washington, D.C. 20549**



**FORM SE**

**FORM FOR SUBMISSION OF PAPER FORMAT EXHIBITS**

**BY ELECTRONIC FILERS**

**PROCESSED**

APR 05 2004

THOMSON  
FINANCIAL

THE IT GROUP, INC.

0000731190

Exact name of registrant as specified in charter

Registrant CIK Number

FORM 8-K (dated March 30, 2004)

1-09037

Electronic report, schedule or registration statement  
of which the documents are a part (give period of report)

SEC file number, if available

Name of Person Filing the Document (if other than the Registrant)

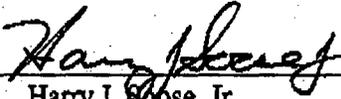
**SIGNATURES**

*Filings Made By the Registrant:*

The Registrant has duly caused this form to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Monroeville, State of Pennsylvania, April 2, 2004.

THE IT GROUP, INC.

(Registrant)

By:   
Harry J. Boose, Jr.  
Chief Operating Officer

## Exhibit Index

### Exhibit

- 99.1 Notice of Filing of Monthly Operating Report for period from January 31, 2004 through February 27, 2004 (including Exhibits).

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

----- x  
In re: : Chapter 11  
The IT Group, Inc., : Case No. 02-10118 (MFW)  
et al., : Jointly Administered  
Debtors. :  
----- x

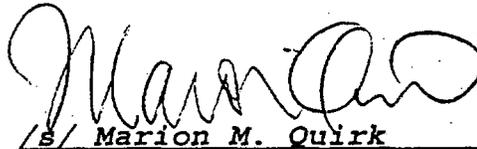
NOTICE OF FILING OF MONTHLY OPERATING REPORT FOR PERIOD  
FROM JANUARY 31, 2004 THROUGH FEBRUARY 27, 2004

PLEASE TAKE NOTICE that on March 30, 2004, the debtors and debtors-in-possession in the above-captioned cases filed with the Court the Monthly Operating Report of The IT Group Inc. et al., for the period from January 31, 2004 through February 27, 2004 (the "Monthly Operating Report"), which is attached hereto as Exhibit A.

PLEASE TAKE FURTHER NOTICE that contemporaneously herewith, the Monthly Operating Report was

transmitted to the parties listed on Exhibit B attached  
hereto in the manner provided thereon.

Dated: Wilmington, Delaware  
March 30, 2004



/s/ Marion M. Quirk

Gregg M. Galardi (I.D. No. 2991)  
Marion M. Quirk (I.D. No. 4136)  
SKADDEN, ARPS, SLATE, MEAGHER  
& FLOM LLP

One Rodney Square  
P.O. Box 636  
Wilmington, Delaware 19899  
(302) 651-3000

Attorneys for Debtors and  
Debtors-in-Possession

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# EXHIBIT A

**The IT Group, Inc.**  
**Case No. 02-10118**

**Activity for the period January 31, 2004 thru February 27, 2004**

**Table of Contents**

1. Affidavit
2. Consolidated Balance Sheet of All Debtors
3. Consolidated Income Statement of All Debtors
4. Schedule of Post Petition Debts
5. Accounts Receivable Reconciliation and Aging Summary and Debtor Questionnaire
6. List of Bank Accounts with bank description, account number and balance
7. Schedule of Cash Receipts and Disbursements

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

----- X  
: Chapter 11  
In re: :  
: Case No. 02-10118 (MFW)  
The IT Group, Inc., :  
  et al., : Jointly Administered  
: Debtors. :  
----- X

DECLARATION OF HARRY J. SOOSE, JR. IN SUPPORT OF THE  
MONTHLY OPERATING REPORT FOR THE PERIOD JANUARY 31, 2004  
THROUGH FEBRUARY 27, 2004 FILED ON BEHALF OF THE ABOVE-  
REFERENCED DEBTORS

I, Harry J. Soose, Jr. hereby declare under  
penalty of perjury that the following is true and correct  
to the best of my knowledge, information, and belief.

1. I am the Chief Operating Officer and Chief  
Financial Officer of The IT Group, Inc., a Delaware  
corporation with an office in Monroeville, Pennsylvania.

2. This declaration is submitted in conjunction  
with the filing of the monthly operating report.

3. All financial activity between the debtors and non-debtor foreign and domestic subsidiaries is outlined in the consolidated statement of income and balance sheet. The bank reconciliations of the debtors are substantially completed as of February 27, 2004. All tax returns and taxes are current.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated:       Monroeville, PA  
              March 25, 2004

  
\_\_\_\_\_  
Harry D. Soose Jr.  
Senior Vice President  
COO & CFO

THE IT GROUP, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEET  
CASE NO. 02-10118  
February 27, 2004

	01/30/04	Reclass/ Prior Period Adjustments	February Activity	02/27/04
<b>Current Assets:</b>				
Cash	51,228,833	-	(1,846,857)	49,381,976
Accounts receivable	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Deferred income taxes	-	-	-	-
Other receivables	1,042,612	-	(36,070)	1,006,542
Prepaid expenses and other current assets	27,903,568	-	274,725	28,178,293
<b>Total current assets</b>	<b>80,175,013</b>	<b>-</b>	<b>(1,608,202)</b>	<b>78,566,811</b>
Property, plant and equipment at cost	-	-	-	-
Accumulated depreciation and amortization	-	-	-	-
<b>Net property, plant and equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cost in excess of net assets of acquired businesses	-	-	-	-
Investments in affiliate	-	-	-	-
Restricted cash	-	-	-	-
Deferred financing costs	-	-	-	-
Other assets	-	-	-	-
Deferred taxes	-	-	-	-
Long-term assets of discontinued operations	-	-	-	-
<b>Total assets</b>	<b>80,175,013</b>	<b>-</b>	<b>(1,608,202)</b>	<b>78,566,811</b>
<b>Current Liabilities (Prepetition)</b>				
Accounts payable-unsecured	42,637,869	-	480,006	43,117,875
Accrued wages and related liabilities-unsecured	8,710,657	-	-	8,710,657
Billings in excess of revenues-unsecured	32,007,386	-	-	32,007,386
Other accrued liabilities-unsecured	31,715,501	-	-	31,715,501
Long-term debt due within 1 year-unsecured	256,622,000	-	-	256,622,000
Long-term debt due within 1 year-secured	489,482,516	-	(1,400,773)	488,081,743
<b>Current Liabilities (Post Petition)</b>				
Accounts payable-unsecured	468	-	-	468
Accrued wages and related liabilities-unsecured	3,682,962	-	(3,131,828)	551,134
Billings in excess of revenues-unsecured	-	-	-	-
Other accrued liabilities-unsecured	11,239,123	-	621,229	11,860,352
DIP financing	-	-	-	-
Long-term debt due within 1 year-unsecured	-	-	-	-
Long-term debt due within 1 year-secured	-	-	-	-
Current liabilities of discontinued operations	628,974	-	(15,540)	613,434
<b>Total current liabilities</b>	<b>876,727,456</b>	<b>-</b>	<b>(3,446,906)</b>	<b>873,280,550</b>
Long-term debt	-	-	-	-
Long-term liabilities of discontinued operations	-	-	-	-
Other I-1 accrued liabilities-prepetition unsecured	4,408,273	-	-	4,408,273
Minority interest in subsidiary	-	-	-	-
<b>Total liabilities</b>	<b>881,135,729</b>	<b>-</b>	<b>(3,446,906)</b>	<b>877,688,823</b>
<b>Stockholders' Equity:</b>				
Preferred stock	6,665,152	-	-	6,665,152
Common stock	230,814	-	-	230,814
Treasury stock	(4,866,900)	-	-	(4,866,900)
Unearned compensation-restricted stock	(543,568)	-	-	(543,568)
Additional paid-in capital	352,365,701	-	-	352,365,701
Retained earnings (deficit)	(1,154,811,915)	-	1,838,704	(1,152,973,211)
Cumulative translation adj.	-	-	-	-
<b>Total stockholders' equity</b>	<b>(800,960,716)</b>	<b>-</b>	<b>1,838,704</b>	<b>(799,122,012)</b>
<b>Total liabilities and stockholders' equity</b>	<b>80,175,013</b>	<b>-</b>	<b>(1,608,202)</b>	<b>78,566,811</b>

THE IT GROUP, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF INCOME  
CASE NO. 02-10118  
JANUARY 31, 2004 THRU FEBRUARY 27, 2004

Revenues	-
Cost and expenses:	
Cost of revenues	-
Selling, general and administrative expense	(1,168,868)
Total cost and expenses	<u>(1,168,868)</u>
Operating income/(loss)	1,168,868
Unrealized gain/(loss) on stock held for sale	601,681
Realized gain/(loss) on debt extinguishment and claim settlement	31,272
Interest income, net	36,883
Net income/(loss) before income taxes	<u><u>1,838,704</u></u>

The IT Group, Inc. and Subsidiaries  
Case No. 02-10118  
Accounts Payable Consolidated Aging  
as of February 27, 2004

<u>Days Aged</u>	<u>Balance</u>
0 - 30	613,902
31 - 60	-
61 - 90	-
Over 90	43,117,875
Balance G/L	<u>43,731,777</u>
Pre Petition	43,117,875
Post Petition	613,902
	<u>43,731,777</u>

THE IT GROUP, INC. AND SUBSIDIARIES  
 ACCOUNTS RECEIVABLE RECONCILIATION AND AGING  
 CASE NO. 02-10118  
 As of February 27, 2004  
 (in thousands)

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	-
Prior Period Adjustments	-
+ Amounts billed during the period	-
- Amounts collected during the period	-
Total Accounts Receivable at the end of the reporting period	-

Accounts Receivable Aging	
0 - 30 days past due	-
31 - 60 days past due	-
61 - 90 days past due	-
91+ days past due	-
A/R not aged	-
Retainage	-
Total Accounts Receivable	-
Amounts considered uncollectible (Bad Debt)	-
Accounts Receivable (Net)	-

DEBTOR QUESTIONNAIRE

<b>Must be completed each month</b>	<b>Yes</b>	<b>No</b>
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.	-	X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.	-	X
3. Have all post petition tax returns been timely filed? If no, provide an explanation below.	X	-
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	-

The IT Group, Inc. and Subsidiaries  
Case No. 02-10118  
Debtor Bank Account Detail  
February 27, 2004

GL ACCT #	DEBTOR CASE NUMBER	BANK ACCT #	BANK NAME	DESCRIPTION	02/27/04 PER BALANCE SHEET
1010	02-10165	3050-7945	Citibank, N.A., 399 Park Avenue New York, NY 10043	Citibank, NA (checking)	113,270
1020	02-10165	3050-7953	Citibank, N.A., 399 Park Avenue New York, NY 10044	Citibank, NA (savings)	1,382,943
1030	02-10165	3050-9158	State Street Bank and Trust Co. Boston, MA	Sale proceeds	47,234,450
1040	02-10165	3050-9174	Citibank, N.A., 399 Park Avenue New York, NY 10046	Citibank, NA (employee benefits)	130,193
1060	02-10165	2662868294	Dollar Bank, Miracle Mile, Monroeville, PA 15146	Petty Cash Corporate	1,000
1070	02-10165	010-51-099-62	Bank of America, Concord, CA	Petty Cash Northern California	8,000
1210	02-10118	454353	State Street Bank and Trust Co. Boston, MA	Restricted Cash Caterpillar	-
1240	02-10118	454341	State Street Bank and Trust Co. Boston, MA	Restricted Cash Bookspan	512,120
					49,381,976

\*Caterpillar claim settled for \$1,130,000: Balance transferred to Account 1030.

Case No. 02-10118 (NEV) (Jointly Administered)  
Consolidated Cash Flow

(000's)

Summary Page

	February 2004 (a) Actual	Cumulative Actual
Cash Beginning of Month	\$ 51,090	\$ 18,189
Receipts		
Cash Sales	-	-
Accounts Receivable/Other Receivables	212	255,716
Loans and Advances	-	-
Sale of Assets	-	69,288
Preference Recoveries	191	495
Other (Reimbursements from Shaw)	54	20,110
DIP Draw & (Repayment)	-	50,000
Total Receipts	457	395,609
Disbursements		
Net Payroll & Benefits	(59)	(90,174)
Payroll Taxes	(25)	(34,361)
Sales, Use, and Other Taxes	(23)	(1,157)
Operating Expenses	(1,198)	(163,590)
Rental & Leases	-	(14,019)
Insurance	(1)	(8,467)
Administrative & Selling	(171)	(6,707)
Sale of Assets	-	-
Claims Settlements	-	(530)
Other (Attach List)	-	(17,678)
Professional Fees (b)	(741)	(27,475)
U.S. Trustee Fees	-	(291)
Court Costs	-	-
Total Disbursements (c)	(2,218)	(364,469)
Net Cash Flow (Receipts Less Disbursements)	(1,761)	31,140
Cash - End of Month	\$ 49,329	\$ 49,329
Total Disbursements	(2,218)	
Less: Transfers to Debtor in Possession Accounts	-	
Plus: Estate Disbursements Made by Outside Sources	-	
Total Disbursements For Calculating U.S. Trustee Quarterly Fees	(2,218)	

(a) February actual includes cash flow activity from February 1, 2004 through February 29, 2004.  
 (b) Professional fees include \$113,986.31 to Jefferson Wells on 02/25/04, \$93,267.69 to Kroll Zolfo Cooper LLC on 02/25/04, \$76,810.10 to Skadden Arps on 02/25/04, and \$331,861.41 to White & Case on 02/25/04.  
 (c) The Debtor companies have limited business operations and all of the Debtor companies with the exception of IT Corporation had no or de minimis disbursements.

# EXHIBIT B

EXHIBIT B

The IT Group, Inc., et al.  
Case No. 02-10118

**Debtors**

The IT Group, Inc.  
2790 Mosside Blvd.  
Monroeville, PA 15146-2792  
Attn: Harry J. Soose  
(By Overnight Courier)

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**United States Trustee**

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Wilmington, DE 19899  
(By Hand Delivery)

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