

US-based GXS Buys Brazil's Interchange, a B2B E-commerce Firm

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Interchange Serviços S.A., one of Brazil's largest, in-country providers of electronic data interchange (EDI) services owned by Banco Real, Citibank Brazil, EDS, an HP company, and Itaú Unibanco, has been bought by GXS, a US-based provider of business-to-business (B2B) e-commerce solutions.

The acquisition builds upon GXS' current market presence in Brazil and accelerates the company's growth plans for B2B managed services in that country. Interchange provides service to more than 450 customers in the financial services, retail and utilities industries, including 50 of the country's largest banks.

In 2008, Interchange managed more than 77 million transactions on behalf of its customers. GXS plans to integrate Interchange's EDI services with GXS Trading Grid, to ensure customers' ability to leverage its expansive global reach and portfolio of B2B managed services.

Interchange also provides a complete solution of bank authorization network services for financial services customers, including capturing, processing, authorizing and managing payments collections through its CORBAN services platform.

"While GXS already provides B2B services to many Brazilian businesses, acquiring Interchange will expand our presence in Brazil and enable us to offer significant integration opportunities to global businesses seeking to expand their operations in Latin America," said Bob Segert, president and CEO of GXS.

"Furthermore, we see strong potential for further growth in B2B managed services in Brazil and are confident that Interchange's experience and expertise will be of tremendous value as we seek to successfully deliver on that vision."

With anticipated 5.8% economic growth expected in 2008, Brazil is expected to emerge as one of the world's top 10 economies and is becoming an increasingly important geographic center for business and trade. As such, Brazilian businesses need supply chain infrastructure and technologies to support their growth.

Additionally, businesses in North America, Europe and Asia are seeking to expand their sales and operations in Brazil and need greater integration with business partners in the region. Through the acquisition of Interchange, GXS not only builds upon its local customer base within Brazil, but also can better assist customers in their efforts to establish global trade.

In a recent report, AMR Research stated, "Latin America, particularly Brazil, is ripe for supply chain technology investment. In a market now dominated by SAP, the country has yet to adopt many of the newer collaborative models

and supporting technologies that are taking hold in Europe and North America."

Interchange is a leader in the Brazilian market in management of online financial transactions and multichannel services. In business since 1991, Interchange brings with it a strong base of customers, including 50 of the country's largest banks as well as multi-national retailers and manufacturers.

Its strong electronic data interchange (EDI) business processes more than 77 million transactions per year on behalf of its customers. Interchange's largest investors include three multi-national financial institutions - Banco Real, Citigroup, Inc., Itaú Unibanco and EDS, an HP company.

GXS is a leading global provider of B2B e-commerce solutions. Based in Gaithersburg, Md., GXS has an extensive global network and has local offices in the Americas, Europe and Asia-Pacific regions.