

IRG Technology, Media and Telecommunications and Life Sciences Weekly Market Review



Week of 20 March - 26 March, 2005

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International

Internet

- **Reports say Internet security attacks against businesses and other organizations continued to increase last year, with the financial services community being one of the most affected by the attacks.** Data from Symantec's Internet Security Threat Report also showed the hi-tech sector being the second most frequently attacked industry, and healthcare following at the third spot. The report points to the United States as the top country of origin for attacks detected in the financial sector worldwide, with 38 percent share. With 7 percent and 5 percent respectively, China and South Korea were identified as the second and third highest sources of attacks initiated against the financial sector worldwide. A separate report released by London-based corporate security systems provider mi2g said that most operators of computers at homes and small businesses are not aware that their standard security systems were being tapped by "organized criminals, radical groups and spies" through their programs such as bots and spyware. Based on the calculation of the mi2g report, last year's global economic damage from all types of digital risk, which would include phishing scams and spam, was between US\$470 billion and US\$578 billion. Research firm International Data Corp sees the security solutions market in Asia Pacific as increasing to US\$4.9 billion in 2008 from US\$9.1 billion in 2003.

Information Technology

- **Twenty countries have been identified as the leading technology outsourcing destinations in 2004, with India, China, Costa Rica, the Czech Republic and Hungary being at the top five.** According to the Global Outsourcing Report, three-quarters of U.S. companies outsourced some or all of their information technology projects in 2004. This percentage is seen to increase this year according to the first-of-its kind report that rank countries based on the opportunities, costs and risks these countries pose for IT outsourcing for the present as well as for the future. In the same report, India is described as the most competitive and popular technology outsourcing destination globally in 2005. China is, however, forecast as the No.1 technology outsourcing country in ten years.

Telecommunications

- **Deloitte Touche Tomatsu (DTT) has released its Global Telco Index that indicated the combined market value of index companies posted a 29 percent increase from January 1, 2003 to December 31, 2004.** The report does not point to any specific phenomenon that may explain the increase in combined market value of the DTT Global Telco Index. The DTT Global Telco looks into the telecommunications companies worldwide with a market capitalization in excess of US\$1 billion, and proceeds to analyze the sector within the context of the national, regional, economic, competitive, regulatory and the technological with the objective of making sense of the changes and movements in the industry. The report predicts that China will continue to grow and have influence in the Asia Pacific region, with this growth spurred by increases in mobile subscriptions and operators looking outside for more opportunities. Eastern Europe will continue to be a factor of growth in the European region. India, while seen as a wildcard, is seen as having the same potential as China. The American market is forecast to undergo dramatic change, with the cable operators and their bundled voice, video and data packages hastening the decrease in the number of wireline customers.

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Japan

Internet

- **Yahoo Japan announced that it has begun to use a new image distribution system that automatically sends the highest-quality image possible to users of its mobile version 'Yahoo Auctions' site.** The move was due to online auction participants tending to bid on items after first viewing them on their cell phone handset. The system is developed by I-Broadcast Inc. and is compatible with about 340 handsets produced domestically and about 200 made abroad.
- **Shares in Livedoor fell as much as 10 percent as Softbank Investment Corp agreed to borrow a 14 percent stake in Fuji Television Network Inc. from Nippon Broadcasting System.** The three companies also announced their plan to put up a US\$188 million fund that will be used to develop film, music and Internet programming, a move that appears to threaten Livedoor's own plan to use its stake in the broadcasting firm. Livedoor is the fastest-growing web portal in Japan with 10.6 million users last month, registering a two-thirds growth since September, according to a Nielsen/NetRatings survey of home-use personal computers.

Software

- **The world's fourth-largest computer software firm, Computer Associates of the U.S., has announced its plan to market software for individual users in Japan by way of local subsidiary Computer Associates Japan Ltd.** The firm will sell an anti-virus program and one that prevents spyware from stealing data from PCs. It will sell other software in Japan, which will include firewall software to block attacks by hackers. The firm will sell all the products under its "e-Trust" data security brand in order to boost its name recognition in Japan.

Telecommunications

- **NTT Communications Corp. announced its selection of Cisco Systems' multicast private network technology.** The use of Cisco's multicast VPN services will give NTT Communications the capacity to set content access restrictions regardless of the hardware that may be in place. NTT Communications will then be able to deliver secure content to multiple users from central location even as it customizes the content for each user.

Mobile/Wireless

- **Nippon Telephone Inc. is intending to go public on the JASDAQ Securities Exchange.** The Osaka-based company sells mobile phone handsets, communications services and subscription rights to land-based phone lines. It operates 12 stores and 21 outlets that exclusively handle the hardware and services of major phone companies, such as NTT DoCoMo. Nippon Telephone is also increasingly focusing on online sales of video games, home appliances and luxury brand goods, aiming to develop the business to level equal to that of its cell-phone related operations. The company expects sales to have a 6 percent growth to 12.8 billion yen (US\$120.3 million) in the year through April 30 and its pretax profit to have a 28 percent increase to 430 million yen (US\$4 million). The company intends to use the funds raised through the initial public offering to finance the opening of new shops and upgrade the firm's computer system.

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Hardware

- **TiVo Inc. is planning to offer its automatic digital television recording service in Japan.** To do this, the U.S. firm is looking to a tie-up with a cable television network provider as well as an Internet access provider. TiVo said it may also form a partnership with a Japanese home electronics manufacturer in order to get the digital video recorders it needs for the provision of its service. The company also announced it is forming a local unit soon.

Korea

Internet

- **Korean e-mail companies are attracting customers by expanding storage and by adding features, a move that is expected to bring in more members and more online advertising and more e-commerce.** Hanaro Dream, a subsidiary of Hanaro Telecom, joined what industry watchers called “the e-mail capacity war” and started giving unlimited e-mail accounts to Hanaro customers and allowing members to transfer hundreds of megabytes of data. Naver, considered to be the leading Internet portal, increased also its free e-mail capacity from 20MB to 100MB. Daum, the operator of the largest domestic e-mail service in the industry, announced its plans to expand its account size again. Daum appears to be leading the war as it depends not only on size increase but also on using added features as selling points. It launched an “intelligent” e-mail service that it called Hanmail Plus.net. The service is said to combine e-mailing, a café, a news service, a human network and file management. In fact, as the memory grew from MB to GB, industry experts are seeing more users turning their accounts into file storage devices. The rush to boost e-mail capacities is said to have been fanned by the statement of Google last year that it will offer 1 gigabyte of storage for free.
- **The South Korean government has slapped the country’s wireless carriers and Internet service providers with fines for unfair marketing practices.** In an announcement, the Korea Communications Commission said it has fined wireless operators SK Telecom, KT Freetel and LG Telecom the amount of 1.9 billion won (US\$1.8 million) because the operators had “unfairly charged customers for ‘value-added’ services these customers had not requested.” The ministry also announced that it ordered a total fine of 3.3 billion won (US\$3.2 million) for the ISPs (KT, Hanaro Telecom and Dacom) because the providers offered selected customers a discount so that they could be taken away from competitors. Competition in the country’s mobile market has increased after mobile number portability was introduced, which allowed subscribers to change to a rival operator without having to change phone numbers.

Telecommunications

- **Telephone service between North and South Korea will resume by May by means of the joint South-North Kaesong Industrial Park.** KT Corp, South Korea’s largest fixed-line operator, secured the deal to provide the telephone service to the industrial complex with its North Korean counterpart. Under the deal, South Koreans can call the complex from fixed-line phones, cell phones and public phones. For the moment though there no calls can be made to North Korea outside the industrial park. The deal will have KT collecting fees and sharing the profit with its North Korean counterpart. The service links the two nations once more after being disconnected for about 60 years.

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Software

- **Electronics and Telecommunications Research Institute (ETRI), a non-profit government funded research organization, has joined the OSDL (Open Source Development League).** OSDL said ETRI, which is at the forefront of Linux innovation and adoption in Asia, will contribute to the CGL (Carrier Grade Linux) and DCL (Data Center Linux) working groups. ETRI is known for its contributions to CDMA, a mobile-phone technology widely used in Asia and the U.S. It is the same technology used by carriers like Sprint, CellularOne, AirTouch, and GTE Wireless. According to OSDL, Linux is gaining significant usage in Korea, with the IT Industry Promotion Agency, ETRI's sister agency, moving government projects into Linux and open source software since 2004.

China

Internet

- **VeriSign, reputed to be the world's largest Internet and communications infrastructure provider, said it will increase its involvement in China, the world's second-largest Internet market, in the form of more investment in the coming years.** In February, the Ministry of Information Industry already signed an agreement with VeriSign to set up a mirroring server with the U.S. firm, a move believed to facilitate Chinese users and at the same time enhance Internet security. The announcement was followed with VeriSign setting up an office on the Chinese mainland. The company has eight registrars already in China that sell more than a million .com and .net domains to Chinese users. The U.S. firm said it will add two more registrars in order to develop more domain name buyers. VeriSign, however, has one long-term focus: the emerging radio frequency ID (RFID) technology, marking the firm's shift from the Internet. An estimate shows the demand from RFID tags reaching 100 million for 2005 and 20 billion in 2008.
- **Tom Online said it has plans to replace its Internet game offering and, in place, put up a portal for casual games hoping to encourage customer loyalty and increase online advertising revenue.** Crucial to the plan is the phasing out of Karma Online, which is considered to be performing poorly. In its open testing, Karma Online got a meager 10,000 average number concurrent users per day in China. The reason for the figure is that the country's 20 million gamers like better multi-player role-play games, the kind of games offered by Shanda Interactive and NetEase. According to a top official, Tom Online, will be launching 11 casual games and branding them with celebrities. The games will be licensed from local developers. With a reputed cash and cash equivalents of US\$79.3 million as of the end of last year, the Beijing-based company also said it plans to buy theme-based domestic web sites to boost sales and increase the number of its users. The Tom.com portal posted daily page-views of 220 million. A huge slice of Tom Online's revenue comes from interactive voice response (IVR) and short messaging services (SMS).
- **CommTouch (CTCHC), a global developer of anti-spam solutions featuring recurrent pattern detection (RPD) technology, has entered into a new technological cooperation with ComTV, one of China's leading e-mail and instant messaging service providers.** CTCHC is developing customized solutions that are particularly suited to block Chinese spam, a technology that is capable of overcoming the challenges found in Chinese messaging. ComTV says that due to a number of factors, which includes distribution methods, foiling techniques, and geography, spams act differently in China compared to the rest of the world, and thus need an anti-spam performance addressing the Chinese

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environment. Despite the accelerated growth of China's e-mail population, China has not been able to match the anti-spam protection levels said to be enjoyed by users in western countries.

- **Shanda Interactive, the largest operator of online games in China, announced that it has entered into a strategic partnership with Baidu, a leading Chinese language search engine provider.** Under the memorandum of understanding, Baidu will have the role of leveraging its search platform so that it could introduce Shanda's extended interactive entertainment content offerings to a large audience base. The partnership will also see Shanda embedding Baidu's search tools in its user platform, a move that is expected to strengthen Baidu's leading position in the search market further. The two companies are expected to explore cross marketing opportunities on each other's platform.

Media, Entertainment and Gaming

- **PRnews.cn said that its reports covering important Chinese companies, organizations and government bodies, are now accessible to more than 1.6 million Factiva subscribers as the reports become part of Factiva's global content collection of 9,000 sources.** PRnews.cn is a news source used by public companies, public relations and investor relations companies for disseminating news releases, photos multimedia and other information. PRnews.cn has already formed customer base that covers more than 500 publicly listed companies on the China Stock Exchange Market, about one-third of all publicly listed companies in China. PRnews.cn maintains a link with Sina, Sohu, Netease, Tom, Chinadotcom, Homeway, Stockstar and other leading online and offline media. The relationship with Factiva is expected to bring PRnews.cn's quality content to a global audience and is seen as benefiting Factiva subscribers who will now be recipient of up-to-the minute economic China updates.
- **China's media regulator has announced an establishment of a joint venture costing 4 billion yuan (US\$483.2 million) for the purpose of developing a nationwide cable television network.** The project is named China Cable Television Network (CCN) and is expected to run a 3 million kilometer national fiber optic backbone network with the aim of being a "superhighway" for a cable television audience of about 105 million. China Electronics Corp (CEC) owns 45 percent of CCN after the mainland's largest conglomerate infused 1.8 billion yuan (US\$217.4 million). The remaining 55 percent stake is left to the control of the State Administration of Radio, Film and Television, China Central Television, Central People's Broadcast Network (CBN), a firm that controls 46 television channels and 100 radio stations. CCN's focus would be on pay television and telecommunications value-added services like broadband Internet and data transmission.
- **HP is partnering with Orca Interactive in offering broadband TV solutions to telecom carriers and service providers in China.** Under the partnership, HP will be the leader in incorporating Orca's RiGHTv middleware applications to be used for the delivery of IPTV services. These services will include broadcast television, video on demand, personal video recorder and other interactive television services. The two companies have installed a full-scale demo systems in Shanghai and Beijing, which followed the report of a benchmark test done by HP supporting half a million subscribers to demonstrate the sustainability for large-scale deployments of IPTV.

Mobile/Wireless

- **Huawei Technologies said it is seeking to strengthen its presence in the developed market by forming cooperation with international telecom equipment vendors.** An official of the firm said it is on exploratory talks with telecom equipment makers such as Lucent and Nortel Networks this year. The same source said Huawei projects sales of US\$15 billion for its 3G wireless telecom-related

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equipment, mainly to overseas markets, in the next three years. The company saw its global expansion many years ago and registered sales growth in the international market of 156 percent in 2001, 68 percent in 2002, 90 percent in 2003 and 117 percent in 2004. It aims to have twice of its international sales revenues in the next three years.

- **Siemens AG of Germany and Huawei of China announced their plans to set up a joint venture to develop products based on China's homegrown wireless standard.** Under the agreement, Siemens would have 51 percent stake in the company to be known as TD Tech. Ltd. Huawei will hold the remaining 49 percent. The joint venture is aimed at developing the time division-synchronous code division multiple access (TD-SCDMA), standard for 3G mobile phone systems. TD Tech will have an initial capitalization of US\$100 million. Reports say that most of the foreign carriers are waiting to see whether China and its phone companies would underwrite TD-SCDMA by building a system based on it when Chinese 3G licenses were awarded.
- **China Mobile Communication Corp. announced that it had selected Japanese firm iaSolution to handle its Java programming for the next two years.** The dominant mobile operator in China decided on iaSolution, a Tokyo-based company, for its experience in the Chinese market. This apparently assures consistency of Java applications for China Mobile that utilizes the Sun Microsystems programming language to standardize content for handset and PDA users.
- **China Unicom Limited released its annual results as of December 31, 2004, with net profit posting a 4 percent growth to 4.3 billion yuan (US\$519.5 million).** Its operating revenue was 79.3 billion yuan (US\$9.5 billion) a 17.3 percent increase from 2003. Revenue from GSM cellular business was 47.4 billion (US\$5.7 billion), a 41.8 percent from 2003. From long distance, data and Internet access, the company posted revenues of 5.5 billion yuan (US\$664.5 million). As of December 31, 2004, the company had 112 million cellular subscribers, a 22.5 percent increase from the end of 2003.

Software

- **System developer Nippon Computer Dynamics Co. said it plans to pursue system construction and support services in China.** The plan will be ushered in by the establishment of a firm in Tianjin, which will start out by providing emergency support services to the local operations of Japanese companies. The new firm will be a wholly owned subsidiary and will have a capitalization of US\$100,000. Part of its plan is the hiring in the future of Chinese engineers that is expected to help in eventually providing system construction services for Chinese companies. Nippon Computer Dynamics has already established a representative office in Tianjin in March 2004.
- **A group of international high-technology firms are aiming to build a market for radio frequency identification (RFID) "starter kits" in China's manufacturing and distribution sectors.** Proponent companies include such giants as IBM, Philips and SAP and small supply chain systems specialists, which include Intermec Technologies, Xterprise, Apriso, Acsis and Alien Technology. U.S. firms Xterprise and Apriso said they are working with several mainland partners to design their starter kit meant for retail goods suppliers. The identity of these partners has not been disclosed. German software giant SAP partnered with Intermec to develop their own RFID program called Easy Automatic Data Collection.
- **Integrated enterprise software and mobile applications company chinadotcom Corporation announced its proposal to change the name of the company to "CDC Corporation".** With the proposed change of the company's name, the board also indicated that the company's 81 percent-

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owned subsidiary listed on Hong Kong's GEM market, hongkong.com Corporation, is also pushing to change its name to "China.com Inc." According to an official statement in the company, the proposed new names will help enhance its position in the market and will better reflect the company's core diverse business lines and the shift of its business focus away from a dependence on the Internet sector. The company has decided to retain the symbol "CHINA" for its stock exchange listing because of its recognition.

Hardware

- **Lenovo would not comment on reports that some U.S.-based private equity firms were acquiring stakes worth about US\$350 million.** The computer giant has not made any official statement on its overseas private fund raising, but a company spokesperson said that if Lenovo would seek to raise funds, it would do so through sales of equity rather than through new share listings. Partially owned by the Chinese government, Lenovo is said to need more funds to cope with its US\$1.7 billion purchase of IBM's personal computing division. The Wall Street Journal has been quoted as having reported that Texas Pacific Group, General Atlantic and the Newbridge Capital affiliate of Texas Pacific and Blum Capital Partners were close to acquiring shares in Lenovo group.

Telecommunications

- **Analysts are predicting an alliance to be formed between Telstra Corp. and China Network Communications Corp. (Netcom).** The alliance is seen as the possible solution for the Australian telecommunications operator, PCCW's partner in carrier Reach, as it attempts to reduce losses from the carrier. The alliance presents a scenario that could see Reach getting into a merger with Asia Netcom, a wholly owned unit of Netcom, which would result in PCCW, Telstra and Netcom eventually owning the combined assets of the two undersea cable carriers. One major factor favoring the alliance is the continuing weakness in the wholesale undersea cable market. Gartner said it is strategically feasible for Netcom to merge or acquire or Reach, given that the mainland fixed-line company had always wanted to boost its business internationally in order to compete with Asian telecom giants such as Singapore Telecom.

Taiwan

Semiconductors

- **United Microelectronics Corp (UMC) said it has been offered a 15 percent share valued at about US\$110 million in He Jian Technology.** The firm is seeking Taiwanese government approval for the share transfer. The offer is also perceived by industry watchers as a tangible indicator of the two companies financial relationship. Prosecutors suspect that such arrangement violated Taiwan's cross-strait investment regulations, with investigators raiding UMC's offices last month to search for evidence of any infringement. UMC stated that the company founded He Jian in 2001 in order to gain mainland market share at the expense of rival Semiconductor Manufacturing International Corp (SMIC). An official also confirmed the plan of UMC to eventually purchase He Jian.

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Hong Kong

Media, Entertainment and Gaming

- **MediaNation, an outdoor advertising firm, announced a net profit of HK\$2.5 million (US\$320,000), which makes 2004 its first profitable year since listing.** The company's sales posted a 17 percent increase to HK\$439.6 million (US\$56.3 million) mainly due to advertising space at mainland metro systems. A company official said the firm is focusing on growth and expansion and will look for opportunities both within and outside transit advertising, as it tries to respond to the growing demand for more innovative advertising media solutions. The company has signed a five-year exclusive contract with Shanghai-based CGEN, which is into in-store TV advertising with clients that include Wumart and Walmart.
- **Canto-pop songs are the most popular of the 150,000 songs offered by www.eolasia.com, Hong Kong's only website to offer legal music downloads.** The result is unexpected, an official said, as they thought people would be more willing to pay to download international hits rather than local songs. With many illegal channels allowing free downloads of Canto-pop releases, I-Content says the results are positive signs that people are willing to pay for music.
- **Multimedia company Tom Group Ltd. reported a surge in its net profit to HK\$859.8 million (US\$110.2 million).** The figure represents what is reported to be the highest full-year profit since the company's listing in 2000. Revenue for the year posted a 24.4 percent growth to HK\$2.6 billion (US\$333.2 million). Revenue of its publishing operation had an 18 percent growth to HK\$910 million (US\$116.6 million). Its outdoor media operation increased 24 percent to HK\$369 million (US\$47.3 million). An official said the group's total revenue is expected to exceed HK\$3 billion (US\$384.5 million) in 2005. The company has a target to raise its revenue to HK\$5 billion (US\$640.9 million) by 2007 or even earlier.

Ventures/Investment

- **With an additional HK\$4.2 billion (US\$540 million) investment in 2005, service industry of Hong Kong is seen as one of those who would gain significantly under the Closer Economic Partnership Arrangement (CEPA).** According to initial findings of the Hong Kong Special Administrative Region government's initial benefit analysis of CEPA, the number of jobs created by six local service sectors – logistics, land passenger transport, advertising, tourism, telecommunications and distributive trade – under CEPA will grow from 1,900 last year to about 7,200 this year. According to statistics issued by the Ministry of Commerce, some 68 mainland enterprises had been approved for investment in Hong Kong. A survey made by Invest Hong Kong also indicated that 22 percent of the foreign companies it gave assistance in setting up and expansion of operations in Hong Kong pointed to CEPA as one of the factors they considered when they made the investment.

Mobile/Wireless

- **Hutchison Telecommunications International (HTIL) is facing new competition that was not there when it announced that it was putting in US\$300 million into Indonesia's mobile-phone industry.** HTIL said it would buy 60 percent of Cyber Access Communications, a 2G and 3G license holder and operator of base stations in the country. The plan of HTIL was to form a 2G network first moving up to 3G. Amidst all this, the Indonesian government released reports saying it intends to auction additional 3G licenses to giant operators like Telekom Indonesia, IndoSat and Excelcomindo. These companies were previously barred from bidding. Cyber Access, on the one hand, is just one of

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the two 3G license holders in the country. It is not clear how HTIL will respond to this, and whether it saw this event taking place before it joined the Indonesian market.

Singapore/Malaysia/Philippines/Indonesia/Australia

Mobile/Wireless

- **The Philippines telecommunications regulator, the National Telecommunications Commission (NTC) is cracking down on mobile spamming after it issued the memorandum circular on rules and regulations on Broadcast Messaging Services.** The circular was formed after a series of consultations was held and a hearing was organized attended by the general public, telecom service providers, content providers and other interested parties. The consultation and hearing were held in response to numerous complaints received by the commission. Under the circular, a subscriber who has not opted-in shall not be charged for received spams. Those who do not reply to these broadcast/push messages should be considered as having opted out, and the operator should therefore stop the broadcast. Subscribers may also opt-out without being charged.

Telecommunications

- **Optus, Australian telecommunications provider, announced its plans to have a substantial corporate restructuring as a response to a slow revenue growth.** The changes are being pursued as the company prepares for a US\$110 million broadband network. The present corporate structure is a carryover from its days with the former owner Cable Wireless. With different divisions for mobile telephones, business, consumer and multimedia, the structure was retained as Cable Wireless was thinking of splitting Optus as part of its plan to sell the company. This became moot after SingTel bought the whole company.

Semiconductors

- **A consortium led by NEC Solutions Asia Pacific Pte. won the bid that would allow the group to provide a biometric passport system to the Singaporean government.** A biometric passport is one that is embedded with a smart chip with information such as the passport holder's fingerprints and facial features, which would enable fast and accurate processing at the immigration. With a contract estimated to be worth S\$9.7 million (US\$6 million), NEC is hoping to secure more orders for biometric passports in Asia.

Media, Entertainment and Gaming

- **The Mobile Media Company has entered into an agreement with Kyocera Communication, for use of Kyocera's mobile gaming platform.** Under the agreement, Mobile Media, a provider of global wireless games, interactive entertainment services, and marketing applications, will be offering its mobile entertainment services using the WebW@lkers platform. WebW@lkers can be accessed by 3.3 million subscribers in Singapore through its three mobile operators, namely SingTel, MobileOne and StarHub in Thailand by way of its three top mobile operators. Mobile Media has a range of mobile java games and entertainment applications. It has the largest collection of 3G games and applications outside Japan.

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United States/Canada

Internet

- **IAC/InterActiveCorporation said it has agreed to acquire Ask Jeeves for US\$1.9 billion, the latest in a series of acquisitions of Internet companies by many conventional media companies.** The acquisition could make IAC a bigger player in a market dominated by Google Inc., Yahoo Inc. and Microsoft Corp. Presently, IAC's Internet portfolio already includes online travel agent Expedia and dating site Match.com. According to the company, 44 million U.S. users access its sites. Ask Jeeves's search engine technology is well commended in the industry. It relies, however, on Google for ads placement on its sites, a relationship that is worth about 70 percent of Ask Jeeves's revenue.
- **Agence France-Presse (AFP) has sued Google for copyright infringement.** The news agency alleges that the Internet search engine used AFP headlines, news summaries and photographs without permission. The suit was filed in a Washington court and the news agency is seeking damages and interest of at least US\$17.5 million. Agence France-Presse is headquartered in Paris and has bureaus around the world.
- **MCI announced the doubling of its wireless Internet access service with the expanding of its hotspot coverage in the U.S., Europe and Asia Pacific.** The company said it plans to add new hotspot venues that would include coffee shops, major bookstores and retail shipping, postal and business service centers. These new hotspots will be located in the U.S., U.K., Switzerland, France, Belgium, Germany, Hong Kong, Japan, Greece, Singapore and the Philippines. MCI's expanded Wi-Fi network is the result of enhanced coverage agreement through Boingo Wireless.
- **CYOP Systems International Inc. said that it will be targeting Asian portals for integration of its new Poker Software.** The firm said Asia is nearly achieving the critical mass and interest needed for online Poker. CYOP has initiated the front end game translations of its poker games as its backend licensed CredPlay financial systems are already localize into Traditional and Simplified Chinese. Providers of the online poker make their money with what is called a "small rake" from the pot in each game plus tournament fees. According to the company, this has powered big increases in sales and profits. CYOP is a developer and provider of online skill-games and services for online entertainment and gaming industries. CrediPlay is CYOP's licensed application, which is an online transaction platform that is based on charging a fee for each game of skill played over the Internet.

Europe

Internet

- **The Internet Corporation for Assigned Names and Numbers (ICANN) has given the approval to include .eu as the country code top-level domain (ccTLD).** With the approval, the European Union can now make a name for itself on the Internet. The decision though is expected to create confusion in Europe as its member nations come face to face with the existence of two ccTLDs that define their country's Internet existence.

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