

# STOCK TRADERS PRESS

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**Short-Term Report April 15, 2003**

## STRONG BUY

**WebEx Communications, Inc. (NASDAQ) WEBX \$ 10.33**

### Company Data

52-week range	\$7-\$21
Market Cap	\$420.1M
Shares Outstanding	41.1M
Book Value	\$2.15
Price/Book	4.75
Average Daily Vol.	1.15M
Target Price	\$17.00
Target Percentage	65.0%
Stop Price	\$8.00



**WebEx Communications, Inc.** is the major provider of real-time, interactive business communications services on the Web sites of its customers. These services allow the customers of the **WebEx** to conduct meetings as well as share documents, presentations and a broad line of content on the Internet.

**We are attracted to WebEx for the following reasons:**

- As the **largest provider of interactive multimedia services**, the company has garnered an enviable list of customers. As of year-end 2002, **WebEx** has over 7000 companies subscribing to its services, which is up about 40% (plus 2000 companies) from year-end 2001 levels. More importantly the number of subscribing ports was over 92,000 up almost 50% from year-end 2001. An individual subscribing company normally will have more than 5 subscribing ports.
- The services that **WebEx** provides can be a significant savings to a subscribing company. As Corporate America continues its pursuit of cost efficiencies we would expect **WebEx** to maintain its strong growth in company and port subscriber growth.
- Over the past several years, **WebEx** has enjoyed spectacular growth with revenues rising from \$25 million in 2001 to over \$139 million in 2002. More importantly, the company has gone from a loss of \$.40 per share in 2001. At the present time, **The Company has a gross profit margin of 83%, which is excellent.**
- From a financial viewpoint, the company has a strong balance sheet with cash of over \$1.60 per share (over \$65 million) and an extremely small amount of debt.
- For the year ending December 31, 2003 we expect the company **to earn \$.47 per share.** We anticipate that the company will continue to post annual growth of 30% or more.
- We consider **WebEx** an attractive investment with a service very much in demand by the business community. **Our target price is \$17.00 per share.**

*Quote: "Never tell people how to do things. Tell them what to do and they will surprise you with their ingenuity."- George S. Patton*