



Q1 2008 revenue of € 7.3M

- **€5.7M Software as a Service (SaaS)* revenue**
- **New Technology contracts signed for a total value of €2.4M**
- **New appointments to strengthen the Sales Management**

Paris – April 29th, 2008: Hubwoo, the world's leading provider of SaaS electronic purchasing solutions today announced revenue for the first quarter 2008.

Mark Williams, Hubwoo CEO commented: *"In the two quarters since the signature with SAP of our new BPO contract, the company has signed SaaS (technology) contracts with a total contract value of €9.3M, more than in the previous two years combined. This has enabled the company to post SaaS revenues in Q1 of €5.7M, almost at the level of Q4, even after the €6M annual reduction in revenues from the final transition of Trade Ranger customers.*

The contracts signed in Q1 , with a first year SaaS value of €700K, give us confidence that we can reach our four quarter SaaS backlog target of €25M at the end of the year (versus €21M at the end of 2007). Our Q1 services revenues were below our expectations, but we expect them to bounce back strongly in Q2 and Q3 with the implementation of the technology contracts we have signed.

With the momentum we are building with SAP in the field, together with the changes we have made to the sales and leadership team, I believe we are positioned at last to show durable organic growth over the next few years."

Revenue:

Euros million (non audited figures)	Q1 2008	Q1 2007	% Change (3)
Consolidated Revenue (1)	7.3	7.9	-8.2%
Constant Basis revenue (2)	7.3	8.9	-17.7%

(1) includes Intersources revenues as from August 1st, 2007 & blueSolutions as from January 3rd, 2008

(2) includes Intersources & blueSolutions revenues for all periods at constant exchange rate

(3) variation percentages are calculated on precise numbers, not on rounded numbers shown

For the first quarter 2008, revenues were 7.3 million euros, a decrease of 8.2% compared to consolidated revenues for the same period in 2007.

On a constant basis, global services revenue increased by +22%, mainly driven by strong growth in North America. SaaS revenue decreased by 26%, due to the effect of the revenue loss from Trade Ranger contracts. All the former Trade Ranger customers have now renewed their contracts with Hubwoo for 2008, but at an annual value of around 6 million euros below 2007.

* SaaS is a model of delivering technology where a vendor develops an application and hosts it ('on demand') as a service for its customers. Clients do not buy the technology but pay a subscription fee to use it.



Revenue Metrics

Hubwoo has two revenue streams:

- Software as a Service (SaaS) subscription revenues**
 These revenues arise from multi-year contracts for the provision of technology in the area of e-Sourcing, e-Procurement, e-Invoicing and Network (hub, catalogue and connectivity).
- Service revenues**
 These are revenues related to the provision of professional services in the selection, implementation, operation, and support of technology in e-procurement and e-sourcing. These may be related to the provision of SaaS to a customer, or may be stand-alone.

The table following sets out the breakdown of SaaS and services revenues for Q1 08, details of the contracted revenue, and backlog carried forward for the next four quarters.

Consolidated Revenue		Q1 2008
Total		€ 7.3 million
SaaS		€ 5.7 million
Services		€ 1.6 million
New Customers		
Total		13
SaaS		4
Services		9
SaaS - New Contracts		Full Contract value
Total		€ 2.4 million
SaaS		€ 1.7million
Services		€ 0.7million
		First Year Value
Total		€ 1.1 million
SaaS		€ 0.7 million
Services		€ 0.4 million
SaaS - Backlog (Rolling 4 quarters Contracted revenue)		€ 21.6 million

The company's key metric is the **4 quarter SaaS backlog**, €21M at the end of 2007, the measure of the contracted SaaS revenue for the coming 12 months. The 4 quarter SaaS backlog grew by €0.6M in Q1 to €21.6M, which is in line with the company objective of increasing it by approximately 20%, to €25M by the end of 2008.

As a result of our 2007 new agreement with SAP, the demand for SaaS solutions and services for eSourcing continued to strongly grow in Q1: four new contracts out of the 13 new customers are concerned principally with eSourcing. The greater traction with SAP in the field, and the shorter sales cycles associated with sourcing opportunities will drive revenue growth in the coming quarters.



Changes to Leadership Team and Sales Management

The company has taken steps to broaden and flatten its leadership team, all reporting directly to CEO Mark Williams, with an increasing focus on sales.

- **Greg Mark**, previously head of global sales, has relocated back to the US to lead our business and to establish our leadership team presence there as **SVP - Americas and Asia**. As a result of the recent acquisitions, and the recent success of the company in growing the US customer base, North America is now the company's second largest operation by headcount after France. Looking forward, the company expects at least half of its new SaaS revenue to be generated in North America.
- Before returning to the US, Greg drove the recruitment of **Jean-Francois Guyomar** as **SVP - EMEA**. In this capacity, he is responsible for all sales activities within EMEA. He reports directly to CEO Mark Williams, and joins the Leadership Team. Jean-Francois has an impressive track record of establishing effective and process-driven sales organizations at such companies as Netscape and CNET, and most recently SAP where he ran the Large Enterprise sales team in France.
- **Steve Tucker, SVP Corporate Development, Dan Daehler, SVP Alliances, Peter Leyten, SVP Global Customer Services, and Jan De Kezel, SVP Consulting**, also now join the Leadership Team. Previously directors of Intersources NV, the services company acquired by Hubwoo in 2007, and then Vice Presidents of Hubwoo, they will play a critical role in continuing the company's success.

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About Hubwoo (www.hubwoo.com)

Hubwoo is the world's leading provider for SaaS electronic purchasing solutions. The company manages the largest Business to Business Community with more than 100 worldwide buying corporations (50 of them among Fortune 1000) and over 13,000 connected suppliers. Clients include Total, BASF, EDF, Gaz de France, Michelin, Shell, Bayer, Henkel, Evonik, Alcatel, Safran, ConocoPhillips, The Dow Chemical Company, ENI, Repsol YPF, Solvay and Statoil. Hubwoo's trading hub annually processes 4,5 million transactions representing € 7 billion in customer spend value. The company operates internationally, and has a strategic partnership with SAP AG.

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