

uBid.com Holdings, Inc. Announces Third Quarter 2007 Results

uBid.com's Certified Merchant Program continues to Grow

Net revenues in uBid's Certified Merchant Program were up 27.2% to \$1.4 million--Net Loss improves \$468,000 or 17.6% over the year-ago period- - Adjusted Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) and non-cash compensation charge was a loss of \$2.0 million compared to a loss of \$2.4 million in the third quarter of the prior year

Chicago, IL, November 14, 2007 – uBid.com Holdings, Inc. (OTCBB: UBHI) whose uBid, Inc. subsidiary is one of the leading business-to-consumer and business-to-business online auction marketplaces in the U.S., today announced results for the third quarter ended September 30, 2007.

Highlights for the third quarter of 2007 include:

- Net Revenues in uBid's Certified Merchant Program, a key business metric, were up 27.2% to \$1.4 million compared to \$1.1 million one year ago.⁽¹⁾
- Gross Profit for the quarter increased \$246,000 or 12.7% over the same period in the prior year. The gross profit percentage increased to 22.5% from 13.5% in the prior year.
- Net loss of \$2.2 million compares to a net loss of \$2.7 million in third quarter 2006.
- Adjusted Earnings before Interest, Taxes, Depreciation, Amortization (EBITDA) and non-cash compensation improved 14.7% in the third quarter versus the third quarter of the prior year.⁽²⁾
- uBid's Certified Merchant Program grew by 93.5% to 3,321 approved merchants at September 30, 2007 from 1,716 merchants at September 30, 2006. This also represents an increase of 15.6% from June 30, 2007.
- Active auction participants totaled 328,000 while the number of auction events increased 27.2% to approximately 715,000 from 562,000 in the third quarter of 2006.
- Customer registrations totaled approximately 63,000 in the third quarter of 2007 compared to approximately 54,000 in the third quarter of 2006.
- Operating Expenses decreased \$184,000 or 4.0% in the third quarter of 2007 compared to the prior year. During the quarter the company recorded \$355,000 in one time expenses related to the search for the new CEO and consulting expenses for Sarbanes Oxley compliance.
- Total current assets at September 30, 2007 were \$17.3 million, which includes \$9.4 million in cash and cash equivalents.

Commenting on the results for the period Jeffrey D Hoffman, who was recently appointed CEO of uBid.com Holdings, Inc. stated, "The growth in both the number of Certified Merchants and their associated increase in revenues are further evidence that our strategy in building stronger relationships with our sellers is starting to bear fruit. We'll be building on this momentum and leveraging these relationships as part of our growth strategy in 2008."

Additional highlights include:

September 24, 2007 -- uBid.com Holdings, Inc. appointed Jeffrey D. Hoffman, accomplished entrepreneur and innovator in the fields of on-line auction and retail, software, and entertainment as its Chief Executive Officer. Mr. Hoffman also joined uBid.com's Board of Directors. Mr. Hoffman succeeds Robert H. Tomlinson, Jr., uBid.com's previous CEO, who informed the Board on March 26, 2007 of his intention to step down before the end of 2007.

About uBid.com Holdings, Inc.

uBid.com Holdings, Inc. and subsidiaries (the "Company") operate a leading on-line business-to-consumer and business-to-business marketplace that enables itself, certified merchants, manufacturers, retailers, distributors and small businesses to offer high quality excess, new, overstock, close-out, refurbished and limited supply brand name merchandise to consumer and business customers primarily located in the United States. Through the Company's website, located at www.ubid.com, the Company offers merchandise across a wide range of product categories including but not limited to computer products, consumer electronics, apparel, housewares, watches, jewelry, travel, sporting goods, home improvement products and collectibles. The Company's marketplace employs a combination of auction style and fixed price formats. uBid.com Holdings, Inc. is publicly traded on the NASD OTC bulletin board (UBHI).

⁽¹⁾ This news release contains the financial measure gross merchandise sales ("GMS") that is not an Accounting Principle Generally Accepted in the United States of America ("GAAP"). GMS represent the retail value of all sales transactions, inclusive of freight, which flow through the uBid.com platform, whether or not uBid.com is the seller of the merchandise, or records the full amount of such sales on its financial statements. We use gross merchandise sales as a metric for operating our business. We believe that investors will have a more thorough understanding of our historical revenue trends if they have visibility to GAAP net revenue as well as the non-GAAP financial measure gross merchandise sales. We believe that certain non-GAAP performance measures and ratios, which our management uses in managing our business, may provide users of this financial information additional meaningful comparisons between current results and results in prior operating periods. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, our reported operating results or cash flow from operations or any other measure of performance prepared in accordance with GAAP. In addition, our presentation of these measures may not be comparable to similarly titled measures other companies use.

The table below is a reconciliation of GMS to the most directly comparable measures calculated and presented in accordance with Generally Accepted Accounting Principles.

Reconciliation of GMS to GAAP
(Dollars in thousands)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2007	2006	2007	2006
GMS	\$ 23,704	\$ 26,528	\$ 73,473	\$ 87,981
Cancellations	(2,249)	(1,982)	(8,183)	(7,219)
Backlog	(853)	(1,554)	(853)	(1,554)
GAAP Entry	(10,575)	(8,219)	(30,450)	(24,108)
Returns	(307)	(407)	(997)	(1,525)
Net Sales	\$ 9,720	\$ 14,366	\$ 32,990	\$ 53,575

GMS	Total revenue in auctions closed and Business to Business transactions
Cancellations	Auctions that will not be shipped due to credit and other issues
Backlog	Auctions & orders pending review in credit & approved orders at warehouse pending shipment
GAAP Entry	Entry required to eliminate sales under revenue sharing and commission arrangements under accounting principles generally accepted in the United States of America ("GAAP")
Returns	Credits issued to customers for return products and customer satisfaction and related reserves

(1)

	(Dollars in Thousands)			
	Three months Ended September 30,		Nine months Ended September 30,	
	2007	2006	2007	2006
Net Revenue				
Direct	\$ 7,008	\$ 9,395	\$ 23,778	\$ 40,648
UCM	1,447	1,138	4,244	3,206
Business to Business	973	3,642	4,069	9,321
Other	292	191	899	376
Total	\$ 9,720	\$ 14,366	\$ 32,990	\$ 53,551
Gross Profit				
Direct	\$ 358	\$ 330	\$ 1,991	\$ 2,645
UCM	1,447	1,138	4,244	3,206
Business to Business	90	282	474	741
Other	292	191	899	376
Total	\$ 2,187	\$ 1,941	\$ 7,608	\$ 6,968
Gross Profit %				
Direct	5.1%	3.5%	8.4%	6.5%
UCM	100.0%	100.0%	100.0%	100.0%
Business to Business	9.2%	7.7%	11.6%	7.9%
Other	100.0%	100.0%	100.0%	100.0%
Total	22.5%	13.5%	23.1%	13.0%

(2) Adjusted EBITDA represents earnings before interest, taxes, depreciation and amortization adjusted for stock based compensation, a non-cash item.

Reconciliation of EBITDA
(Dollars in thousands)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2007	2006	2007	2006
Net Loss	\$ (2,193)	\$ (2,661)	\$ (5,146)	\$ (7,385)
Interest Income	(50)	(12)	(224)	(208)
Depreciation & Amortization	233	110	642	253
EBITDA	(2,010)	(2,563)	(4,728)	(7,340)
Stock Based Compensation	-	206	365	666
Adjusted EBITDA (2)	\$ (2,010)	\$ (2,357)	\$ (4,363)	\$ (6,674)

Included in this press release is our unaudited Consolidated Balance Sheet and Consolidated Statement of Operations for the period ended September 30, 2007.

uBid.com Holdings, Inc and Subsidiaries
Consolidated Condensed Balance Sheets
(Dollars in Thousands, except par value data)
(Unaudited)

	September 30, 2007	December 31, 2006
Assets		
Current Assets		
Cash and cash equivalents	\$ 9,376	\$ 14,785
Restricted investments	212	214
Accounts receivable, less allowance for doubtful accounts of \$215 and \$215, respectively	1,880	1,810
Merchandise inventories, net	5,001	4,054
Prepaid expenses and other current assets	839	1,189
	17,308	22,052
Total Current Assets	17,308	22,052
Property and Equipment, net	800	924
Purchased Intangible Assets, net	242	602
	18,350	23,578
Total Assets	\$ 18,350	\$ 23,578
Liabilities and Shareholders' Equity		
Current Liabilities		
Flooring facility	\$ 642	\$ 152
Accounts payable	3,539	2,239
Accrued expenses:		
Advertising	511	428
Other	946	1,024
	5,638	3,843
Total Current Liabilities	5,638	3,843
Shareholders' Equity		
Common stock, \$.001 par value (200,000,000 shares authorized; 18,197,783 and 20,333,333 issued and outstanding, respectively)	20	20
Treasury stock, 2,135,550 shares of common stock and 580,937 warrants at cost	(2,242)	-
Stock warrants	8,086	8,086
Additional paid-in-capital	37,213	36,848
Accumulated deficit	(30,365)	(25,219)
	12,712	19,735
Total Shareholders' Equity	12,712	19,735
Total Liabilities and Shareholders' Equity	\$ 18,350	\$ 23,578

The accompanying notes are an integral part of these consolidated condensed financial statements.

uBid.com Holdings, Inc. and Subsidiaries
Consolidated Statements of Operations
(Dollars in thousands, except for per share data)
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2007	2006	2007	2006
Net Revenues	\$ 9,720	\$ 14,366	\$ 32,990	\$ 53,551
Cost of Revenues	7,533	12,425	25,382	46,583
Gross Profit	2,187	1,941	7,608	6,968
Operating Expenses:				
General and Administrative	3,313	3,454	9,661	10,439
Sales and Marketing	1,117	1,160	3,317	4,122
Total Operating Expenses	4,430	4,614	12,978	14,561
Loss From Operations	(2,243)	(2,673)	(5,370)	(7,593)
Other Income (Expense):				
Interest Expense	(83)	(110)	(294)	(267)
Interest Income	133	122	458	475
Miscellaneous Income	-	-	60	-
Total Other Expense, Net	50	12	224	208
Net Loss	(2,193)	(2,661)	(5,146)	(7,385)
Preferred Stock and Other Deemed Dividends	-	-	-	-
Net Loss Available to Common Shareholders	\$ (2,193)	\$ (2,661)	\$ (5,146)	\$ (7,385)
Net Loss per share - Basic and Diluted	\$ (0.12)	\$ (0.13)	\$ (0.27)	\$ (0.37)
Weighted Average Shares - Basic and Diluted	18,197,783	20,333,333	19,089,551	20,213,589

SEC Filings and Forward-Looking Statements

Additional information about uBid.com Holdings, Inc. is available in the company's annual report on Form 10-K filed with the Securities and Exchange Commission. Certain statements made in this release are forward-looking statements. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business of uBid.com Holdings, Inc. and the industries and markets in which uBid.com Holdings, Inc. operates. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or implied by these forward-looking statements. Factors which may affect the forward looking statement identified above and uBid.com Holdings, Inc.'s business, financial condition and operating results generally include the effects of adverse changes in the economy, reductions in consumer spending, declines in the financial markets and the industries in which uBid.com Holdings, Inc. and its partners operate, adverse changes affecting the Internet and e-commerce, the ability of uBid.com Holdings, Inc. to develop and maintain relationships with strategic partners and suppliers and the timing of its establishment or extension of its relationships with strategic partners, the ability of uBid.com Holdings, Inc. to timely and successfully develop, maintain and protect its technology and product and service offerings and execute operationally, the ability of uBid.com Holdings, Inc. to attract and retain qualified personnel, the ability of uBid.com Holdings, Inc. to successfully integrate its acquisitions of other businesses, if any, and the performance of acquired businesses. uBid.com Holdings, Inc. expressly disclaims any intent or obligation to update these forward-looking statements, except as otherwise specifically stated by uBid.com Holdings, Inc.