



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

Week of 2 March - 8 March 2009

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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 (3/6/2009)	% Change 1 Week Ago	% Change 1 Month Ago	% Change 12/31/2008	% Change 12/31/2007
S&P 500	683.38	-7.0%	-19.2%	-24.3%	-53.5%
Dow Jones Industrial Avg.	6,626.94	-6.2%	-17.8%	-24.5%	-50.0%
Dow Jones Tech. Index	220.96	-4.2%	-13.2%	-12.1%	-51.9%
Dow Jones Telecom. Index	160.39	-5.1%	-11.4%	-19.7%	-48.8%
NASDAQ Composite	1,293.85	-6.1%	-16.3%	-18.0%	-51.2%
The Street.com Net	7,173.10	-5.2%	-9.8%	-19.0%	-54.2%
Japan Nikkei 225	39.51	-5.3%	-8.3%	-18.0%	-45.3%
JASDAQ	283.87	-4.5%	-15.2%	-12.2%	-63.8%
Japan Mothers	1,055.03	-0.8%	-12.8%	-6.2%	-44.4%
Korea KOSPI Composite	365.18	0.5%	-3.6%	10.0%	10.0%
Korea Kosdaq	4,653.63	2.1%	4.1%	1.4%	-45.3%
Taiwan Stock Exchange	1,604.64	-5.5%	-6.5%	-8.9%	-53.7%
Singapore Strait Times	11,921.52	-6.9%	-12.7%	-17.1%	-57.1%
Hong Kong Hang Seng	355.65	-4.7%	-1.8%	-7.7%	-73.6%
Hong Kong GEM	2,302.11	5.3%	4.5%	20.4%	-58.3%
China Shanghai (A-Share)	752.59	8.5%	10.9%	29.4%	-50.5%
China Shenzhen (A-Share)	140.91	7.2%	8.2%	27.0%	-61.5%
China Shanghai (B-Share)	320.92	6.8%	11.1%	18.3%	-54.8%
China Shenzhen (B-Share)	683.38	-7.0%	-19.2%	-24.3%	-53.5%

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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
N/A						

NASDAQ/NYSE Equity Markets: TMT and Life Sciences IPO Pricing						
IPO Date	Issuer (Exchange)	Description	Size (US\$MM)	Offer Price	Price on 2/15/08	% 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 2/15/08	% 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						

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Weekly Highlights

International

Mobile/ Wireless

- **Gartner Inc. said global handset sales declined in the fourth quarter from a year earlier and demand isn't expected to stabilize before 2010.** Around 315 million mobile phones were sold in the fourth quarter 2008, down 5 percent from a year earlier as manufacturers continued to struggle against low consumer confidence in both emerging and mature markets. The mobile phone industry did experience growth in the full year 2008, with sales to end users increasing 6 percent year-on-year to surpass 1.22 billion units. Gartner expects the market to return to very moderate growth rates by the second quarter 2010. The focus in the handset market is shifting from hardware to software services and applications, and added that it's going to be the vendors which are following that trend best that will benefit from the growth. Nokia kept its market-leading position, selling nearly 119 million phones in the fourth quarter, although its market share fell to 37.7 percent from 40.4 percent a year earlier. Its delay in rolling out products with touchscreen functionality caused its smartphone sales to suffer.
- **The number of mobile connections worldwide will swell to 5 billion by 2010, from 4 billion now, driven by high-growth markets in Africa and the Asia-Pacific.** The growth rate of connections is still increasing; the last billion connections were added in the 18 months since the third quarter of 2007, when the 3 billion mark was reached. Markets in the Asia-Pacific and Africa now account for over half of all global connections. Boosted by booming uptake in China and India, the Asia-Pacific currently accounts for 42.75 percent of the global market. 81 percent of connections worldwide are still based on the second-generation GSM standard. That proportion increases in emerging markets, with GSM accounting for 96.1 percent of connections in Africa, 95.1 percent in Eastern Europe, and 94.8 percent in the Middle East. Wireless Intelligence said the increasing migration to WCDMA by operators and customers in mature regions is beginning to erode GSM's share of the market.
- **Smartphone devices have continued to pick up significant share in the wireless handset market as prices for the devices have fallen.** Sales of smartphones to U.S. consumers represented 23 percent of all wireless handset sales in the fourth quarter compared to just 12 percent for the same period last year. 66 percent of smartphones now run on 3G networks compared to 46 percent last year. Newer networks are crucial for carriers to be able to sell data services along with the phones. The report will boost the shares of smartphone makers including Research In Motion, Palm, Nokia, Motorola and Apple. The report provided some encouraging news to the wireless handset market, which has been suffering from falling sales overall thanks to the economic slump. Global handset sales declined overall during the fourth quarter and may not stabilize until 2010. That report noted good news for the smartphone industry. In North America, overall wireless handset sales edged up to 49.1 million from 49 million last year, with smartphones credited for the lift.

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Japan

Hardware

- **Sony Corp. said that Ryoji Chubachi is stepping down as president, and Howard Stringer, chairman and chief executive, will stay on, adding the presidency as another title.** The company, battered by the global slump and the strong yen, is projecting its first annual net loss in 14 years. Both executives had promised a dramatic turnaround at Sony, the maker of Bravia flat-panel televisions, PlayStation 3 game machine and Cyber-shot digital cameras. But the global slowdown hitting during the key year-end shopping season and the surging yen, which erodes foreign earnings, have proved too much. Sony is particularly vulnerable to overseas demand because exports make up about 80 percent of its sales. The last and only time Sony reported a loss, for the fiscal year ending March 1995, the red ink came from one-time losses in its movie division, marred by box office flops and lax cost controls.
- **Domestic shipments of personal computers fell 18.7 percent on the year to 601,000 units in January because of plunging purchases by both companies and individuals.** Shipments of desktop models, the majority of which go to corporate buyers, fell 23.3 percent on the year to 200,000 units. Notebook computer shipments dropped 16.6 percent to 400,000 units. It appears that corporate demand slumped more than 20 percent as firms cut back on information technology spending. The downturn in the value of shipments was even more severe. The value of all PCs shipped plunged 29.6 percent from a year earlier to 65.2 billion yen (US\$669 million) in January. Desktops value was down 29 percent on the year, while notebooks fell 29.9 percent. The decrease was attributed partly to a drop in average prices due to the expansion of the market for PCs.

Telecommunications

- **NTT DoCoMo is expected to raise roughly 60 billion yen (US\$616 billion) in four-year bonds targeted at retail investors, its first bond offering to individuals in six years.** The mobile operator has raised a total of 180 billion yen (US\$1.8 billion) through bond issuances to institutional investors so far this fiscal year; however, the financial crisis is limiting its buying power, even as retail investors' demand for high-rated corporate bonds grows. It has been tapping the credit market aggressively this fiscal year, making three bond offerings to institutional investors last June and issuing commercial paper for the first time in seven years last December.
- **Japan ended 2008 with 48.43 million ISDN subscribers, down by 7.5 percent year-on-year.** The number of IP telephony users went up by 16.8 percent to 19.59 million, and the number of users of the 0AB-J IP telephony service went up 51.9 percent year-on-year. Meanwhile, the number of mobile and PHS users went up 4.8 percent to 110.39 million.

Korea

Mobile/Wireless

- **The number of handsets sold in South Korea has slipped by 16 percent in February from the same period last year.** However, sales did improve from January due to the back-to-school season. During February, some 1.68 million handsets were sold, down by 16.4 percent year-on-year but up 8.6 percent from January. Samsung Electronics led the sales with 840,000 handsets sold, representing a 50.3 percent share. Samsung was followed by LG Electronics which sold 501,000 phones, representing a share of 29 percent.

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Semiconductors

- **South Korean chipmakers will likely benefit from Taiwan's move to bail out its troubled semiconductor companies and merge them into a single entity.** The Taiwanese government plans to establish a new company within six months by merging its struggling chipmakers with either Japan's Elpida Memory Inc. or Micron Technology Inc. of the U.S. The new firm will manufacture dynamic random access memory (DRAM) chips, the most common type of chips used in personal computers. Taiwan's move will likely have a positive impact on Samsung Electronics Co. and Hynix Semiconductor Inc. by reducing competition and mitigating a global oversupply of DRAM chips. Buffeted by weak prices and low demand, Samsung and Hynix posted dismal performances last quarter. Samsung suffered its first quarterly net loss in the October-December period, totalling some 20 billion won (US\$12 million), and Hynix lost 465 billion won (US\$299.4 million), its fifth consecutive quarterly loss.

Hardware

- **LG Electronics Co. said its labor and management agreed to freeze employee wages this year as part of efforts to overcome the deepening economic downturn.** The company will take part in the government-initiated job sharing program aimed at averting U.S.-style layoffs and redirecting savings from wage cuts into retaining workers. The company's larger rival, Samsung Electronics Co., said this year's wages for its employees will be frozen. LG and Samsung are among a growing number of South Korean companies that are tightening their belts to ride out the worst economic crisis in more than 11 years. Hit by tumbling exports and stubbornly anemic domestic demand, the South Korean economy is widely expected to shrink this year in the first annual contraction since the 1997-98 financial crisis.
- **LG Display will begin the operation of its 8G LCD production line in the end of this month.** Although LG is the third to begin the 8G LCD line next to Samsung Electronics and Sharp, it is the largest production capacity for 8G ever in the industry. Samsung Electronics and AUO, a Taiwanese LCD maker, are likely to add or open new facilities for 8G LCD. The industry keeps eyes on the impact of new facilities on supply and demand in the market. Industry insiders said that LG Display will begin the operation of its 8G LCD production line in Paju that it has prepared for the past year.

China

Internet

- **Google Inc. saw its share of the Chinese online search market climb 3.5 percentage points year on year to 20.7 percent in 2008.** Baidu., the world's biggest Chinese-language search engine, again took the lion's share in the year, with its market share increasing 0.6 percentage points from 72.6 percent in the previous year to 73.2 percent. Following the two outrunners came Tencent Holdings and China Yahoo!, which had 3.3 percent and 1 percent of the Chinese online search market, respectively. Notably, China saw 46.8 billion web search requests in the fourth quarter of 2008, up 25.8 percent from the previous quarter. The requests surged 63.2 percent from 91.1 billion in 2007 to 150 billion in the entire year, averaging the monthly requests to 12.5 billion.
- **Tencent Holdings Ltd. expands its service to 16 areas across China, on the strength of general packet radio service of China Unicom.** China Unicom's GPRS users can install the latest version of Mobile QQ, a cellular messaging service provided by Tencent, in their mobile phones and chat with their friends anytime. The latest version will be available in succession in other areas in the country.

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The latest version is expected in the 16 areas including Guangdong Province, Zhejiang Province, Hubei Province, Shanghai, Jiangsu Province, Fujian Province, Tianjin, Jilin Province, Henan Province, Shandong Province, Hebei Province, Hainan Province, Jiangxi Province, Heilongjiang Province, Xinjiang Uygur Autonomous Region, and Guangxi Zhuang Autonomous Region.

- **Alibaba.com is in talks with China's three major telecom operators China Mobile, China Telecom and China Unicom, to launch a web-enabled mobile payment service.** Alibaba recently launched a trial 2G mobile service for its online store owners who subscribed to its TrustPass identity verification system. The service allows subscribers to respond to messages from Alibaba users by SMS. Even though the 2G mobile service does not include mobile payments, it is expected to bring the company closer to setting up its 3G mobile transaction service. However, it will take years to establish a mobile B2B market in the country since China's 3G market is still in its infancy. He concluded that the time is right for Alibaba to prepare a 3G mobile transaction service as commercial 3G services are getting more popular in China.

Mobile/Wireless

- **China will see 20 percent of its mobile phone subscribers to choose 3G networks in three years. The construction of 3G networks in China is less expensive.** It would a long time to gain returns from the investment on 3G networks. Chang also said that the price of 3G service is still under discussion. China Unicom obtained the 3G license earlier this year. It plans to invest as much as 95 billion yuan (US\$13.9 billion) this year in expanding and upgrading its existing networks, including 3G networks based on the WCDMA technology. In addition, the company is in talks with Apple Inc, expecting to sell iPhone in the country in May, when the telecom operator will launch the 3G services nationwide.
- **A Motorola unit in east China is stopping cell phone production after the first quarter of this year, underlining the extended woes of the U.S. communication giant's troubled mobile phone business.** Hangzhou Motorola Cellular Equipment Co Ltd, a joint venture between Motorola Inc and Hangzhou Eastern Communications, said its cell phone sector would be integrated into production lines in Tianjin Motorola after the first quarter of this year. The company will instead focus on TV set-top-box business, broadband and mobile network equipment. On January 15 this year, Motorola announced plans to lay off 4,000 employees worldwide, the bulk of which would be from its mobile device department. Motorola posted a full year loss of more than US\$4.16 billion in 2008. The mobile devices sector contributed to more than half of that loss and eroded the business revenue of other sectors including enterprise mobility solutions and home and networks mobility.
- **China Mobile Ltd. will focus on the domestic market for the time being, but it still sees opportunities to acquire telecommunication assets abroad.** The comments mark a shift in emphasis for Chairman Wang, who has stated several times recently that telecom assets abroad look cheap and the world's largest mobile operator by subscribers will take advantage to invest overseas at the opportune time. Wang reiterated that he believes international telecom assets are cheap currently. China Mobile bought 100 percent of Paktel in 2007 for US\$460 million, renaming it from CMPak Ltd. Wang still sees room for growth in China's rural areas without impacting profit margins. Though average revenue per user is lower in rural markets, costs are lower too. China Mobile earned an average revenue per user of 83 yuan (US\$12.1) per month. During the same time period, China Mobile posted an EBITDA of 159.2 billion yuan (US\$23.3 billion) on revenue of 301.4 billion yuan (US\$44.1 billion), for an EBITDA margin of 52.8 percent, down from 53.9 percent a year earlier.

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- **China Mobile plans to invest 58.8 billion yuan (US\$8.6 billion) this year to build 60,000 3G base stations.** The plan would increase the number of China Mobile's 3G base stations to more than 80,000 across China. The Ministry of Industry and Information Technology awarded China Mobile a license to operate a 3G network based on the domestically developed TD-SCDMA standard. At the same time the ministry gave approval to smaller rivals China Unicom and China Telecom to develop WCDMA and CDMA 2000 networks, respectively. Spending on 3G equipment by carriers would total US\$41 billion over the next two years. Intel began offering its partners a discount bundle deal including a Core i7 CPU and solid state drive (SSD) hoping to increase demand of the two product lines and to clear stockpiled inventory. Intel is offering a 10-15 percent discount on the combined price of the CPU and drive as part of the promotion which is mainly targeting markets in China, Europe and North America.
- **China Unicom Ltd. is in talks with Apple Inc. about introducing the iPhone in China.** An exclusive deal with Apple to distribute the popular phone in China would give China Unicom a much-needed competitive edge over its larger rival. The third-generation iPhone runs on Wideband CDMA, which China Unicom is rolling out in China currently, making it a natural partner for Apple. China Mobile is the world's largest mobile phone service provider by subscribers, which makes it an attractive partner for Apple in China. However, the 3G iPhone isn't compatible with China Mobile's locally developed TD-SCDMA network. If Apple signs an exclusive deal with China Mobile, its phones will either have to run at slower, second-generation speeds, or it will have to develop a TD-SCDMA compatible iPhone.
- **The Macau government launched a tender to award the fourth license to provide 3G mobile telephony services.** The tender is open until 26 April, and the bids will be opened on 4 May, after which a six-month period will pass until the final decision of the government. Macau currently has more than 900,000 mobile telephony subscribers, of which 220,000 use 3G services. CTM, Hutchison Telecom and China Telecom currently provide 3G services in Macau.

Media, Entertainment and Gaming

- **Chinese online game designer Giant Interactive Group posted a quarterly profit of US\$42.5 million that beat market estimates on the strong performance of ZT Online, its flagship game, and set a better-than-expected first-quarter revenue outlook.** Giant's revenue of US\$51.7 million came ahead of analysts' estimates of US\$48.5 million. For the first quarter, the company forecast revenue of US\$54 million to 57 million, above analysts' estimates of US\$52 million. Rivals Sohu.com and Shanda Interactive Entertainment forecast sequential growth, NetEase.com kept a flattish outlook while Perfect World Co expects sequential contraction in the first quarter. The online gaming market had 3 million users in 2007 and will grow by 85 percent annually until 2011 when it is expected to reach 34.8 million, a Beijing-based research firm. However, Giant saw average revenue per user (ARPU) of 272.7 yuan (US\$39.9) in the fourth quarter of 2008, a drop of 3.3 percent from the previous quarter and an 11.6 percent fall year-on-year. Company executives suggested that in order to increase its number of users at a relatively low cost, the company could launch different versions of its current games to suit more players and increase the number of paying accounts. Giant changed its business model by launching a pay-by-time version of its key product ZT Online at the end of 2007, which generated revenue by charging users by length of playing time, rather than by selling virtual products.

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Hardware

- **Yang Yuanqing, chief executive officer of Lenovo Group Ltd., said that the company had no plans to cut more jobs and they would seek opportunities overseas to carry out acquisitions.** Lenovo finalized its plan of housecleaning in Europe, Middle East, and Africa to lay off 450 of its workforce. It was not true that Lenovo was considering buying the PC unit of Japan-based Fujitsu, but it didn't mean Lenovo would not make deals with others. Fujitsu was considering selling the PC business under Fujitsu Siemens Computers, a subsidiary under the aegis of Fujitsu, and Lenovo was one of the prospective buyers. The CEO's confirmation was made against the backdrop of huge losses for the third quarter of last year, setbacks in overseas expansion, and the return of Liu Chuanzhi, founder and former chairman of the Chinese PC maker. Mr. Liu this time vows to lead the company he sets up to make a turnaround. Lenovo has US\$735 million in sales from Europe, Middle East, and Africa in the third quarter of 2008, making up 20 percent of its total revenues. Shipment and sales of PCs in these areas were down 3 percent and 32 percent, respectively.
- **China will try to guarantee the steady growth of its flat-panel display industry in 2009, said Shao Hua, head of electronic information department of the nation's Ministry of Industry and Information Technology.** The nation will enhance domestic demand for flat-panel display products, expand the application of electric information products, add investment in six key projects like the upgrading of integrated circuits and the transformation of the TV industry, and back up the development of innovative display products like TFT-LCD. Remarkably, in the second half of 2008, many photoelectric display projects started operations, such as BOE's sixth-generation production line of TFT-LCD and Inovision Optoelectronics' sixth-generation production line. In addition, the cooperation between Tianma Microelectronics Co., Ltd. and BOE in the mid- and small-sized panel sector also signals the boom of the domestic flat-panel display industry in 2009.
- **IT market research firm IDC said the year 2009 will be the toughest year for China's PC market, with merely 3 percent in growth, adding that the market won't pick up until 2010 with an expected increase of 16 percent.** The report expects China's PC market to see a shipment of 40.61 million PCs in 2009, up 3 percent year on year. Desktop PCs will record the biggest decline with a sales volume of 24.8 million sets, down 6 percent from 2008. Sales growth of notebook computers will also contract sharply to 19 percent, with a yearly sale of 15.8 million sets in 2009. China's PC market took a fall amid the global financial crisis and a sharp economic slowdown in the second half of 2008. The market will remain bleak this year according to IDC. As mini laptop computers are catching on, IDC expects 1.9 million mini notebook computers will be sold in China this year, while Chinese consumers will be moving from desktops and laptops to a more diversified product line. Sales of PCs with compact chassis will be growing rapidly. Demand from small and midsize businesses for such PCs will be mounting. Notebook computers featuring 13-inch screen will become the bright spot out there in a market that has been flush with 14-inch products.

Alternative Energy

- **Yingli Green Energy Holding announced that its three subsidiaries have received 420 million yuan (US\$61.4 million) of loans from domestic lenders and an affiliate of the company.** Specifically Baoding Tianwei Yingli New Energy Resources Co., Ltd. obtained 180 million yuan (US\$26.3 million) of loans from local Shijiazhuang City Commercial Bank and Yingli Energy (China) Co., Ltd. got 90 million yuan (US\$13.2 million) and 50 million yuan (US\$7.3 million) from Shijiazhuang City Commercial Bank and Bank of Communications' Hebei Branch, respectively. Fine Silicon Co., Ltd. succeeded in borrowing 100 million yuan (US\$14.6 million) of loan from Baoding Yingli Group,

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an affiliate of Yingli Green Energy, with the deal entrusted by Baoding Urban District Rural Credit Union. Each of the three lending has a term of 12 months with annual interest rate of 5.31 percent. With tight cash flow, Yingli Green Energy hopes to expand PV production capacity, start polysilicon manufacturing and reinforce financial position through borrowings.

- **Trina Solar Ltd. posted a fourth-quarter loss, pressured by declining prices for solar modules, and said sales volumes would slip in the first quarter.** Solar companies have suffered in recent months as a glut of new production has entered the market, shrinking prices and margins even as the financial crisis has dried up much of the funding for new products. Changzhou, China-based Trina posted a fourth-quarter net loss of US\$673,000. But the loss was smaller than the 33 cents per ADS that analysts on average had forecast. Trina said its first-quarter shipments of photovoltaic modules would be 50 to 55 megawatts, down from 57.59 MW in the fourth quarter. Full-year 2009 module shipments are expected to be between 350 to 400 MW, with about 300 MW of shipments currently contracted. Trina's non-silicon production costs are expected to drop by 15 percent to 20 percent this year.
- **ReneSola announced that sales for 2008 rose to US\$669 - US\$671 million on production of 363 megawatts but fourth quarter loss of US\$125 - US\$130 million due to inventory writedown of US\$130 million to US\$140 million caused by the drop in the price of polysilicon.** The Company in November forecast sales of US\$640 million to US\$670 million on production of 340-350 megawatts. ReneSolar is the world's largest recycler of scrap wafers in solar panels. For 2009, the company forecast sales of US\$650 - US\$700 million on production of 620-670 megawatts

Taiwan

Hardware

- **Taiwan Mobile Co. expects to sell more than 50,000 netbooks in 2009, including own-brand netbooks that it will begin selling.** Taiwan Mobile began selling netbooks in October. They have increased subscribers to the company's wireless Internet connection services by 20 percent. Netbooks are primarily designed for Internet browsing and mobile computing. They cost less than conventional laptop computers, and are lighter and smaller.
- **Hon Hai had recently increased its number of employees in China by 5 percent despite the global downturn.** Hon Hai is a contract manufacturer that makes some of the world's most famous gadgets, including Apple's iPhone, Nokia cellphones and Nintendo's Wii game console.

Semiconductor

- **Intel Corp. announced a deal with Taiwan Semiconductor Manufacturing Co. (TSMC), which aims at expanding the market for Atom, Intel's smallest chip.** The two companies have reached agreement to collaborate on technology, intellectual property and other issues related to the Atom chip. The agreement will allow TSMC, the world's largest semiconductor foundry, to build system-on-chip platforms around the Atom design. The partnership with TSMC could lead to customized chips that could provide Intel access to new markets it can't reach alone. Atom, which features 47 million transistors, is Intel's smallest processor. It is designed specifically for new mobile Internet devices and simple, low-cost personal computers.
- **ProMOS Technologies Inc. said more than 50 percent of investors of its convertible bond had agreed to accept its offer to buy back at a discount or withdraw their redemptions of the bonds.** ProMOS has also extended the deadline for the buyback by around 10 working days from

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March 2. Bondholders would get more money back if they tendered their bonds early. Besides a base tender of US\$100, ProMOS would give an early tender premium of US\$100 if investors tendered their bonds by March 17. ProMOS launched a tender to buy back US\$336 million in convertible bonds at US\$100 each. Investors who participate in the tender would also get an extra premium of up to US\$65 if the minimum acceptance rate of the offer exceeds 86 percent. Thus, they would get US\$265 for every US\$1,000 principal.

- **Mediatek expects first-quarter sales to grow 8-13 percent from the fourth quarter, compared with a previous forecast of an 8-16 percent drop.** The revision was because demand for cellphone chips from the emerging markets was better than it had expected. Mediatek's first-quarter gross profit margin will rise slightly from the previous three months due partly to a weaker Taiwan dollar.

Hong Kong

Telecommunications

- **Pacnet, is rumored to have approached AAPT owner Telecom NZ to bid for AAPT but both AAPT and Telecom NZ declined to comment.** In December, Pacnet was rumored to have offered US\$420 million for AAPT. Telecom NZ said at the time it was "absolutely committed to AAPT," but refused to comment on rumors it was up for sale. AAPT recently downgraded its profit forecast by A\$10 million (\$6.3 million), and is now projecting profits of A\$60-80 million..

Mobile/ Wireless

- **Hutchison Telecommunications International Ltd. said its 2008 net profit fell sharply from a year earlier and it will spin off and list its Hong Kong and Macau operations separately in an effort to unlock the value of those profitable businesses.** The telecommunications operator, 60.4 percent-owned by conglomerate Hutchison Whampoa Ltd, has applied to the Hong Kong stock exchange to list these operations separately on the bourse in May without raising new capital and shares in the units will be given as an interim dividend to its shareholders. Hutchison Telecom said its net profit last year was HK\$1.9 billion (US\$242 million). Its 2007 net profit was boosted by a HK\$69.3 billion (US\$8.9 million) disposal gain from the sale of its 67 percent stake in Hutchison Essar Ltd. to U.K.-based Vodafone Group PLC. Valuations for the company's Hong Kong and Macau businesses would be higher if they were spun off from Hutchison Telecom, whose valuation is being dragged down by unprofitable operations in Thailand, Indonesia, Vietnam and Sri Lanka. The company named Goldman Sachs Group as the adviser for the spin-off.
- **Hong Kong had 11.37 million mobile users at the end of December 2008, up from 10.59 million in December 2007.** The number of prepaid users rose to 4.25 million, from 3.93 million a year earlier. Hong Kong ended the year with 2.91 million 2.5G and 3G users, versus 2.75 million in 2007, and the number of 3G users rose to 2.81 million, from 2 million. Furthermore, the number of people connecting through an MVNO went up to 834,517 from 724,187 a year earlier.

Singapore/Malaysia/Philippines/Indonesia/India

Hardware

- **Satyam Computer Services Ltd. won approval to sell a majority stake in itself as the company seeks to restore confidence with investors and clients.** The Securities and Exchange Board of India approved plans for Satyam to sell 51 percent of the company. IBM has begun talks to buy

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Satyam and brought in a team of lawyers and investment bankers to assess the deal. Larsen appointed Nomura Holdings and Citigroup as investment bankers to advise it on a potential bid for Satyam. Under terms of the global auction, potential investors should have net assets of at least US\$150 million. The winning bidder would purchase a 31 percent stake through new shares and then make a mandatory open offer to buy at least 20 percent of the company.

Telecommunications

- **Globe Telecom Inc. said its president and chief executive Gerardo Ablaza has resigned from the company to join Ayala Corp.** Replacing Ablaza is Ernest Cu, Globe's deputy chief executive, who joined the Philippines' second largest telecommunications company by revenue in October. Cu will take over as president and chief executive of Globe Telecom effective April 2. Ablaza will return to Ayala Corp. to help oversee the Ayala Group's business interests in telecommunications, banking and allied fields. He will continue to be a member of Globe's board of directors. Ablaza was president of Globe since April 1998.
- **Telstra Corp. sold KAZ Group Pty Ltd. to Fujitsu Ltd. for A\$200 million (US\$128.1 million).** The acquisition will make Fujitsu the third-largest information technology company in Australia by revenue. Telstra sold KAZ because it no longer considered ownership of an IT services business as a core part of its strategy.
- **True Corp PCL swung to a net loss in 2008 due mainly to foreign exchanges losses.** The company booked a net loss of 2.3 billion baht (US\$64.5 million), compared with a net profit of 1.2 billion baht (US\$32.2 million) a year earlier. True's consolidated revenues were down a tad to 61.3 billion baht (US\$1.7 billion), while the total cost of sales and services rose to 42.5 billion baht (US\$1.2 billion). It booked 2.6 billion baht (US\$72.2 million) in unrealized forex losses last year following the baht's depreciation.
- **Gemini Communications Ltd. has received a 670 million rupees (US\$13 million) order from Indian state-run telecom company Bharat Sanchar Nigam Ltd.** Gemini will supply, implement and maintain a rural WiMax network in telecom service areas in Gujarat, Maharashtra, Andhra Pradesh, Karnataka, Tamil Nadu, Orissa and Chennai. WiMax is a wireless broadband technology.
- **Verizon Business has received approval from India's Department of Telecommunications, or DoT, to use its own gateways to route international calls from India.** The unit of Verizon Communications Inc. can now operate two international gateways in the western city of Mumbai and the southern city of Chennai, under its license to provide international calls. International gateways are transmission devices and switches that enable telecom companies to carry international communications traffic across country borders. Prior to receiving the routine security approval from the Indian government, Verizon Business had to route its international traffic through local Indian telecom carriers. Verizon Business received its licenses to provide international and national long-distance telecom services in India in January 2008.

Mobile/ Wireless

- **Philippine Long Distance Telephone Co. added over 600,000 new mobile phone subscribers in the first two months of the year.** The company's target for this year is to sign up 3.5 million new mobile phone clients. At the end of 2008, its mobile phone clients totaled 35.2 million.
- **Pilipino Telephone Corp. said net profit last year rose 37 percent as its subscriber count continued to grow.** Piltel ended 2008 with 14.3 million subscribers, up 4.6 million from the end-2007

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level of 9.7 million. Service revenue grew 30 percent on year. Piltel's board also approved a plan to buy back up to 25 million shares, accounting for 0.2 percent of its outstanding capital.

- **Nokia and Ericsson are considering offering mobile services in India, after local regulators gave the go-ahead for MVNOs to enter the market.** The two vendors are among a number of foreign companies that have made contact with the country's Department of Telecommunications (DoT) about establishing a presence in India. Nokia is also in talks with DoCoMo about launching MVNO services in Japan. India offers great potential for would-be MVNOs. Low margins will also be a problem for new MVNOs, particularly given that they will be constrained by their agreements with host operators. And there will also be fierce competition in urban areas. Virgin Group chairman Richard Branson has been back in India to promote the launch of Virgin Mobile, and to answer questions over the legal status of the venture. Branson did not strike an MVNO deal with Tata Teleservices, a move that would have been illegal at the time but instead signed a brand extension agreement. Tata will sell its own services, but will be able to use Virgin's branding on plans aimed at capturing the youth market.
- **Advanced Info Service PCL expects revenue growth this year to be below the 3 percent-4 percent earlier projected because of the weakening economy.** Thailand had economic growth of 0 percent to 2 percent. Bank of Thailand Governor Tarisa Watanagase isn't confident such growth can be achieved this year. Thailand's largest mobile phone operator by subscribers also plans 14 billion baht (US\$386.3 million) to 15 billion baht (US\$416.5 million) of capital expenditure in 2009. The firm's investment fell short of the expected 17 billion baht (US\$472.1 million). The company would spend a further 20 billion baht (US\$555.4 million) in each of the next three years on third-generation telecom service, but the investment would begin only when the licenses are granted. AIS will attract 2.5 million new subscribers this year, down from 3.2 million in 2008. Total new subscribers for the industry are projected at 5 million.

United States/Canada

Mobile/Wireless

- **Virgin Mobile USA Inc. narrowed its fourth-quarter loss and returned to customer growth in a sign that more people are considering pre-paid wireless plans.** Reversing two quarters of customer defections, Virgin Mobile added 216,000 net new users to end the period with a base of 5.4 million. The company's turnaround underscores the increasing reluctance of consumers to commit to a multi-year service plan given the uncertainty over the economy. The Warren, N.J., provider of pre-paid wireless service posted a fourth-quarter net loss of US\$4.4 million, or 12 cents a share, narrower than its year-ago loss of US\$14.7 million. Excluding one-time items including a charge related to its acquisition of Helio, the company lost 5 cents a share. Revenue, meanwhile, rose to US\$347.1 million from US\$329.7 million, although service revenue rose 10 percent to US\$326.7 million. Analysts, on average, expected a loss of 10 cents a share on revenue of US\$345 million. The higher revenue and cost per users also increased slightly as a result of the acquisition of Helio, which offers a higher end contract service.

Media, Entertainment and Gaming

- **Walt Disney Co. Chief Executive Robert Iger could see the company creating an online subscription club for its movies and television shows at some point as a way to leverage its brand on the Web.** Many have seen their advertising businesses eroded by the struggling economy

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and a shift away from their traditional strongholds - print and broadcast outlets - to Internet platforms. A similar pattern is unfolding in movie and television studio operations, which are seeing sales of DVDs slip as consumers cut discretionary spending and opt to watch programs and movies from streaming video services. While some media executives believe the slip in DVD sales is largely a function of the struggling economy, Iger has suggested consumers are less likely to return to the format after a recovery begins. The entertainment company has a 32 percent drop in net income during its fiscal first quarter, a performance that underscored the steep falloff in consumer spending. Net income is US\$845 million, or 45 cents a share, for the quarter. While traffic to Disney's theme parks was holding up, there was some slowdown in spending by visitors.

Telecommunications

- **Nortel Networks Corp. continued to suffer from declining revenue and widening losses in the fourth quarter.** The company is trying to restructure its operations to emerge from bankruptcy protection as a viable telecom-equipment vendor focused on some key products where it believes it can have a competitive advantage. One such area is Nortel's business selling telecom equipment to corporations and other enterprises. However, in the fourth quarter, Nortel's enterprise business, its second-largest measured in terms of revenue, reported a 30 percent year-over-year decline in revenue, to US\$535 million. Nortel attributed the weakness to lower demand for its products across geographies and the unfavorable impact of foreign exchange.

Internet

- **Yahoo! Inc. is in talks with Vodafone Group Plc about the distribution of its mobile search product in Europe.** The agreement may make Yahoo's mobile search product the default software on phones sold by Newbury, England-based Vodafone in Europe. Vodafone has a distribution deal with Google Inc. that expires this year, and Yahoo isn't the only party the carrier is talking to. Yahoo, striving to close the gap on Google in Internet advertising, agreed to power Web searches on T-Mobile USA's phones in November after striking a similar deal with AT&T Inc. in September. Yahoo already has such partnerships in Europe with wireless operators including Deutsche Telekom AG's T-Mobile unit and Telefonica SA's O2 unit. A potential search deal between Vodafone, the world's biggest mobile-phone company, and Yahoo would add to existing agreements between the two companies.
- **Yahoo spent part of US\$79 million for hiring outside advisers in 2008 to resist Microsoft Corp.'s acquisition attempts and for the proxy battle with investor Carl Icahn.** A part of that amount was spent for exploring strategic alternatives, including the search-advertising agreement with Google Inc. Google walked away from that deal.
- **A Belgian court fined Yahoo! Inc. 55,000 euros (US\$69,586) for failing to hand over personal details of users suspected of committing fraud.** Daily fines will be added for non-compliance. In an inquiry into fraud carried out by people using pseudonyms in Yahoo! email addresses, the prosecutor had called on Yahoo to provide the true identity of the criminals. California-based Yahoo! refused, arguing that it was a U.S. company and therefore such information would have to be requested by U.S. authorities. The public prosecutor responded that Yahoo! was also a Belgian company as its services are available in Belgium, stressing that there had never been such problems with rival U.S. companies Google and Microsoft. The court in the northern town of Termonde imposed the 55,000 euros (US\$69, 586) fine for the refusal to collaborate with the judicial procedure, adding it would cost Yahoo! a further 10,000 euros (US\$12, 652) a day in fines if it maintains its refusal to hand over the user data.

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- **Google Inc. Chief Executive Eric Schmidt said that he does not expect to see improvement until 2010.** The company in January reported surprisingly strong fourth-quarter results that suggested Google's search-advertising business and cost-cutting efforts have enabled it to weather the recession better than rivals. Google management has spent much of its time lately conducting business reviews aimed at controlling operating costs and evaluating each business unit's ability to generate revenue. Schmidt struck an optimistic note when discussing Google's opportunities in the mobile search and display advertising businesses. He predicted that mobile search ad revenues would surpass PC-based paid search sales within a few years, as opposed to a few decades. Schmidt pointed to Japan as a leading mobile market in which Google has established partnerships with two of the top three mobile providers. The company is now attempting to replicate those types of deals, with the obvious prize in China.
- **Google Inc. awarded lower bonuses to some of its top executives as well as former Chief Financial Officer George Reyes, who got US\$675,000, for their performances in fiscal 2008.** Robert Eustace and Omid Kordestani, senior vice presidents, were granted US\$1.4 million each, while Senior Vice President Jonathan Rosenberg was awarded US\$1.6 million. The bonus payments for Eustace, Kordestani and Rosenberg are down from US\$1.7 million that they each received for fiscal 2007. Reyes, who left Google last August after running the company for five years, also got US\$1.7 million for fiscal 2007. Google's bonus plan sets the maximum amount payable to any one executive at US\$6 million in fiscal 2008. Google co-founders Sergey Brin and Larry Page and Chief Executive Eric Schmidt weren't granted any bonus for fiscal 2008. The three executives previously haven't participated in the company's bonus plan.
- **Three MySpace executives, including Amit Kapur are leaving the company to work on a start-up.** Mr. Kapur has been in his post at MySpace for 13 months, overseeing the social media company's global operations as well as new forays into mobile and other initiatives. Joining him are Jim Benedetto, senior vice president of engineering, and Steve Pearman, senior vice president of product strategy. The departures come as the social networking site has struggled to generate substantial ad revenue and is running up against a tough ad environment in the recession. MySpace experienced a slight downturn in revenue in the latest quarter. New areas such as mobile, video and music are still getting off the ground. Meanwhile, the site faces increased audience competition from rival Facebook, with which it is about even in domestic traffic. Internationally, Facebook has surpassed MySpace.
- **YouTube is in talks with Vivendi SA's Universal Music Group to create an online music Web site.** The discussions are still at an early stage, said the people, who declined to be named because the discussions are private. Universal approached YouTube about the idea at the end of last year and proposed a site that would include videos from all the major music labels. Record labels are seeking to boost revenue from online video sources as a way to make up for declining compact-disc sales. Media companies have fought with YouTube, which has more than 100 million viewers in the U.S., over the use of their content and how they are compensated. In December, Warner Music Group Corp. would remove videos and songs from YouTube after royalty negotiations failed. Under the partnership being discussed, YouTube would provide the technology to sell advertising accompanying music videos. The discussions are unlikely to result in a joint venture between YouTube and Universal. YouTube is slowly working out ways to make money from online video. Google, owner of the most-used Internet search engine, bought YouTube in 2006 for US\$1.7 billion.

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Software

- **Microsoft Corp. has begun testing a revamped version of its Internet search service, dubbed Kumo.com, as the company tries to improve its third-place position in the online search market.** Satya Nadella, senior vice president of research and development for Microsoft's online services division, invited company staffers to begin testing the Kumo search engine, currently only available on the company's internal network. For now, Microsoft's Live Search, at live.com, remains the company's search engine for the public. Microsoft hasn't decided yet whether to rebrand Live Search as Kumo, which Mr. Nadella refers to as a code name in his email. Kumo in Japanese means spider, a reference to so-called spider software that crawls from Web site to Web site, adding the data to vast search-engine indexes. Speculation has long swirled on the Internet that Microsoft would use the Kumo name for its search engine after it was discovered that the company had ownership of the Kumo.com address. But the company will need more than a name change to improve its position in the search business. In January, Microsoft accounted for 9.8 percent of Internet searches, behind Yahoo Inc.'s 22.2 percent and Google Inc.'s 58.5 percent.

Europe

Telecommunications

- **Deutsche Telekom AG will provide wholesale access to its very high speed digital subscriber line, or VDSL, network.** Deutsche Telekom will provide a wholesale offer for Internet and telephone services via the network, which allows customers to surf the web at speeds of up to 50 megabits per second. Deutsche Telekom's wholesale VDSL offer is voluntary and not a regulatory requirement. Deutsche Telekom plans to charge its competitors around EUR30 a month initially, with a declining scale based on increased network usage. Friedrich Joussen, the chief executive of Vodafone Group PLC's German unit, said it is positive overall that companies can negotiate pricing without deferring the decision to the regulatory authorities. Deutsche Telekom will invest a further 300 million euros (US\$379.6 million) in its broadband infrastructure in 2009.
- **France Telecom SA has a 1.5 percent rise in EBITDA for 2008, increased its dividend and expects to generate 8 billion euros (US\$10.1 billion) a year in free cash flow over the next three years.** The company said it plans to pay a dividend of 1.40 euros (US\$1.80) a share. The group had already paid out 0.60 euros (US\$0.76) a share of the dividend in September. The French giant's earnings come in the wake of solid results last week from peers Telefonica SA of Spain and Germany's Deutsche Telekom AG, underscoring the defensive qualities of the sector. From 2009 through 2011, France Telecom expects to produce free cash flow at a similar level to the 8.02 billion euros (US\$10.1 billion), supported by a plan to save 1.5 billion euros (US\$1.9 billion) in costs and investments by the end of 2011. Those initiatives, which will include further sharing of networks and information systems, should help limit a probable slight weakening in the group's EBITDA margin.
- **Swisscom AG would accelerate debt repayment in response to the difficult credit markets, after it reported a slight rise in fourth quarter net profit and said it expects a decline in its Swiss business in 2009, but growth from its Italian broadband operator, Fastweb.** The company wouldn't pay a special dividend or do a share buyback this year as it focuses on paying off debt. But the company still raised its dividend for 2008 and its proposed payout amounts to 984 million francs (US\$849.3 million), 250 million francs (US\$215.8 million) less than the usual 50 percent of operating free cash flow, with that sum earmarked for the debt reduction. Excluding Fastweb, Swisscom expects net revenue for 2009 of between 9.2 billion francs (US\$7.9 billion) and 9.3 billion francs (US\$8

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billion), EBITDA of between 3.8 billion francs (US\$3.3 billion) and 3.9 billion francs (US\$3.4 billion) and capital expenditure of around 1.35 billion francs (US\$1.2 billion). Fastweb is expected to have revenue of 1.8 billion francs (US\$1.6 billion). Net profit was down 16 percent in 2008, as last year was boosted by gains on a disposal. Revenue rose 10 percent, while EBITDA rose 6.4 percent.

- **Qatar Telecom has secured a US\$1.5 billion credit facility and is already oversubscribed.** The credit facility will be accessed to support refinancing of an existing credit facility due to mature in November 2009. In the run-up to securing the facility, it gained the support of its relationship banks, including The Bank of Tokyo - Mitsubishi UFJ, Ltd., Barclays Capital, BNP Paribas, and The Royal Bank of Scotland PLC, as Initial Mandated Lead Arrangers and Bookrunners, with Qatar National Bank as an Initial Mandated Lead Arranger and General Financial Adviser.
- **U.K. telecoms regulator Ofcom wouldn't impose pricing restrictions on what BT Group PLC can charge competitors to use its super-fast broadband network, clearing the path for the group's 1.5 billion pounds (US\$2.1 billion) investment.** Ofcom offered BT flexibility to set its own prices for sharing the new network with its competitors and so earn a rate of return that genuinely reflects the cost of deployment and the associated level of risk. The rollout of a new 1.5 billion pounds (US\$2.1 billion) fiber network, which will bring super-fast broadband to around 40 percent of U.K. homes by 2012, was announced by BT in July and chief executive Ian Livingston said Ofcom's recommendations will allow the plans to push ahead. BT is constrained by several restrictions that require it to open up its copper wire network to competitors at regulated prices. While BT's new fiber network will still be opened up to competitors, Ofcom will allow the pricing of this access to be set by the market. Other super-fast broadband providers such as Virgin Media Inc, which recently launched its 50 megabits per second service in certain areas of the U.K., won't be required to open up its network to competition.
- **Telecom Italia Chief Executive Franco Bernabe reiterates that the company will keep ownership fixed-line business with separate management.** Bernabe also ruled out talk that the company had plans to merge with Italian broadcaster Mediaset. Bernabe confirmed Telecom Italia's German HanseNet unit, with its 2.34 million DSL customers, its stake in Cuban state-owned Etecsa and its Sparkle underwater cables business were up for sale.
- **Vodafone Group PLC's German unit may see a slight dip in sales in its next fiscal year said its CEO Jousen. But he sees growth potential in data revenue and digital subscriber lines (DSL) and outsourcing of telecommunication services.** These services contribute roughly 40 percent of Vodafone's annual sales. At this year's information technology fair CeBIT in Hanover, Germany, Vodafone Germany presented itself as an integrated telecommunication company for the first time. Vodafone last year bought from Deutsche Bank AG and Deutsche Bahn AG the remaining 26.4 percent stake in DSL provider Arcor it didn't already own for 474 million euros (US\$600 million). Recent market rumors suggested that Vodafone could be interested in the acquisition of a cable network providers. Vodafone Germany's chief executive supports the idea of collaborating with competitors like Deutsche Telekom AG in building broadband networks in Germany.
- **Turkcell has decided to start working on submitting a binding offer in a tender for Macedonian mobile operator Cosmofon.** Turkcell had submitted a non-binding offer for the tender. Turkish fixed-line telephone company Turk Telekom also submitted a preliminary, non-binding bid for the tender. Turkcell has mandated banks to arrange a US\$750 million loan to finance its technical infrastructure investments.

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- **Telenor has refused to block access to BitTorrent tracking Website The Pirate Bay, claiming there is no legal basis to demand that Internet service providers (ISPs) control the content their customers download.** The Norwegian operator responded to a request from the International Federation of the Phonographic Industry (IFPI), the Norwegian videogram association and the Norwegian Film Distributors Association, that Telenor block the Swedish Website. The Pirate Bay's founders Frederik Neij, Peter Sunde, Gottfrid Warg and Carl Lundstrom are currently on trial accused of facilitating copyright infringement. Their Website provides links to thousands of torrent files, which enable consumers to freely share often copyrighted material including music, films and TV shows; however, The Pirate Bay does not host any of the infringing content on its servers. The trial could set a worrying precedent, given that mainstream search engines from the likes of Google, Yahoo and Microsoft Live Search can be used to find illegal torrent files. Telenor is more the case that rights holders need to develop sustainable business models for delivering content over the Internet.
- **Alcatel-Lucent has been given a software service contract from Tata Teleservices Ltd. for an disclosed sum.** Under the seven-year contract, Alcatel-Lucent will provide services to the India-based company based on its flexible optical multi-service node technology, aimed at increasing network reliability and reducing overhead cost. Tata Teleservices Ltd. is the unlisted parent of Tata Teleservices Maharashtra Ltd.
- **Telekom Austria AG said Chief Executive Boris Nemsic had resigned to become the head of Russian peer Vimpel Communications.** Nemsic led Telekom Austria's recent expansion and his departure sent Telekom Austria's stock price down. VimpelCom's core shareholders welcomed the appointment. A successor will be appointed at a supervisory board meeting in due course. VimpelCom, with more than 60 million customers, is Russia's second-largest telecommunications provider after OAO Mobile TeleSystems. The company rebranded and extended its network across the country. The merger still hasn't been fully completed and said that one of the biggest challenges for his successor will be understanding and working out a structure. Nemsic will split the duties that Izosimov held at VimpelCom with Alexander Torbakhov, who is currently director of Life Insurance Co. Rosgosstrakh. Both will start work in April and have signed three-year contracts.

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Other Economic Data

Currency Exchange Rates						
Currency	Units	Current Rate (on 3/6/09)	% Change 1 Week Ago	% Change 1 Month Ago	% Change 1/1/2009	% Change 1/1/2008
Japanese yen	¥/US\$	98.2800	0.70%	7.9%	6.6%	-12.7%
Hong Kong dollar	HK\$/ US\$	7.7546	0.001%	0.02%	0.1%	-0.6%
Chinese renmenbi	RMB/ US\$	6.8395	0.0%	0.1%	0.2%	-6.4%
Singapore dollar	S\$/ US\$	1.5445	-0.04%	2.7%	5.7%	6.9%
South Korean won	KRW/ US\$	1,544.0000	0.7%	12.6%	17.3%	65.0%
New Taiwan dollar	NT\$/ US\$	34.6580	-0.9%	3.1%	5.8%	6.6%
Australian dollar	US\$/A\$	0.6398	0.1%	-1.8%	-9.9%	-26.8%
New Zealand dollar	US\$/NZ\$	0.5016	0.4%	-2.9%	-14.2%	-35.2%
Philippine peso	PHP/ US\$	48.6000	-0.1%	2.8%	3.0%	18.0%
Euro	US\$/€	1.2659	0.0%	-1.0%	-8.8%	-14.0%
British pound	US\$/£	1.4095	-1.6%	-3.6%	-2.9%	-29.3%

Fixed Income Prices and Yields

Note	Currency	Current (on 3/6/09)		1 Week Ago		4 Weeks Ago	
		Price	Yield	Price	Yield	Price	Yield
US 30-year	US\$	98.94	3.59%	96.27	3.74%	115.25	3.65%
Japan 30-year	¥	108.53	2.03%	108.33	2.03%	108.55	1.94%
Hong Kong 10-year	HK\$	96.10	2.06%	95.47	2.14%	97.76	1.77%
China (06/16)	US\$	111.49	2.97%	111.49	2.97%	111.49	2.97%
Singapore 10-year	S\$	117.50	1.98%	116.80	2.05%	116.50	2.09%
South Korea 20-year	KRW	10,688.37	5.22%	10,452.20	5.41%	10,143.63	5.57%
Australia 15-year	A\$	112.32	4.43%	110.89	4.57%	116.69	4.02%
New Zealand (12/17)	NZ\$	110.45	4.59%	110.66	4.57%	110.34	4.47%
Philippines 20-year	PHP	89.24	11.12%	90.50	10.94%	89.85	10.74%
India 30-year	INR	107.20	7.97%	107.50	7.82%	110.83	7.40%
UK 30-year	£	113.73	4.02%	106.43	4.40%	107.10	4.34%
Germany 30-year	€	110.32	3.70%	108.53	3.79%	105.26	3.94%

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