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

Week of 25 November – 1 December 2007

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

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Equity Market Indicators					
Index	**Closing Level (11/30/2007)**	**% Change 1 Week Ago**	**% Change Month to Date**	**% Change 1/1/2007**	**% Change 1/1/2006**
S&P 500	1,481.14	4.5%	-3.5%	4.4%	18.7%
Dow Jones Industrial Avg.	13,371.72	4.5%	-3.2%	7.3%	24.8%
Dow Jones Tech. Index	460.17	2.0%	-5.5%	11.5%	22.7%
Dow Jones Telecom. Index	314.00	1.6%	-3.8%	20.7%	55.7%
NASDAQ Composite	2,660.96	3.9%	-5.1%	10.2%	20.7%
The Street.com Net	287.34	3.8%	-5.0%	16.2%	36.6%
Japan Nikkei 225	15,680.67	5.3%	-5.0%	-9.0%	-2.7%
JASDAQ	75.03	5.1%	-3.4%	-12.9%	-42.4%
Japan Mothers	886.87	10.3%	-4.7%	-20.2%	-65.1%
Korea KOSPI Composite	1,906.00	7.5%	-6.0%	32.9%	38.2%
Korea Kosdaq	741.84	5.9%	-7.2%	22.4%	7.3%
Taiwan Stock Exchange	8,586.40	2.9%	-10.9%	9.7%	31.1%
Singapore Straight Times	3,521.27	5.9%	-6.6%	17.9%	50.0%
Hong Kong Hang Seng	28,643.61	7.9%	-5.8%	43.5%	92.5%
Hong Kong GEM	1,427.89	5.3%	-4.1%	16.6%	41.8%
China Shanghai (A-Share)	5,112.13	-3.2%	-12.9%	81.6%	318.7%
China Shenzhen (A-Share)	1,295.43	-2.9%	-10.3%	127.4%	346.6%
China Shanghai (B-Share)	343.01	1.9%	-4.3%	163.6%	453.1%
China Shenzhen (B-Share)	690.91	1.4%	-8.1%	59.4%	253.2%

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Technology, Media, Telecommunications and Life Sciences Market Activity

NASDAQ/NYSE TMT and Life Sciences IPO Filings

Filing Date	Issuer	Industry Sector	Size (US$MM)	Description	Book-Runner	Co-Manager
11/30/07	Broadview Networks [NASDAQ: BDNX]	Telecom	US$288	Provider of managed voice and data networking solutions	Deutsche Bank/ Jefferies	N/A

NASDAQ/NYSE Equity Markets: TMT and Life Sciences IPO Pricing

IPO Date	Issuer (Exchange)	Description	Size (US$MM)	Offer Price	Price on 11/23/07	% Change From Offer
N/A						

Asian Equity Markets: TMT and Life Sciences IPO Filings

Filing Date	Issuer	Industry Sector	Size (US$MM)	Description	Book-Runner	Co-Manager
N/A						

Asian Equity Markets: TMT and Life Sciences IPO Pricing

IPO Date	Issuer (Exchange)	Description	Size (US$MM)	Offer Price	Price on 11/23/07	% Change From Offer
N/A						

Asian Markets: TMT and Life Sciences Convertibles

Issuance Date	Issuer [Equity Ticker]	Description of Issuer	Maturity Date	Size (US$MM)	Per US$10,000 converts to	Convertible Until
N/A						

Weekly Highlights

International

Semiconductors

- **According to iSuppli, global sales of NAND flash semiconductors, used in USB flash drives and memory cards, registered a 37 percent growth in the third quarter to US$4.2 billion.** The research firm, however, cautioned that the growth brought about by continued demand for consumer electronics would end this quarter, with iSuppli indicating that average NAND selling prices would post an 18 percent decline as output increases faster than demand. The top three suppliers had 87 percent of the market. Leading supplier Samsung Electronics' market share fall to 40 percent from 45 percent a quarter earlier. Second-placed Toshiba maintained its market share of 27 percent. Third-placed Hynix achieved the strongest growth in the third quarter, with its NAND revenue rising 79 percent quarter-on-quarter to $806 million with 19 percent market share.

Mobile/Wireless

- **According to Informa Telecoms & Media, global mobile subscriptions reached 3.3 billion, 50 percent of the global population.** The research firm said that, as of the end of September 2007 there were operational networks in 224 countries around the world. Zain of Kuwait has the highest blended ARPU in the world at the equivalent of US$71 per month. Following it closely is Hutchison Whampoa's 3 UK operations with an ARPU of US$70.5 and Qatar operator Q-Tel with US$69. KDDI of Japan has US$67.6 per user per month, while Hutchison's Austrian operation has an ARPU of US$66.8.

Japan

Internet

- **Nintendo Co Ltd, NTT East Corp and NTT West Corp (NTT East/West) have officially announced that they will jointly promote the connection of NTT East/West's optical fiber (FTTH) service, FLET'S Hikari, and Nintendo's Wii.** Nintendo places Wii's current Internet access ratio at about 40 percent, which is lower than the broadband penetration of over 50 percent. Under the agreement, the companies will open a joint call center and offer FFTH line installation in tandem with Wii setup for Internet access.

Mobile/Wireless

- **eMobile Ltd. announced that it will start offering Japanese wireless subscribers the fastest and fixed price data service by December.** The new service has been described as allowing downloads at a rate of 7.2 megabytes per second using the so-called high-speed down-link packet access (HSDPA) technology. Earlier in March when it started its 3G service, eMobile offered a maximum download speed of 3.6 Mbps. The company is a subsidiary of eAccess, Japan's third largest Internet service provider.

Hardware

- **Sharp Corp announced that it will increase its thin-film Si (silicon) solar cell output at its Katsuragi Plant in Nara Prefecture from the present 15MW per year to 160MW per year by**

October 2008. The company said the investment for the project is estimated to be worth some 22 billion yen (US$198 million). Sharp is currently mass-producing tandem and triple thin-film solar cells in parallel at the Katsuragi Plant.

Semiconductors

- **Toshiba Corp. and NEC Electronics Corp. announced their decision to jointly develop 32-nanometer chips but the two companies have yet to agree on the details of their joint production.** Industry observers see the move of Toshiba and NEC as a response to the market competition and the performance of their rivals including IBM, Chartered Semiconductor Manufacturing Ltd., Infineon Technologies, STMicroelectronics, Samsung, and Freescale Semiconductor. Toshiba and NEC Electronics plan to mass produce 45-nanometer or 40-nanometer chips by early 2009. The two companies reportedly approached Fujitsu Ltd. to join the group. No comment came from Fujitsu about the matter.
- **Tokyo Electron (TEL), a supplier of semiconductor and FPD production equipment, and Integrated Materials, a developer of poly silicon furnace fixtures solution, announced their plans to jointly promote their furnace systems and SiFusion furnace consumables.** Under the agreement, TEL will appoint IMI as a strategic supplier making IMI products as its preferred furnace consumables and has an exclusive right to use IMI's SiFusion poly silicon furnace consumables for LPCVD Poly applications. It is expected that IMI's SiFusion products will enable customers to improve TCO (Total Cost of Ownership) by reducing preventive maintenance (PM) cycles, and cleaning costs, while increasing furnace availability.

Telecommunications

- **NTT Communications (NTT Com) and Vietnam Posts and Telecommunications Group (VNPT), a Vietnamese telecom operator, announced their entering into an agreement to form a joint-venture company, Global Data Service Joint Stock Company, in Hanoi in early January 2008.** The company will provide data center service, making the NTT Com and VNPT among the first operators to provide said services in Vietnam. The data centers are expected to provide collocation and hosting services. The announcement also said that NTT Communications (Vietnam) and VNPT will work together to provide one-stop services covering networks, system integration and information security. Under the arrangement, NTT Com will take a 40 percent stake in the new venture, with VNPT owning the majority 60 percent stake.

Information Technology

- **Sony Corp, Gourmet Navigator Inc, Dai Nippon Printing Co Ltd (DNP), Mitsui & Co Ltd and Tanseisha Co Ltd announced their entering into an agreement to establish the joint company, FeliCa Pocket Marketing for FeliCa contactless IC cards in January 2008.** Under the agreement, Sony will provide 60 percent of its capital to the company to promote the use of FeliCa Pocket contactless IC card. The card has many different functions such as point card, coupons, membership, payment and stamp rally capabilities. The new company will also lease FeliCa Pocket terminals to member companies, as well as analyze and offer necessary marketing information in exchange for a service fee. With the agreement, the new company will have FeliCa Pocket terminals at more than 10,000 stores. With the aim of issuing more than 2 million cards over the next three years, the company has sales goal of 2 billion yen (US$18 million) for the first three years.

Korea

Mobile/Wireless

- **SK Telecom announced that it is working with the U.S. private equity group Providence Equity Partners to propose a US$5 billion investment in Sprint Nextel.** According to people familiar with the matter, the approach was rejected by some directors but was not considered by the full board. Sprint declined to comment on this development. SK and Providence could not be reached for comment. The proposal also includes the demand for the return of Tim Donahue, the company's former chairman. Industry observers see the presence of SK in the investor group as a way for Sprint to boost its WiMax wireless broadband technology, which SK has developed successfully in its home market.

Internet

- **The South Korean government announced the upgrading of the country's sole wireless Internet platform in a bid to face the competition in the global market for the middleware.** Headed by the country's Ministry of Information and Communication, the upgrading includes the boosting of Wireless Internet Platform Interoperability (WIPI) contents and improving WIPI standards, the last to be done with the private sector. WIPI is a middleware platform used in South Korea that allows mobile phones to run Internet applications. At present, more than 60 percent of handsets used in the country are WIPI-enabled.

Media, Entertainment and Gaming

- **According to industry sources, TU Media is communicating its need for assistance from government and its major shareholder SK Telecom as it faces losses.** TU Media is the lone operator of satellite-based Digital Multimedia Broadcasting (S-DMB). The company said its has waited for the Korean Broadcasting Commission's approval on showing terrestrial broadcasting channels on mobile TV phones. The broadcasting policymakers, however, have indefinitely postponed the review process. The accumulated debt at TU Media is expected to reach 270 billion won (US$290 million) by the end of this year, and the number of subscribers stopped at around 1.2 million in the summer. Industry observers see the re-transmitting of four popular terrestrial broadcasting channels – KBS, MBC, SBS and EBS – for DMB TV phones as the concerns for the survival of TU Media. SK Telecom remains the largest shareholder of TU Media at 32.7 percent. It is also the only buyer of TU Media's pay-based S-DMB service, while two other telecom firms KTF and LG Telecom opted for an alternative platform called terrestrial DMB, which is free.

Software

- **Webzen announced that its Board of Directors has authorized a share repurchase program of up to 250,000 shares of its treasury stock in a bid to stabilize the stock price.** Webzen placed the value of the buyback at 2.2 billion won (US$2.3 million). Webzen is into the development and distribution of online games, software licensing, and other related services primarily in Korea and other Asian countries.

Semiconductors

- **Hynix Semiconductor announced that it will increase its market share in the dynamic random access memory (DRAM) in Japan from 13 percent to 20 percent.** According to Gartner, in the Japanese DRAM market, Elpida took first place with 33 percent in 2006, while Samsung Electronics lagged behind with 30 percent in the same period.

Telecommunications

- **According to media sources, SK Telecom is in talks to sell its handset manufacturing business to a China-based firm.** The announcement said the completion of the sale could take place by the end of the year. No comment was derived from an SK Telecom spokesperson.
- **Hannet Telecom announced that it will provide a local broadcasting network with a 100 Mbps Internet service through coaxial cables, with the firm using its coax to the home (CTTH) technology.** Hannet said that its business partner CableRex, a cable and wireless solutions firm, has entered into a contract with the Seoul-based Areum Broadcasting Network (ABN) to commercialize the 100 Mbps Internet service for local customers. CTTH solution, based on the access chipset of U.S.-based Entropic Communications, provides operators with 1Gbps service over coaxial cable. CTTH is used as a new performance benchmark for delivering advanced high-speed applications such as multiple streams of high definition (HD) video and Internet Protocol TV (IPTV) as well as voice and data at a compelling price. Hannet expects that the commercialization of its CTTH technology will help the country save some 50 billion won (US$53.8 million) by replacing imports of low-speed cable modems from overseas for Internet access.

China

Internet

- **IAS Energy, Inc. announced that the Company has paid the first payment of US$100,000 to Video1314.com.** The company said it has also issued 10 million shares of IAS Energy, Inc. with the aim of generating a 20 percent interest in Video1314.com. IAS Energy, Inc. has an option to earn up to a 100 percent interest in Video1314.com by issuing a total of 50 million shares of IAS and paying US$650,000 in five equal payments over a one-year period. Video1314.com is a Chinese Web 2.0 platform similar to YouTube which allows users to watch and upload their videos. Video1314.com is completing a buy-and-sell site, which will allow users to make money by buying and selling merchandise at no cost. The Company is also planning on developing features that will allow Video1314.com users a utility that will connect to friends and contacts similar to Facebook.
- **China 3C Group, a retailer and distributor of consumer and business products in China, announced that it has signed a letter of intent to become the exclusive supplier for 3c800.com, an online Chinese retailer of business-to-consumer electronics products.** The web site is owned by Hangzhou Xituo, an e-commerce company specializing in online sales of computers, communication products and consumer electronic.
- **PacificNet reported its unaudited results for the third quarter ended Sept. 30, 2007, quarterly revenue declined by 7 percent to US$9.8 million from the same period last year.** The company posted an 115 percent surge in its quarterly gross profit to US$2.3 million compared to US$1.1 million it posted for the third quarter of 2006, with the company attributing 37 percent of the growth to gaming products. Its cash and cash equivalents went up to US$4.9 million, compared to the declared US$1.9 million as of December 31, 2006.
- **There are speculations reported by the media that Yahoo is aiming to enter the online game market in China by way of Kingsoft.** The rumor indicated that the two companies are working on the contract and will release details about the alliance soon.
- **According to industry observers, Tom Online is on its way to giving up its news portal business.** The company announced its plans to make some changes on the framework of its portal

web site, bringing about a change from a content-based media to one described as product- and function-based provider.

- **According to its CEO, Soufun.com, the Chinese online real estate provider, plans to get listed in Hong Kong in 2007.** The official said the company is set for the listing with preparations already done. Soufun has put up branches in 75 cities across China, with the aim of bringing the number to 100. Soufun.com has received venture capital investment from IDG, Goldman Sachs, Trader Classified Media and Telstra, the largest shareholder of Soufun.com.

Media, Entertainment and Gaming

- **Glu Mobile, a leading provider of games for cell phones, announced that it has agreed to pay up to US$40 million for MIG, China's biggest mobile games developer and publisher.** Industry observers see the acquisition as providing Glu an advantage over Electronic Arts and Gameloft as the two said companies have yet to have a mobile presence in China. MIG will provide Glu access to China's 500 million mobile subscribers and the local knowledge needed to succeed in an Asian games market where western companies have until now failed to make inroads. Glu Mobile said it would pay some US$14.7 million in cash for MIG with additional payment of up to US$25 million in cash and stock, which are contingent on certain financial milestones being reached in 2008.
- **Shanda Interactive Entertainment Limited announced for the third quarter ended September 30, 2007 its consolidated net revenues reaching a record high of 656.3 million yuan (US$87.4 million), which represents a rise of 16.3 percent quarter over quarter and 50.3 percent year over year.** Shanda said its online game revenues, including MMORPGs and casual games, went up 16.6 percent to 633.7 million yuan (US$84.4 million). It reported a net income of 238.9 million yuan (US$31.8 million), compared to the adjusted net income of 238.4 million yuan (US$32.2 million) in the second quarter of 2007, which excludes the net gain of 177.5 million yuan (US$24 million) from the disposal of SINA shares), and net income of 143.5 million yuan (US$19.3 million) in the third quarter of 2006. In a separate development, Shanda announced that Grace Wu, the company's vice president of strategic investments, has been appointed as the company's chief financial officer.
- **Xinhua Finance Media (XFMedia) announced its acquisition of JCBN Company Limited, the largest advertising agent for Sohu.com and Focus.cn in China.** Under the agreement, XFMedia takes 100 percent control of JCBN Group for an initial cash payment of US$43 million. The deal will also see JCBN with a maximum of US$70 million in earnout payments in cash and shares of XFMedia if JCBN exceeds certain financial performance targets in 2008 and 2009. The diligence report from XFMedia's accounting adviser RSM Nelson Wheeler, JCBN Group posted unaudited consolidated revenue of US$17.3 million and net income of US$4.2 million for the year ending December 2006. JCBN Group is a key marketing service provider for Pernod Ricard, which manages the Chivas and Martell brands. After the acquisition, XFMedia will become a leading advertising agency in China's online property and imported spirits sectors. JCBN Group's clients also include international financial institutions and the Hong Kong government.
- **Youku.com announced its completion of a US$25 million round of private equity funding that the company said will use to help boost its online video services in China.** At present, Youku delivers more than 80 million video views on a daily basis. Youkou also announced that it has entered into an online video strategic cooperation with Sohu.com, and before this, with Baidu. Youku also provides exclusive game video support to Shanda. The company has previously completed two rounds of venture financing worth US$154 million from Sutter Hill Ventures, Farallon Capital and Chengwei Ventures.

Mobile/Wireless

- **Alcatel-Lucent announced that it has signed an agreement with China Mobile and China Unicom estimated to be worth 750 million euros (US$1 billion).** Under the agreement, Alcatel-Lucent will provide mobile communications solutions including GSM/GPRS/EDGE and related services for both Chinese mobile service operators. It will also provide TD-SCDMA solutions for China Mobile. Alcatel-Lucent will provide CDMA, GSM/GPRS and related services to China Unicom for its network expansion.
- **Linktone, a provider of interactive media and entertainment products and services to consumers in China, announced that it has entered into a definitive agreement with Media Nusantara Citra (MNC), an Indonesia based, publicly-listed integrated media company.** Under the agreement, MNC will buy no less than 51 percent of Linktone's outstanding shares using a combination of a tender offer for existing shares and subscription for newly issued shares. MNC has business operations in content production, content distribution worldwide, free-to-air television networks, 24-hour program TV channels, newspaper, tabloid, radio networks and online media. The announcement puts the closing of the transaction during the first quarter of 2008. Lunar Capital Management and CDC Corporation have also submitted a formal proposal for an investment in Linktone. Under the proposal, the two companies are asking to buy either common shares or convertible preferred shares convertible into a minimum of 19.9 percent of the fully-diluted equity capitalization of Linktone.
- **Linktone disclosed that it posted a net loss of US$2.8 million for the third quarter ended September 30, 2007.** The company posted revenues of US$13.3 million, compared with US$11.7 million in the second quarter of 2007. For its advertising service revenues, the company reported US$1.9 million, compared with US$1.6 million in the second quarter of 2007.

Software

- **According to a regulatory filing, VanceInfo Technologies Inc., a Chinese offshore software developer, looks to raising more than US$45 million in an IPO of American Depositary Shares.** The company said it plans an offering with a total of 7.6 million ADS, each representing one ordinary share. VanceInfo is offering 6.3 million ADS, while a group of shareholders including the Chinese affiliate of venture-capital firm Sequoia Capital is selling an additional 1.3 million ADS. VanceInfo said it has also granted the underwriters the option to buy up to an additional 1.1 million ADS at the offering price to cover any overallotments. VanceInfo provides clients research and development services, enterprise products, application development and maintenance, and quality assurance and testing. It serves primarily corporations headquartered in the U.S., Europe, Japan and China. It counts among its clients Citibank, Hewlett-Packard Co., International Business Machines Corp., Microsoft Corp., Motorola Inc. and Tibco Software Inc. Citi and Merrill Lynch & Co. are serving as lead managers of the deal. Jefferies & Co. and Susquehanna Financial Group are also underwriting the offering.

Hardware

- **According to media sources, Foxconn, a subsidiary of Taiwan-based Hon Hai Precision Industry Company Ltd., has plans to making Shenzhen its global planning headquarters and a center for global manufacturing.** The company also said that it plans to initiate the sales expansion of its products in China. Foxconn reported its export in Shenzhen hitting US$29.7 billion, with its annual exports expected to hit about US$34.5 billion.

- **Haier Group announced that it has signed a global selling agreement with Ingram Micro, one of the largest IT distributors in the world**, a move that is seen as part of the company's move to expand overseas in 2008. Haier is currently No. 4 in the Chinese-made computer market, a position it owes to the massive investment it has made in the computer business in the last few years. Earlier in November, Haier also entered into an agreement with Intel on computer business.

Ventures/Investments

- **General Motors, Shanghai Automotive Industry (SAIC) and Onstar announced that they have established a telematics joint venture called Shanghai Onstar Telematics Company.** Industry observers note that this is OnStar's first venture outside of North America. The joint venture is expected to provide Onstar's in-vehicle safety, security and communication services. The companies said the joint venture is going to be based in Shanghai.

Taiwan

Media, Entertainment and Gaming

- **According to industry source, Soft-World International, the largest developer/operator of online games in Taiwan, has obtained exclusive rights to operate in Taiwan, Hong Kong and Macao, Chinese Paladin Online.** The new online game was developed by Taiwan-based Softstar Entertainment. Under the deal, Soft-World will have its subsidiary Game Flier International operate Chinese Paladin Online. Industry sources place the licensing charge to about US$1 million. Softstar has released four self-developed online games through licensed agents in 22 countries, including Thailand and Indonesia in Asia.

Ventures/Investments

- **President Chain Store Corp., Taiwan's biggest convenience store operator, announced that it will form an online retailing joint venture with Japan's Rakuten Ichiba (Rakuten Internet shopping mall).** The deal is estimated to be worth NT$174 million (US$5.4 million). Under the agreement, President Chain will hold a 49 percent stake in the venture, with Rakuten holding the rest. President Chain also operates 7-Eleven stores in Taiwan. According to the top official of President Chain, the proposed joint online shopping mall will become officially operational in the second quarter of 2008. The Taiwan online shopping market is estimated to be worth some NT$180 billion (US$5.5 billion).

Telecommunications

- **Tecom, a Taiwan-based telecom equipment maker, announced that it increased its equity investment in WiMAX Telecom, a licensed WiMAX operator, to a total of NT$436 million (US$13.5 million).** The investment gives the company a 44.2 percent stake in the WiMAX. Tecom's parent company, Teco Electric & Machinery also holds a 10 percent stake in WiMAX Telecom, making the Teco Group the majority shareholder of the WiMAX operator. Tecom disclosed its plans to go into the production of WiMAX CPE (consumer premises equipment) products.
- **Chunghwa Telecom (CHT) announced that it has secured the exclusive rights to broadcast the Beijing 2008 Olympic Games through the Internet, IPTV (Internet Protocol TV) and handset platforms in Taiwan.** The development marks the first time a media company has obtained exclusive three-mode broadcast license in the history of Olympic Games. Outside of the broadcast rights, CHT said it has also secured a one-year license for the use of the recordings on its VOD (video

on demand) service. CHT applied for the exclusive license through Elta Technology, a Taiwan-based company integrating audio/video content distribution and related management/consulting services. According to industry sources, CHT spent more than NT$100 million (US$3.1 million) to obtain the license.

Hardware

- **Novatek Microelectronics, an IC (Integrated Circuit) design house, announced that it has signed an agreement for the acquisition of Cheered, also an IC designhouse.** Under the agreement, the merged entity will operate as Novatek Microelectronics. It will have a paid-in capital of NT$5.6 billion (US$176 million). The acquisition is expected to close by June 30, 2008.

Semiconductors

- **According to the respective boards of directors at Lingsen Precision Industries (LPI) and King Yuan Electronics Company (KYEC), they have given the approval for the additional investment in China for semiconductors backend production.** In particular, Lingsen will make invest about US$10 million more at its Ningbo, China subsidiary, with KYEC investing an additional US$20 million at its Suzhou, China subsidiary. KYEC also revealed the company's plan to relocate some of its low-end production to China.

Hong Kong

Telecommunications

- **Alcatel-Lucent and Hong Kong Broadband Network Limited, a wholly-owned subsidiary of City Telecom (HK) Limited announced the deployment of the first Gigabit Passive Optical Network (GPON) in Hong Kong.** Industry observers see the Alcatel-Lucent's Fiber-to-the-Home (FTTH) solution as enabling HKBN to deliver advanced triple play services to its subscribers and enlarge its FTTH network coverage in Hong Kong. The new network is expected to be in service in January 2008. The demand for advanced multimedia and data services in Hong Kong is expected to increase substantially in the coming years, driven by services such as high definition TV (HDTV). According to the FTTH Councils of Asia-Pacific, Europe and North America, Hong Kong is the world leader in percentage of homes wired with broadband communications over direct fiber optic connections, followed by South Korea and Japan. HKBN disclosed that it plans to increase its coverage from 1.4 million to 2 million home passed within three years.

Media, Entertainment and Gaming

- **China Finance Online Co., Limited, a leading Chinese online financial information, data, and analytics provider, announced its completion of the acquisition of 85 percent equity interest of Daily Growth Investment Company Limited, a licensed securities brokerage firm incorporated in Hong Kong.** Under the agreement, China Finance Online agreed to the acquisition of 85 percent equity interest of Daily Growth for US$3 million. The agreement said it has given also to China Finance Online the right to acquire the remaining 15 percent of equity of Daily Growth Investment within 5 years from the completion date. By way of its web site, China Finance Online Co. Limited provides individual users with subscription-based service packages that integrate financial and listed company data, information and analytics from multiple sources. Through its subsidiary, Shenzhen Genius Information Technology Co. Ltd, the company provides financial information database and analytics to institutional customers including domestic securities and investment firms.

Through its subsidiary, Daily Growth Investment Company Limited, the company provides securities brokerage services for stocks listed on Hong Kong Stock Exchange.

- **Orad Hi-Tec Systems Limited announced that it has secured a contract to provide PCCW Now TV Sport Channel with a tailor-made suite of sport graphics.** The contract is estimated to be worth over US$750,000. The solution which will be used will cover the production of the English soccer Premier League, the Italian Seria A and other premium soccer leagues from all over the world. Under the deal, Orad has agreed to provide an end-to-end solution designed to address the specific production requirement of PCCW Now TV Sport Channel. Orad is a world leader in TV production technology and is a publicly traded company in the Prime Standard on Frankfurt's Wertpapierbörse Prime Standard and AIM Market of the London Stock Exchange.
- **Subaye.com's wholly owned subsidiary Media Group International (MGI) Limited, a Hong Kong-based media and marketing management firm, will provide bundled advertising and entertainment (TV and movie) content to IPTV player China Netcom Guangdong and Liaoning provinces from the first quarter of 2008.** Subaye.com is a majority-owned subsidiary by StarU.com. MGI is into TV/movie DVD distributions, corporate video presentations, a TV programming agency, video-on-demand media systems (VOD), digital advertising systems, product placement in movies, sponsorship management for TV programming and service assurance. *Internet*
- **PCCW Ltd., the largest telecommunications service provider in Hong Kong, announced that it will set up and operate the administrative government's 350 wireless Internet hotspots estimated to be worth US$13 million.** According to the Office of the Government Chief Information Officer in Hong Kong, 120 government venues will have free Wi-Fi service by June 2008, with the remaining hotspots to be built by 2009. In a separate development, PCCW announced that it has introduced the PCCW 1000M+ optical fiber connectivity and wireless broadband services packages in Hong Kong. The 1000M package provides customers with the high speed connectivity of Netvigator Fiber Direct 1000M, together with Netvigator Everywhere, a wireless broadband solution integrating HSDPA, 3G and Wi-fi services, and a high-definition TV experience.

Mobile/Wireless

- **Artificial Life, Inc., a leading provider of award-winning mobile 3G technology and applications, announced their plans to develop new and innovatively designed games and applications for Google's free and open source mobile platform, Android.** Artificial Life looks to the emerging platform as drawing in handset manufacturers because of the lower costs for the operating system. The company said it also expects the Android platform to produce new mobile applications integrated to online Internet functions.

Singapore/Malaysia/Philippines/Indonesia

Media, Entertainment and Gaming

Ventures/Investments

- **Intrepid Global Imaging 3D announced its entering into an agreement to acquire 100 percent of the stock of the Philippine-based smartcard company First Versatile Smartcard Solutions (Versacard).** Versacard provides an electronic payment system and central clearing house using a pre-paid contactless cash card that will be used first in the Philippines for transactions and purchases. Versacard will be the exclusive smartcard provider for Filipino Mass Transit Systems. It will also be used to pay for tickets for the Filipino public transit system and for tolls on major Filipino highways. Versacard will also be used to pay for tolls on major Filipino highways. The report said Versacard has also forged alliances with Filipino banking, credit card, telecommunications, retail/shopping and food establishments. MacKay Group, a Hong Kong company, is the sole owner of Versacard.

Software

- **U.S.-based Wave Systems Corp. announced that it has completed a reseller agreement with Singapore-based Frontline Technologies Corp. Ltd.** The agreement is expected to enable Frontline to market, sell and provide consulting services for Wave's security software in the greater Asia Pacific region. Frontline is an IT services company with a presence in nine markets in Asia: China, Hong Kong, India, Indonesia, Malaysia, Singapore, Taiwan, and Thailand, and the Philippines. Earlier in May, Wave raised US$14 million by selling 7.3 million shares of its Class A common stock. The company reported a profit of US$1.8 million on revenue of US$3.1 million in 2006.

United States/Canada

Internet

- **According to industry sources, Facebook has received an investment valued at US$60 million from Li Ka-shing, a Hong Kong businessman.** Observers note that the fund came in more than a month after Microsoft gave Facebook some US$240 million. The investment from the chairman of Hutchison Whampoa is expected to regenerate an interest in Facebook.

Mobile/Wireless

- **Verizon Wireless announced its decision to adopt the LTE (Long-Term Evolution) mobile broadband system for its fourth-generation network.** With this move, industry observers see Verizon veering away from its current CDMA technology. Verizon said it will initiate trials of the technology in 2007 with multiple equipment vendors. The announcement said the UK-based Vodafone Group, a part owner of Verizon Wireless, will also participate in the trials. According to its spokesman, commercial deployment could be as early as 2010 and 2011, depending on the availability of devices and the readiness of the market. LTE was developed in the 3GPP (Third-Generation Partnership Project) and is considered the next stage in the GSM technology path. It is designed to deliver 100Mbps per channel and give individual users performance comparable to today's wired broadband.
- **Hexago, the leading provider of IPv6 deployment solutions, announced the launch of Gateway6 Mobile, an essential component for the seamless deployment of IPv6 in mobile networks.** Gateway6 Mobile is designed to fulfill the emerging IP data needs of mobile networks by providing connectivity and interoperability between IPv4 and IPv6 networks, handsets, applications and services. Gateway6 Mobile provides operators with a flexible managed IP tunneling mechanism combined with various translation methods. Hexago's customers include AT&T, Chunghwa Telecom, France Telecom, KDDI, Korea Telecom, NTT, T-Systems, Teleglobe and Verizon.
- **WaveMarket, a leader in mobile location-based search and services, announced that the company's Family Finder solution has officially launched with MTS Allstream Inc., one of Canada's leading national communications providers.** WaveMarket's Family Finder technology gives MTS Allstream wireless customers the ability to locate family and friends by determining the location of their wireless devices. Headquartered in California, WaveMarket Inc. is a world leader in

mobile location-based search and services, offering a software product suite that includes both white-label solutions and mobile platform components. WaveMarket's customers include top tier North American carriers Sprint Nextel, Alltel, Bell Mobility, Aliant, and MTS Allstream, Vivo in Brazil, and SK Telecom, South Korea's leading wireless carrier. The company is financed by a group that includes Draper Fisher Jurvetson, QUALCOMM Ventures, BlueRun Ventures (formerly Nokia Venture Partners), Intel Capital, and Mitsui Ventures.

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- **Viacom Inc's MTV Networks announced that it is looking to bringing its myMTV mobile video social network to other countries beyond Japan.** Ever since its opening in Japan, the service, which enables members to use mobile phones to share their videos with members of the community, has become very popular. The company's officials said the expansion may or may not cover Holland, U.S. or South Korea. MTV maintains at present more than 80 wireless operators worldwide.

Europe

Telecommunications

- **According to industry sources, shares in Britain's Colt Telecom of Britain registered a surge following reports that its major shareholder Fidelity Investments was in talks with AT&T to persuade it to buy the British provider of IT and telecommunications services.** Some media sources quoted the asking price as 240 to 250 pounds (US$494 - 514) a share for the company. Other industry sources place the value of Colt at US$4.1 billion. No comment could be generated form Colt Telecom.

Media, Entertainment and Gaming

- **Ion Global, a leading interactive marketing agency announced that is has been bought by Aegis Group plc, the London-listed media communications and market research group.** Under the deal, Ion Global will immediately become part of Isobar, Aegis' global digital agency network. Isobar provides clients with a full service digital marketing offering through its global network of 92 offices in 37 markets worldwide and was recently ranked the No. 1 digital network globally by RECMA, the French Media Industry evaluation company.

Mobile/Wireless

- **Ericsson announced that it has secured a contract valued at US$100 million to supply a GSM network and managed services to Mumbai-based Idea Cellula, making the deal the very first for the telecom equipment maker in that city.** Under the agreement, Ericsson will supply radio access, microwave transmission, and core network equipment. The deal will also see Ericsson working on network deployment and integration, as well as managed services including network and field operations. Other terms of the agreement were not disclosed.

Other Economic Data

Currency Exchange Rates

Currency	Units	Current Rate (on 11/30/07)	% Change 1 Week Ago	% Change Month to Date	% Change 1/1/2007	% Change 1/1/2006
Japanese yen	¥/US$	111.1800	2.6%	-2.6%	-6.6%	-5.6%
Hong Kong dollar	HK$/ US$	7.7859	0.1%	0.5%	0.1%	0.4%
Chinese renmenbi	RMB/ US$	7.3965	-0.02%	-1.1%	-5.2%	-8.3%
Singapore dollar	S$/ US$	1.4477	0.5%	-0.5%	-5.9%	-12.9%
South Korean won	KRW/ US$	920.8000	-1.0%	0.5%	-1.0%	-8.8%
New Taiwan dollar	NT$/ US$	32.2650	-0.2%	-0.7%	-1.0%	-1.7%
Australian dollar	US$/A$	0.8840	0.8%	-2.7%	12.1%	20.6%
New Zealand dollar	US$/NZ$	0.7638	0.7%	0.4%	8.5%	11.7%
Philippine peso	PHP/ US$	42.3000	-0.7%	-4.0%	-13.7%	-20.3%
Euro	US$/€	1.4631	-1.4%	2.2%	10.8%	23.5%
British pound	US$/£	2.0571	-0.2%	0.3%	5.0%	19.4%

Fixed Income Prices and Yields

Note	Currency	Current (on 11/30/07)		1 Week Ago		4 Weeks Ago	
		Price	Yield	Price	Yield	Price	Yield
US 30-year	US$	110.14	4.38%	109.296875	4.43%	106.14	4.62%
Japan 30-year	¥	103.44	2.31%	105.022	2.22%	101.92	2.39%
Hong Kong 10-year	HK$	113.73	3.20%	111.97	3.41%	109.21	3.74%
China (06/16)	US$	110.71	3.32%	110.71	3.32%	110.71	3.32%
Singapore 10-year	S$	107.25	2.81%	107.25	2.81%	107.15	2.83%
South Korea 20-year	KRW	9,546.56	5.74%	9471.23	5.80%	9,617.62	5.64%
Australia 15-year	A$	94.18	5.97%	94.766	5.89%	92.64	6.16%
New Zealand (12/17)	NZ$	97.57	6.33%	97.79	6.30%	96.12	6.53%
Philippines 20-year	PHP	102.53	8.35%	100.598	8.55%	101.04	8.50%
India 30-year	INR	99.85	8.34%	99.8	8.35%	100.13	8.32%
UK 30-year	£	96.49	4.47%	97.944	4.38%	96.07	4.50%
Germany 30-year	€	91.13	4.56%	92.44	4.47%	92.51	4.46%