



Hubwoo announces 2015 Annual Results

- EBITDA(*) at € M 2.2, in line with expectations
 - Positive operating cash-flow
- Non recurring/non cash depreciation costs of € M 15

Paris – March 25th, 2016 – Hubwoo (Euronext: HBW.NX), a leading provider of comprehensive spend management and business process collaboration solutions, today announced financial information for 2015, in accordance with the “European Transparency Obligations Directive” financial disclosure requirements.

Hampton Wall, Hubwoo Chairman & CEO commented: “Following the success of the tender offer in Q3, we confirm our commitment to the Hubwoo customer base and the progress we are making as we combine the go to market approach with the technologies of Hubwoo and Perfect Commerce in all the geographies we operate. As commented in September 2015, the revised valuation of the company and an impairment test has led to a non-cash impairment of goodwill.”

1. 2015 Key Results:

The Hubwoo Board of Directors approved the 2015 accounts on March 22, 2016, which will be formally certified by the Auditors in April.

€ Million	2014	2015	change in %
Revenue	27.5	24.5	-11%
EBITDA (*)	3.6	2.2	-40%
<i>Ebitda as a % of revenue</i>	13%	9%	
Net Earnings before impairment	-0.5	-4.9	
Net Earnings	-15.8	-20.0	
Operating Cashflow	3.1	1.1	-65%
Cash	6.0	5.8	-2%

(*)EBITDA: Operating result before depreciation and non recurring items.



Revenues

Over the year, revenue declined by 11% compared to 2014.

Goodwill impairment

As communicated in September, the price proposed by Perfect Commerce for the acquisition of the company in the context of the public offer initiated in June 2015 provides a valuation of the Hubwoo Group which is lower than its current net assets as of December 31, 2014. Consequently, the company performed an impairment test of goodwill at June 30, 2015, taking into account the economic analysis and the evaluation of the Group included in the Offer document from the tenderer.

As a result, the fair value of Hubwoo converges with the tenderer valuation, and a goodwill depreciation of €15M has been passed in the first half of 2015. This impairment of goodwill above is non-cash and in no way affects the liquidity and solvability of the Company or its operations.

An additional test performed at 31/12/2015 confirmed the above.

Profitability

The Company recorded an EBITDA of €2.2M. The Company continued strict financial controls over its cost structure throughout the year 2015 and after the acquisition by Perfect Commerce in the third quarter of the year.

Due to the impairment of goodwill and one off provisioning following the restructuring implemented after the acquisition by Perfect Commerce the Net Income is negative by €20M.

Cashflow

In 2015, the company's operating cash-flow was € 1.1M, taking into account tight control over its working capital. Capital investment remained strong, at € 1.5M, and focused on the Company's strategic solution suite, The Business Network by Hubwoo. The 2015 year-end cash position was €5.8M, €0.2M below that reported at the end of 2014.

2. 2015 major events:

- a) On June 9, 2015, Perfect Commerce launched a tender offer on all the Hubwoo shares. The offer was unanimously supported by the Hubwoo Board on June 8, 2015.
- b) The AMF has communicated on August 4, 2015 that Perfect Commerce owned 74.07% of Hubwoo shares, after the first subscription period that ended on July 30th. Following the second subscription period ended on September 7th, Perfect Commerce owns 78.95% of Hubwoo shares and voting rights.
- c) On September 8, 2015 all members of the Board of Directors resigned. The new members appointed are the following:
 - Mr. Hampton Wall, as Chairman and Executive Officer of Hubwoo
 - Mr. Mark Dreyfus, as Director
 - Mr. Jerrold Miller, as Director
 - Mrs. Nicole Lowe, as Director.



About Hubwoo (www.hubwoo.com), a Perfect Commerce Company

Hubwoo connects companies by providing comprehensive, cloud-based spend management and collaborative business process automation solutions for both goods and services, through The Business Network. Our solutions integrate with any ERP or procurement system, providing our customers with an easy to use solution which drives adoption, compliance and savings.

Significant customers include BASF, Honeywell, Shell, Evonik, Nationwide, Michelin, Henkel, Statoil, CONSOL Energy, , Campbell's, Burton's Foods, and The Dow Chemical Company.

Hubwoo has major operations in Paris, Houston, Chicago, Bonn, London, Manilla, and Leuven. Listed in Compartment C on the Euronext Paris Eurolist.

ISIN: **FR0004052561**, Euronext: **HBW**, Reuters: **HBWO.PA**, Bloomberg: **HBW:FP**

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