



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

Week of 22nd March 2010 - 28th March 2010

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



Week of 15th March 2010 - 21st March 2010

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Equity Market Indicators					
Index	Closing Level (03/19/2010)	% Change 1 Week Ago	% Change 1 Month Ago	% Change 12/31/2009	% Change 12/31/2008
S&P 500	1,166.59	0.58%	5.62%	4.64%	29%
Dow Jones Industrial Avg.	10,850.36	1.01%	5.09%	4.03%	24%
Dow Jones Tech. Index	413.8	1.04%	6.87%	2.73%	65%
Dow Jones Telecom. Index	210.78	-0.87%	3.25%	-3.93%	5%
NASDAQ Composite	2,395.13	0.87%	7.01%	5.54%	52%
Japan Nikkei 225	10,996.37	1.59%	8.60%	4.28%	24%
JASDAQ	53.01	0.25%	5.03%	9.66%	10%
Japan Mothers	439.9	0.24%	7.51%	5.65%	36%
Korea KOSPI Composite	1,697.72	0.69%	6.47%	0.85%	51%
Korea Kosdaq	524.66	-0.55%	3.48%	2.12%	58%
Taiwan Stock Exchange	7876.86	-0.27%	5.93%	-3.83%	72%
Singapore Straight Times	2906.28	-0.32%	-3.04%	-2.84%	65%
Hong Kong Hang Seng	21,053.11	-1.49%	2.16%	-3.78%	46%
Hong Kong GEM	807.09	3.28%	8.86%	19.27%	109%
China Shanghai (A-Share)	3,208.22	-0.26%	0.26%	-6.68%	68%
China Shenzhen (A-Share)	1,245.24	0.42%	1.15%	-1.25%	114%
China Shanghai (B-Share)	254.44	-0.03%	0.15%	0.77%	129%
China Shenzhen (B-Share)	623.06	-1.09%	3.36%	-0.45%	130%

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Weekly Highlights

International

Mobile/ Wireless

- **Research firm iSupplie said that capital expenditures by wireless carriers will drop this year, second year in a row, as they remain cautious about the lingering effects of the recession.** Total capital spending on wireless communications this year is expected to be US\$120.6 billion, declined 1.8 percent from 2009. Recession-weary wireless subscribers in the developed world will cut back their spending on wireless services, hurting companies' revenue streams. iSuppli also said companies are more likely to focus on their 3G and 3.5G technologies rather than making major investments to mass deploy fourth-generation, high-speed coverage. iSuppli expects 2010 to be the year of mass deployment for 3G femtocells, which act as wireless base stations for cellphones and would help ease network congestion.
- **Ericsson said that global mobile data traffic surpassed voice for the first time in December 2009.** Ericsson found that worldwide data traffic surged by 280 percent during each of the last two years. The company said the crossover occurred at roughly 140,000 Terabytes per month in both voice and data traffic. Ericsson expects mobile data traffic to double annually over the next five years. Informa Telecoms & Media predicted in January that mobile data revenues will surge to US\$330 billion by 2013, up from an estimated US\$208 billion in 2008. Despite Ericsson's findings, Informa doesn't expect revenues and monthly ARPU from data services to surpass voice any time soon. It predicts that Japan will become the first mobile market to generate more data revenue than voice revenue, but not until 2014.

Media, Entertainment and Gaming

- **Global online and video game companies have identified social gaming as a high growth area in the future.** Leading game companies at the recently concluded Game Development Conference (GDC), such as Zynga, Bigpoint.com, Playfish and Playdom have all experienced high growth through social network games like Farmville, Mafia Wars and Mobsters. The overall revenues from social games are estimated to have grown to US\$1 billion in 2009, a 67% increase over 2008. Revenues in 2010 are expected to grow by 60% in 2010. The main source of revenues from these social games is through micro-transactions within these games.

Internet

- **Spending on online advertising in the U.S. increased 4.5 percent to US\$7.4 billion in the fourth quarter of 2009, marking its first quarterly growth in a year.** Online advertising increased in 2009 to more than 10 percent of the overall U.S. advertising market for the first time ever.

Semiconductor

- **Global DRAM chip manufacturers have reason for optimism after research firm DRAMeXchange released its industry forecast for the next few years.** The report said that the DRAM chipmakers may expect the next three years to be profitable after a protracted slump since 2007. The research company anticipates renewed demand driven by expenditure by large corporates and retail demand for PCs running on Microsoft's new operating system Windows7.

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Japan

Telecommunications

- **NTT Data Corp. has acquired a 51 percent interest in French systems engineering company Adelante SAS via German subsidiary intelligence AG.** The German unit bought its stake in March 15 for an undisclosed sum. Adelante's main business is installing ERP. NTT Data intends to strengthen its system support and ERP installation services in such markets as France and Canada.
- **Japan Communications Inc. signed a contract to lease wireless capacity in the U.S. from cellular phone carrier Sprint.** The Japanese firm currently uses U.S. Cellular's network to provide a service that enables low-cost transmission of information between ATM networks and data centers. With access to Sprint's nationwide network, Japan Communications' new offerings would include a service for companies managing point-of-sales system devices and a service for individuals.

Internet

- **Softbank Corp. and the Alibaba Group are in talks to form a partnership to jointly promote e-commerce between China and Japan.** Alibaba group's e-commerce unit, Taobao, and Softbank-owned Yahoo Japan Corp. will help merchants, mainly small and medium companies, sell goods through each others' platforms. A small business that sells goods through Taobao in China would have the option of reaching Japanese customers through the Yahoo Japan site under the agreement. Softbank itself has a 33 percent stake in Alibaba Group and Softbank chief executive Masayoshi Son sits on Alibaba Group's board of directors. The idea emerged in a meeting between Son and Alibaba Group Chairman Jack Ma as they were discussing ideas to promote job creation by small and medium-sized companies in China and Japan. Such companies make up the bulk of Alibaba's customer base in China.

Semiconductor

- **Elpida Memory Inc. will begin producing 4-gigabit DRAM as early as the April-June quarter in response to growing demand for information technology equipment accompanying a surge in data center construction.** Using 45-nanometer process technology established in the second half of last year, the company was able to increase chip capacity to 4G, double that of its previous largest-capacity chips. The new DRAM will be compatible with the new DDR3 standard, which has a 1.5-volt supply voltage. The company's 2G DRAM chips use the same processing technology. Capacity was increased by altering materials that store the electric charge and by re-engineering internal circuitry. The 4G chips are expected to be used in servers and personal computers. Elpida will likely offer memory modules composed of several 4G chips. This will enable chip count per module to be reduced, thereby helping cut power consumption.

Technology

- **Japanese technology firm Toshiba has teamed up with TerraPower, a company controlled and promoted by Bill Gates, to develop nuclear reactors that can run for more than 100 years without periodic refueling of the uranium.** Toshiba, which has already developed a nuclear reactor that can run for 30 years without refueling, is expected to use features of its existing technology for the new research. The primary challenge for the new reactor is the lack of readily available materials that can tolerate nuclear reactions for 100 years. Bill Gates is expected to invest millions of dollars in this initiative in a personal capacity.

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- **Fujitsu Ltd said Senior Executive Adviser Naoyuki Akikusa would step down from its board in June as the company looks to move past a public row over its handling of a change of president.** Fujitsu has been under intense media scrutiny since announcing this month that it had dismissed Kuniaki Nozoe as president in September due to an inappropriate business relationship, rather than illness as was stated at the time.

Media, Entertainment and Gaming

- **Leading Japanese game console maker Nintendo announced the launch of a new DS portable player.** The new, upgraded device is different from current versions in that it allows users to play 3-D games even without the use of special aids like special glasses. The device will be backward compatible and allow older games to run on it. The company is yet to announce the price of the player.
- **Shareholders at Japan's largest cable television services provider Jupiter Telecommunications Co. voted to approve a motion to integrate four officials from its new top shareholder KDDI Corp. into its board, the company said.** The vote empowers three of the four officials from KDDI, which last month gained a 31.1 percent stake in Jupiter Telecommunications, widely known as J:Com, from the U.S. Liberty Global Inc. group to sit on the board as directors, while allowing the fourth to become an auditor. In the new 14-member board, eight persons, including President Tomoyuki Moriizumi, come from trading house Sumitomo Corp, which is one of two J:Com co-founders with Telecommunication International Inc., the predecessor of Liberty Global. Sumitomo, now the second-biggest shareholder with a 27.40 percent stake, is presently seeking to outpace KDDI in terms of voting rights by conducting a tender offer aimed at bolstering the stake to 40 percent. The tender offer, which got under way March 3, is to last through April 14. If the bid is successfully concluded, it will make Sumitomo the biggest J:Com shareholder.

Korea

Telecommunications

- **Korea Telecom will aim to acquire a significant share of Korea's 22 million mobile television subscribers as it announced plans to launch a mobile television service in the country in 2011.** Currently, only SK Telecom offers mobile television services in Korea. Korea Telecom said that it continues to consider mobile television as a growth area and expects it to add a new revenue stream to the company.
- **KT Corp and SK Telecom have shown interest in entering the Polish mobile market.** The Korea Telecom is in talks with a potential Polish partner for developing new mobile services technology. The duo is expected to be weighing up options including forming a joint venture (JV) with an existing network operator or talking an ownership stake in a local cellco, with possible targets P4 (Play) or Polkomtel (Plus). SK Telecom is particularly interested in the mobile Internet market in the eastern European country.

Hardware

- **Samsung Electronics Co. Ltd. announced the launch of its new smartphone which runs on Google's Android operating system for mobile phones and boasts of a new screen technology that is ideal for videos and other entertainment features.** The company also said that it would partner with media companies to provide users with access to movies, television programs and also books, all on the mobile phone. Samsung is the world's second largest handset maker and is trying to capture a larger market share in the smartphone market. In another company development, Lee Kun-

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hee, the largest shareholder in the Samsung Group and son of the founder, was reappointed as the Chairman of the Group. The Samsung Group, which generated revenues of over US\$120 billion in 2009, is exploring future growth opportunities in sectors like health care, sustainable energy, financial services and environment.

- **Lee Kun Hee, South Korea's richest tycoon, returned as chairman of Samsung Electronics Co., filling the void left atop the world's second-largest chipmaker after criminal charges of tax evasion led him to resign.** The return of the son of Samsung Group's founder may indicate the unraveling of South Korea's family-run conglomerates criticized by outsiders as a model that undermines corporate governance, won't happen any time soon. Samsung Electronics in December promoted Lee's son, Lee Jae Yong, to executive vice president in a reorganization viewed as part of a hereditary succession. Lee, 68, is returning to Samsung as Asia's biggest maker of chips, televisions and mobile phones forecasts higher earnings in 2010. The company aims to increase operating profit this year compared with 2009 when it had 10.9 trillion won (US\$9.6 billion).

Technology

- **Researchers at Korea's Gwangju Institute of Science and Technology have developed a technology to convert animated books into 3-D format.** Book readers wearing the 3-D goggles will be able to experience 3-D images moving and falling over when they flip pages in the book. The technology can also be applied to view images in smartphones or enhance still images and paintings in museums. The scientists however clarified that the technology is still not ready for commercial production.
- **Korea's LG Electronics unveiled plans to acquire 25% share in the global market for 2-D televisions by the end of 2010. The company aims to sell around 1 million 3-D sets to achieve this objective.** The company expects the global 3-D television set market to expand to 13 million in 2011, a 3-fold increase from the estimated 3.8 million in 2010. The company also launched Infinia, the new range of 3-D television offerings from the company.

China

Media, Gaming and Entertainment

- **NASDAQ listed online game developer and operator Perfect World announced the that it has entered into agreements to acquire 100% equity interest in C&C Media Co., Ltd., a Japanese online game service operator.** The transaction is estimated to be worth US\$21 million. f C&C Media is ATLUS Co., a Japanese computer and video game developer, publisher and distributor, is currently the majority shareholder of C&C Media.
- **The9 has entered into a definitive agreement to invest approximately US\$20 million for a majority stake in U.S.-based online game developer Red 5 Studios.** The9 said that it purchased stake in online game development studio Red 5 Studios in order to develop online games for the Chinese market, but most of Red 5's former Blizzard Entertainment employees, excluding Red 5 CEO Mark Kern, had left the company.
- **Perfect World jumped further ahead in ranking among Chinese overseas-listed gamers in 2009.** Perfect World cheered a fastest 49.2 percent surge in revenue, which was at US\$314.2 million, following Tencent Holdings Ltd.'s US\$1.4 billion, Shanda Interactive's US\$704 million and Netease.com's US\$494 million. Its exports as well as regional business coverage all topped other local peers for the third year in a row, boosted 15.3 percent to US\$214.6 million since 2008. The firm

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accrued 39.4 percent growth to reach a 25.6 billion yuan market value, but the upward paces has largely slowed down as compared to the 60-percent growth in 2007.

- **NDS has signed a contract with set-top box manufacturer Changhong to develop a range of interactive applications for the Chinese cable market.** NDS will also market the resulting applications to other global geographies. Changhong will join the NDS MediaHighway STB software developer community in China to develop applications for the digital-TV market. The two companies will work together to develop two-way services for next generation broadcast platforms, focusing on applications that provide public information and enhance the viewing experience while offering new advertising services such as interactive ads.

Telecommunications

- **The smallest of China's three large mobile phone companies, China Telecom declared last quarter and full year results for 2009.** Quarterly profit stood at 3 billion yuan (US\$439 million). Net income for 2009 full year stood at 14.4 billion yuan (US\$2.11 billion), a 1500% increase on 2008 earnings of 884 million yuan (US\$129 million). The company registered revenues of 209.3 billion yuan (US\$30.6 billion) compared to 186.5 billion yuan (US\$27.3 billion) in 2008. The company also announced that it expected to spend about US\$1.45 billion on handset subsidies in 2010, as much as it did in 2009. The subsidies would be targeted towards promoting higher-end 3G handsets, to take advantage of the company's extensive investment in 3G networks in the past.
- **China Unicom, one of the three large mobile companies in China announced plans to issue 15 billion yuan (US\$2.2 billion)** of commercial paper by the end of March 2010. The company is still negotiating with various lenders on the price and the coupon rate is yet to be announced. The company also announced its financial results for full year ending 2009. Net income for the year stood at 9.55 billion yuan (US\$1.4 billion) against revenues of 153 billion yuan (US\$22.4 billion). Comparisons over the previous year might not be indicative as the company has radically transformed itself by selling non-strategic assets in 2009. Like its two rivals China Mobile and China Telecom, the company reiterated its focus on promoting 3G services and aims to acquire around 10 million 3G subscribers in 2010.
- **China Mobile announced the most significant development in China's attempts to converge telecom and cable television through the launch of a new mobile television service in collaboration with China Broadcasting Corp.** The service, which runs on China's CMMB format allows mobile users to access their favorite television programs on their mobile handsets for a nominal price. The company has already sold around 850,000 customers and plans to acquire 5 million customers for the service soon.
- **ZTE Corporation fired 6,000 employees in 2009 due to inability to performance their jobs.** ZTE has a bottom 5 percent go policy to forcibly kick out 5 percent worst employees every year.
- **China Telecom Co Ltd added 3.01 million users of its 3G services based on WCDMA technology, slightly in decline from 3.05 million in January.** The Chinese carrier's 3G subscribers totaled 62.15 million. The total number of local access line users decreased by 1.03 million to 185.63 million in February. Broadband subscribers increased by 780,000 to 55.03 million, after adding 790,000 in January. China Telecom had a net profit of 14.42 billion yuan (US\$2.1 billion) for 2009. In 2010, the carrier plans to increase its capital expenditure slightly.

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- **JP Morgan has disposed 25.37 million shares of China Telecom, at HK\$3.39 (US\$.436) per share.** The total consideration amounted to HK\$86 million (US\$11.1 million). JP Morgan's shareholding in the company has then dropped to 5.88 percent.

Internet

- **A top Chinese official has said the nation's online population, already the largest in the world, is expected to exceed 500 million in the next two to three years.** Three-quarters of the web newcomers over the next few years would be from rural areas. China already has 384 million online users. Its spiraling online population has turned the Internet into a forum for citizens to express their opinions in a way rarely seen in a country where the traditional media is under strict government control. The growing strength and influence of the web population has prompted concern in Beijing about the Internet's potential as a tool for generating social unrest, and authorities have stepped up surveillance in recent years.
- **Alibaba.com will rely more on sales of its non-core offerings to drive revenue growth this year.** The world's leading business-to-business e-commerce provider covering more than 240 countries, touts dozens of these value-added services, including a small loans program, a wholesale transaction platform, website development software and virtual showrooms. Alibaba.com, which had 615,212 paying members out of 47.73 million registered subscribers as of December, estimated value-added services contributed up to 18 percent to last year's total turnover, from its online China marketplace for domestic traders and international marketplace for global importers and exporters. The company expects that contribution to exceed 20 percent this year.
- **Google Inc. announced that it has stopped censoring internet search results in China and started routing search requests originating in China to its servers in Hong Kong.** The Chinese Government expressed its strong disappointment at Google's move and accused the company of violating a written agreement it signed before entering the Chinese market. Google is protesting against what it alleges is Chinese inaction against cyber crimes perpetuated on the Google network from China and also the Chinese Government's stringent censorship policies. Mobile companies in China have already entered into agreements with other search platforms like Bing and Baidu to replace Google's search service for their customers. Hong Kong's media and telecommunications baron Li-ka-Shing controlled news portal tom.com also announced that it would stop using Google as the company failed to comply with Chinese laws.
- **Google's potential exit from the Chinese market may benefit local internet search giant Baidu, which already controls 60% of the search industry in China.** Baidu could add almost US\$300 million to its revenues even if it captures half of Google's market share in China. Baidu is trading at a forward price to earnings ratio of 61 amidst expectations of a strong performance this year.
- **U.S based internet domain name provider GoDaddy.com announced that it is stopping registration of domain name requests originating from China in protest of the censorship policies of the Chinese Government.** The company said that it had to ward off a hacking threat that originated in China last year and accused the Chinese government of focusing more on censorship and using the internet as a monitoring tool than on preventing and controlling cyber crimes.
- **Tom Group is betting on the China's rapidly developing mobile broadband market to help forge its identity and drive growth.** The market may have had some difficulty grasping Tom's vision as it made strategic acquisitions, secured key alliances and fine-tuned operations over the past 10 years, but that is about to change. Tom has four core business units: internet, publishing, outdoor media, and television and entertainment Tom has seen its work with the country's three major

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telecommunications network operators, 120 handset manufacturers and about 300 content providers steadily ramp up as the country's high-speed 3G infrastructure gets built and deployed.

- **The number of people in China subscribing to Internet protocol television will nearly double this year as the government pushes the country's telecommunications, broadcast and Internet operators to converge.** Subscriber growth will also stem from competition between telecom carriers and broadcast operators to carve out their own territories and the prevalent strategy to bundle phone and wireless broadband with IPTV services, which delivers programming over a broadband connection to televisions connected to a set-top box. The Chinese government's policy to encourage the three sectors to enter one another's fields and provide services is skewed against telecom carriers. Broadcast operators hold the Internet protocol TV licenses and have more flexibility in the range of services they can provide, while telecom carriers face strong regulation.

Hardware

- **Computer maker Dell unveiled a range of low-cost server and storage products for businesses in China.** Dell's CEO, Micheal Dell said that the company expects sales of US\$5 billion in China for 2010. The company's revenues grew by 81% in the last quarter of 2009 in the country. Dell also controls 60% of the country's server market. China is the fastest growing PC market in the world and is already the second largest. In a related development, Dell announced the launch of a new server range for the global markets targeted at large cloud environments called the PowerEdge C-series servers. These servers will be sold together with the company's services that help customers manage cloud environments.

Software

- **Kingdee International Software Group Co., Ltd. 's net profit up 17 percent to 212.5 million yuan (US\$31.1 million) with revenue up 13.9 percent.** A final dividend of 2.2 HK cents per share was proposed. The company plans to expand into different industries According to the company, the growth was a result of a surge in income from services and sales of enterprise application products. . Kingdee is a China-based enterprise management software and middleware provider. Chief executive officer Xu Shaochun said Kingdee plans to acquire property developer Jama and manufacturer Pro Way this year.
- **UFIDA Software Co. Ltd., a provider of management software solutions in Asia said it spent a total of 132 million yuan (US\$19.3 million) to purchase Beijing-Space Time Science & Technology Co Ltd, two firms based in Guangzhou and eleven other software developers.** As of Dec. 31, 2009, the Shanghai-listed firm had 1.62 billion yuan (US\$237 million) in cash or cash equivalents. The company will continue to seize opportunities for mergers and acquisitions to optimize industrial structure. The company has allocated RMB 100 million (US\$14.6 million) for acquisitions this year. according to Beijing-based CCID Consulting, Ufida, which last year had a 27% share of the market in China, has become the country's top enterprise resource planning software vendor.

Taiwan

Telecommunications

- **Far EasTone Telecommunications Co. has targeted capital expenditure of NT\$8.9 billion (US\$279 million) this year.** The company plans to invest the funds in third-generation and fourth-generation WiMax wireless technologies, as well as in the development of smartphone applications

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and services. The firm aims to become Taiwan's second-largest telecommunications services provider by revenue this year through cost efficiencies and further cooperation with China Mobile Ltd. on roaming and content services. Far EasTone is Taiwan's third-largest mobile-phone operator by revenue after Chunghwa Telecom Co. and Taiwan Mobile Co. Far EasTone had revenue of NT\$60.06 billion (US\$1.9 billion).

- **Chunghwa Telecom and Net Movie have signed a contract to promote internet TV services in Taiwan.** Chunghwa Telecom has actively built several multimedia platforms, including an e-learning platform with China Media Communication in hopes of promoting use of internet TV services in Taiwan. In the cooperation on promoting internet TV services in Taiwan, Chunghwa will engage in development of value-added platforms for media contents, internet data centre and cloud service architecture, while Net Movie will work on content delivery and related business operations for the VV8.com on-line platform. There have been more than 5,000 hours of media contents available on the VV8.com, including Korean and Chinese dramas and Chinese, Asian and Disney movies.

Media/Entertainment/Gaming

- **Sony Corp., the Japanese maker of game console Playstation announced plans to make significant investments in training,** recruiting and developing human capital to establish the PlayStation in Taiwan and also make the country a game design and development hub that will churn out customized game titles targeted at the mainland.

Alternative Energy

- **DelSolar Co., Ltd will spend US\$289 million over three years until 2012 on expansions, aiming to put out one gigawatt of solar cells a year.** DelSolar will become another Taiwanese solar-cell maker capable of putting out one gigawatt of cells a year, following Motech Industries Inc., Gintech Energy Corp. and Neo Solar Power Corp. Delta is another Taiwanese information-technology heavyweight after Taiwan Semiconductor Manufacturing Co. (TSMC) and United Microelectronics Corp. (UMC) to engage significantly in the solar-energy market and Delta's plan marks the biggest solar investment case in Taiwan since last year, suggesting a bright future of solar-energy industry. DelSolar is running a factory each in the Hsinchu Science Park in northern Taiwan and Wujiang of Jiangsu Province of mainland China.

Hong Kong

Hardware

- **TCL Multimedia Technology Holdings plans to raise net proceeds of HK\$525 million (US\$67.6 million) from a share placement to finance its liquid crystal display (LCD) and light emitting diode (LED) businesses.** The Hong Kong-listed firm signed an agreement on a share placement and subscription, which will result in the issuing of 72 million new shares, representing 7.1 percent of TCL Multimedia's existing share capital. TCL Multimedia will place 72 million existing shares to institutional investors, while its Hong Kong controlling shareholder, TCL Industries Holdings (HK), will subscribe for 72 million new shares.

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Singapore/Malaysia/Philippines/Indonesia/India/Australia

Telecommunications

- **Indonesia's second largest mobile services provider PT Indosat announced full year results for 2009.** The company's net income stood at 1.49 trillion Rupiah (US\$163 million), a 20% fall over 2008, against revenues of 18.39 trillion (US\$2.01 billion) Rupiah, a marginal fall of 1.5% over 2008.
- **PT Telkom, Indonesia's largest telecom provider, announced that it is exploring the possibility of consolidating its CDMA business with that of other players in the country.** The company said that its CDMA unit TelkomFlexi might merge with Esia, the CDMA unit of Bakrie Telecom or any other national or international player, provided the merger will realize value for shareholders and create a dominant presence in the market.
- **Malaysian telecom company Axiata's decision to dilute its 86.5% stake in Indonesian subsidiary Axiata XL seems to have paid off as unverified reports about the book-building process claimed that the offer was already oversubscribed.** Axiata XL aims to raise around US\$500 million from the share sale. In addition to raising capital, the parent company also aims to deepen liquidity and enhance valuation of the subsidiary.
- **Telekom Malaysia Bhd.'s dividend policy won't be affected by its ongoing high-speed broadband project as the high level of capital expenditure had been anticipated.** A large part of the MYR8.9 billion (US\$2.6 billion), 10-year capital investment to be borne by the state-owned fixed line operator will be front-loaded. The company targets to pay annual dividend of MYR700 million (US\$211.8 million), or 90 percent of net profit, whichever is higher.
- **Bharti Airtel completed the due diligence of Zain's African assets and said that it expects to sign sale agreements soon.** The company also tied up US\$8.3 billion financing from bank loans, which it plans to pay out at the closure of the deal and wait for one year before it pays out the remaining US\$700 million. The company will also assume Zain's US\$1.7 billion debt. Zain's board, on its part, approved the sale of the company's African assets to Bharti this week. The company is yet to announce how it plans to dispose off its assets in Nigeria, which could be a point of contention between the two parties. Bharti has created two Special Purpose Vehicles in the Netherlands and Singapore to execute the purchase. The SPVs will repay the debt out of the cash flows from the acquisition although lenders to the SPVs enjoy an implicit guarantee against default from Bharti. Meanwhile, Bharti's chairman said that the deal with Zain could take a few months to be completed and closed.
- **India's largest telecom services provider Bharti Airtel started selling Apple's 3GS iPhone in the country starting this week.** The 16GB version is priced at around INR35,500 (US\$780) and the 32GB version is priced at INR41,500 (US\$910). Competitor firm Vodafone Essar also simultaneously announced its own partnership with Apple to sell the same handset in India.
- **Tata Quippo is looking to sell a 10 percent stake to a strategic partner and a deal is expected to be completed in two months.** A 10 percent stake in Tata Quippo is valued around INR15 billion (US\$332.3 million). Tata Quippo plans to use the funds raised to retire debt. Tata Group holds a 54 percent stake in Tata Quippo while Quippo Telecom, GIC Singapore, IDFC Private Equity and Oman Investment Fund jointly hold the remaining 46 percent.

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- **Videocon Group, an electronics and consumer durables company is the latest entrant into the Indian mobile market.** The company announced the launch of wireless telecom services in the Southern state of Tamil Nadu and expects to extend coverage to 100 towns and cities in South India in the next 100 days. India is the world's fastest growing wireless market in the world and has 14 telecom operators providing mobile services.
- **Communications Minister Stephen Conroy named Harrison Young as chairman of NBN Co., the company that the government has set up to run its planned A\$43 billion (US\$38.7 billion) national broadband network.** Mike Quigley, who had been serving as chairman and chief executive of the group, will continue in his role as CEO and will remain a director of the board. Young, a former chairman of Morgan Stanley Australia, is currently a director of the Commonwealth Bank of Australia and serves on the Court of Directors of the Bank of England.

Information Technology

- **U.S. telecom carrier purchased 8.07% stake in Indian IT services firm Tech Mahindra valued at US\$34.5 million from Mauritius-based holding company MBT Mauritius.** AT&T now contributes more than 10% to Tech Mahindra's revenue. A direct equity stake may mean that Tech Mahindra would become a vendor of choice for AT&T in future. This augurs well for the flagship company of Mahindra group, which is keen on reducing its dependence on the single biggest client BT. AT&T was granted options over approximately 9.9 million shares of Tech Mahindra as per the terms of a 2005 agreement signed with the Indian company, formerly known as Mahindra British Telecom. AT&T decided to exercise the options as they had vested and the exercise date was approaching. Tech Mahindra was listed on the Indian bourses in 2006. AT&T International Inc. is primarily a holding company for certain of AT&T's equity investments in non-U.S. companies. Tech Mahindra, a joint venture between Mahindra & Mahindra Ltd., India's largest utility vehicle and tractor maker by sales, and U.K. telecommunications company BT Group PLC provides technology outsourcing services to telecom companies, mainly in the Europe and U.S.

United States/Canada

Mobile/Wireless

- **Verizon, the largest mobile carrier in the U.S., announced the launch of its mobile applications store, following early movers like Apple, Research In Motion, Google and others.** The company claims to differentiate itself by offering these services as part of the users' billing accounts they already hold with Verizon, without the need to create separate accounts for the apps stores.
- **AT&T Inc. sees the emerging devices business as a billion-dollar business in the coming years.** The business isn't expected to have a significant impact on AT&T's results but there is the potential to get millions of devices connected to the cellular network. The company said the business provides incremental revenue and nice margins. AT&T has been aggressive over the past year in connecting non-cellphone devices such as e-readers and dog collars with a cellular radio. The industry sees this as a future avenue of growth with so many people already owning and using cellphones. The company noted that its results in the fourth quarter showed the carrier was able to rush out a wide number of emerging devices at once. The company expects around US\$1 billion from such value added services in 5 years from now.

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- **Novarra, a U.S based mobile browser firm that considers companies like Opera as competitors was acquired by Nokia.** The leading handset manufacturer aims to deploy the mobile browser on its low and mid-range phones to enhance the web-surfing experience of this customer segment.
- **Verizon Wireless, a joint venture of Verizon Communications and Vodafone unveiled plans to pre-install internet telephony application Skype on nine models of its smartphones range.** Verizon users will now be able to make international and long distance calls on Skype at no extra cost. The company expects a boost in its subscriber base through this new service and claimed that any loss in long distance revenues will be offset by increase in subscriber base. Meanwhile, a proposed US\$3.2 billion debt issue by Verizon's subsidiary New Communications Holdings Inc. was assigned a Ba2 rating by Moody's rating services. Verizon also chose Alcatel-Lucent as its preferred vendor to source support equipment for its 3G and 4G network rollouts.

Media, Entertainment and Gaming

- **Research and analytics firm, AC Nielsen release the results of a study of TV and internet habits of American consumers.** The firm said that the number of people who used both the television and the internet simultaneously grew by 35% in the last quarter of 2009 compared to the same period in 2008. The results of the study will allay speculation that new age entertainment media like internet and mobile phones will lead to consumers allocating lesser time to television. On the contrary, the firm reported an increase in number of hours spent watching television.
- **Turner Sports, the sports division of Turner broadcasting, which in turn is controlled by Time Warner Inc. announced the broadcast of the next NBA game through multiple media.** The company, which manages the NBA's digital assets, unveiled a plan to use multiple technologies to reach basketball fans in the country. In addition to conventional television broadcast, Turner will broadcast the games live on mobile phones and also engage the end consumer through a variety of platforms like Twitter and Facebook, where it will stream live chats and discussions with analysts. NBA fans will also be able to view the games online, through an interactive feature on NBA.com, which will provide users with 4 different camera angles of the same game.
- **U.S cable television company Cablevision announced the launch of a new strategic tie-up with RealD, a technology provider for 3-Dimensional content.** This partnership would allow the cable company to deliver content in 3-D format directly to televisions in users' homes. The cable company's content providers will also be able to use 3-D tools provided by RealD to create high quality 3-D content.
- **The Canadian Radio-Television and Telecommunications Commission, the country's regulating agency for the telecom and cable television industries, supported the idea of cable and satellite companies being required to pay television networks for the content.** Falling advertisement revenues have compelled television networks to look for alternative sources of revenue. The operators allege that this requirement will make the consumers pay more for their television shows.

Telecommunications

- **Sprint Nextel owned ClearWire Corp., a U.S. company investing in building a Wimax network, a 4G technology announced that it expects to cover about 120 million people in the U.S by this year and that further expansion would depend on the company's success in raising more funding.** The company also expects convergence between WiMax and rival technology LTE in

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the long term and expects networks to support both the technologies. The company also encouraged analysts and investors to see the two technologies as parallel, instead of competing ideas. Other investors in the company include Intel Corp. and Time Warner Cable and Comcast Corp.

- **Nortel Networks Corp. said Chief Financial Officer Pavi Binning will give up his position, and be replaced by John Doolittle.** Doolittle will continue to lead the corporate group of the bankrupt telecom-equipment maker. Binning will remain with the company for a short while to help complete had business sales and assist in the transition of his duties. The company completed the sale of most assets of its optical networking and carrier ethernet businesses to Ciena Corp. The deal roughly doubled the size of Ciena.
- **India-based, low-cost, prepaid mobile services provider Leap Wireless International Inc. announced that it would extend mobile coverage throughout the 50 states in the U.S and will offer its unlimited pre-paid plans throughout the country to be able to compete with other pre-paid offerings in the market.** The company aims to reduce customer attrition through this move. The company's primary target markets are ethnic minorities and cost-conscious young people.
- **The U.S healthcare bill approved recently will result in additional liabilities for U.S companies.** Technology company, 3M will incur a non-cash expense of around US\$90 million, which has to be deducted from the company's income projections for the first quarter. Mobile carrier AT&T also said that it might have to incur a US\$1 billion expense for this quarter.
- **Inukshuk Wireless Partnership has agreed to pay C\$80m (US\$77.8m) for the purchase of spectrum from Craig Wireless in the British Columbia and Manitoba regions of Canada.** The spectrum being divested represents about 25% of Craig's spectrum assets.
- **Verizon Communications Inc.'s total compensation for Chairman and Chief Executive Ivan Seidenberg fell to US\$17.5 million in 2009 as a result of declines in stock awards and other incentive plan compensation.** Seidenberg's total pay for 2008 was US\$20.3 million. Verizon disclosed the compensation in a definitive proxy filed; the company previously had revealed its executives compensation in a preliminary proxy last month. Seidenberg's pay falls short of AT&T Inc. Chief Executive Randall Stephenson, who was paid US\$29.2 million last year thanks to a bonus and a change in compensation. Lowell McAdam was paid US\$10.3 million last year, compared with US\$7.6 million in 2008. Verizon Wireless is jointly owned by Verizon and Vodafone Group PLC.
- **ViaSat Inc. plans to offer 5.5 million shares of common stock.** The company, which currently has about 36.3 million shares outstanding, provides satellite and other wireless networking systems. The offering will consist of 2.5 million shares offered by the company itself and 3 million shares offered by certain selling stockholders. Underwriters have the option to purchase another 375,000 to 450,000 shares to cover over-allotments. The company will use the proceeds for general corporate purposes. ViaSat bought WildBlue Communications Inc., a privately held broadband service provider, for US\$568 million in cash and stock. The buy boosted the services it can offer to the Pentagon.

Internet

- **A U.S court has ruled that it is acceptable for judges to use the internet to confirm common issues that may arise during a legal proceeding.** A recent example was when a judge used a popular internet search engine to establish that there were many types of rain-gear available in the market, based on images that were displayed on the internet. The ruling might set precedence for increased use of the internet in judicial courts across the U.S and the world.

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- **Shoplifters who steal from retail chains and sell the goods on popular e-commerce portals will find it increasingly difficult to do so in the future** as the National Retail Federation has teamed up with eBay to scrutinize and investigate the legitimacy of goods sold on eBay. Global retail loss due to theft was around US\$115 billion in 2009. This initiative has also received support from the FBI.

Hardware

- **Palm Inc, the U.S. smartphone maker, entered into a partnership with AT&T to distribute its Pre Plus and Pixi Plus range of phones in the U.S.** AT&T, the second largest mobile services provider in the U.S also entered into a partnership with Dell, one of the newest entrants to the smart phone market to distribute the company's handsets in the U.S. Dell's phones run on Google's Android and were sold only in Brazil and China until now.
- **In what could lower the cost of mobile handsets in emerging economies, two U.S entrepreneurs announced the launch of eRecycling Corps, a company that will purchase old handsets in the U.S through trade-in schemes, recycle or refurbish the phones and resell them in emerging economies at attractive prices.** The company is founded by Ron LeMay, ex-CEO of Sprint Nextel Corp., and David Edmonson, ex-CEO of RadioShack who believe that this business model has profit potential in addition to lowering the impact of the new technologies on the environment. The company has tied up with carrier Sprint to source its handsets.

Semiconductors

- **Qualcomm Inc. boosted its fiscal second-quarter outlook on the strength of both its licensing business and improved chip sales.** Qualcomm, which sells chips used in cell phones and licenses the technology used to connect to wireless networks, specifically said it was shipping more CDMA chipsets than it had previously expected. CDMA chipsets are used primarily in smart phones. Shares were recently up 7.9 percent to US\$43.36. The stock, which has fallen 6.3 percent this year, suffered in January from a lower-than-expected outlook due to falling prices in Japan in Europe. The cellphone-chip giant now projects earnings for the quarter of 56 cents to 58 cents a share on revenue of US\$2.55 billion to US\$2.65 billion. Previously, Qualcomm expected earnings of 49 cents to 53 cents and US\$2.4 billion to US\$2.6 billion in sales.
- **U.S semiconductor and telecom equipment manufacturer Qualcomm presented a revised forecast for the first quarter of 2010 after a spike in demand for its products.** The company now expects quarterly revenues to be between US\$2.55 and 2.65 billion, an upward revision from its previously stated US\$2.40-2.6b.
- **HTC Corp., the mobile handset maker and Sprint Nextel, the U.S. mobile service provider announced the launch of a fourth generation smart phone that will support Sprint's WiMax as well as its CDMA network.** The phone, called the HTC WiMax EVO 4G, is specially designed for a superior video and web browsing experience. The handset from HTC is one of the first few 4G compatible smartphones to hit the market and Sprint's partnership with HTC has given the mobile carrier a head start as most competitors are expected to launch their phones only at the end of the current year.
- **San Francisco based privately held company Grid Net Inc., a software firm that is creating technology to digitally manage power grids received an approximately US\$10 million investment from network equipment manufacture Cisco.** Global companies such as Siemens and GE have already made significant investments in smart grid technology. The market for smart grid technologies is expected to be around US\$43 billion in the next few years.

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Europe

Telecommunications

- **U.K's independent regulator and competition authority for the communications industry, Ofcom urged BT, the telecom giant to allow its rival companies access to its fiber optic network.** The regulator also proposed that BT be given freedom to charge these companies a competitive rate for the access. BT will be required to separate its retail services business from the network operations. The company welcomed the regulator's proposal and expressed its willingness to co-operate in this move. If implemented, U.K and international telecom service providers can use BT's new fiber optic cables, capable of speeds between 40 Mbps and 100 Mbps for a fee. Companies wanting to lay their own cables might also get access to BT's ducts. Such a move is expected to open up competition on the retail side and lower prices for end consumers. It could also lower the costs of laying new networks for internet service providers.
- **Telecom Italia SpA postponed for the second time the approval of 2009 results due to a probe into alleged money laundering and tax fraud involving its cable unit Sparkle, but downplayed possible risks and expressed optimism on its performance in early 2010.** The extra time will provide it with the outcome of the ongoing reviews on Sparkle. A judge in Rome has set an April 7 hearing to decide whether to put Sparkle and telecom operator Fastweb SpA into temporary court administration, as part of the probe into their alleged involvement in money laundering and tax evasion.
- **Deutsche Telekom AG acquired ClickandBuy. ClickandBuy will be maintained as an independent brand, but declined to comment on the financial details of the deal.** Deutsche Telekom has held around 20 percent of ClickandBuy through a holding unit. ClickandBuy was valued at 100 million euros (US\$134 million) and that Deutsche Telekom will pay around 80 million euros (US\$107 million) for the remaining stake in the company.
- **Telecom Italia is in talks with the Italian tax agency to pay 300 million euros (US\$401.5 million) in outstanding taxes linked to an ongoing probe that involves its unit Sparkle.** Telecom Italia is seeking to find a solution with the tax agency before a judge decides on April 7 whether to put Sparkle under administration as part of a money laundering probe that surfaced at the end of February. Telecom Italia had its top executives will ask the board members meeting to postpone for the second time the approval of 2009 results until April.
- **French communications group Iliad announced strong results for 2009.** The company recorded EBITDA of 661.5 million euros (US\$893.5 million) and net income of around 176 million euros (US\$237.5 million) for the full year, growth of 26% and 75% respectively. Total revenues stood at 1.95 billion euros (US\$2.6 billion), a 25% growth over 2008.
- **Mobistar, the second largest telecom company in Belgium will acquire Dutch telecom company KPN's Belgian business.** Mobistar received approval to complete the transaction from the anti-trust and competition council of Belgium. The value of the transaction is around 65 million euros (US\$86.6 million). Mobistar has also decided to apply for a 4G license in Belgium in a forthcoming auction.
- **Ericsson estimated that data traffic in the mobile telecom industry surpassed voice traffic in December of 2009.** The company attributed this change mainly to increased demand for access to social networking platforms through mobile phones. Ericsson estimates the gap will widen in the

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coming years. Data traffic grew by 280% annually in the last two years and could double every year for the next five.

- **Serbian state-controlled fixed line telephony company Telekom Srbija might be sold this year after it lost its monopoly status on the fixed line network** it owned and controlled. The company also owns the biggest mobile phone service provider in Serbia.
- **Telecom Egypt had its submarine cable TE North will begin operations in the next two months. The cable will operate within two months.** Telecom Egypt has so far sold 38 percent of the cable's capacity for US\$220 million. The cable shall get US\$500 million in revenue, including the US\$220 million for selling the 38 percent of capacity, for Telecom Egypt in 15 years. Telecom Egypt had a US\$125 million contract with Alcatel-Lucent to deploy TE North.
- **Oi maintains plans to expand internationally, which will be implemented once it integrates recently acquired local operator Brazil Telecom.** The recent global economic crisis has weakened potential takeover targets and made rivals for the assets more cautious. Oi is looking at opportunities in Argentina, Colombia, Uruguay, the Middle East and Africa. Oi had its plans to expand abroad in 2008 when it acquired local fixed-line and mobile operator Brazil Telecom in a deal valued up to BRL10 billion (US\$5.6 billion). The company expects to announce the terms for a proposed swap of Brazil Telecom shares into Oi shares.
- **Qatar Telecom is talking to banks about possibly reducing pricing and extending the maturity of an existing US\$2 billion forward-start facility.** The existing two-year forward-start loan was agreed in September 2009 when bank lending was tight due to balance-sheet constraints. The margin on this deal was set at 250 basis points over Libor. This loan extended the maturity of a three-year US\$2 billion facility that was signed in 2006 during the bull market which was priced at a significantly lower margin of 22.5 basis points over Libor. Full-year net profit rose 21 percent.

Media, Gaming and Entertainment

- **Rupert Murdoch controlled media conglomerate News Corp. announced that it will begin to charge users looking for complete access to the online version of its newspapers U.K Times and Sunday Times.** The company plans to charge around GBP 1 (US\$1.5) per day and double the amount per week for the access. While basic news would still be free, consumers will pay to get detailed coverage, special reports and analysis. This is the first attempt by a daily, mass-consumer, online news service to charge for access to news.
- **German cable television service provider Kabel Deutschland's shares made their debut on the stock exchange at marginally above their IPO issue price.** The cable company issued an IPO recently for the company's shares at a price point of 22 Euros, at the bottom end of an estimated range. The company's issue is the biggest in Europe so far in 2010.
- **Deutsche Telekom, the leading German mobile services company announced plans to launch an online apps store in collaboration with other companies in Europe.** The store will be positioned as an alternative to Apple's iTunes and will have offerings beyond mobile phone apps. The company plans to deliver content like music, video, newspapers, books through this store for a range of devices like mobile phones, digital book readers etc.
- **French IPTV service provider Orange, a subsidiary of France Telecom announced a partnership with Israel's Orca Interactive.** Orca will provide a range of middleware services to Orange, which will allow Orange's IPTV customers make content purchasing decisions based on their

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personal preferences and interests. This facility is expected to increase customer loyalty and retention and increase ARPUs for Orange.

- **Nokia-Siemens announced the launch of a new mobile television services platform that will allow users to access television on a variety of devices like mobile handsets, network-connected personal computers**, with a consistent experience across all media. The company will unveil the new service in the IPTV World Forum in London.
- **Cable & Wireless Worldwide, one of the two companies formed after the split of Cable & Wireless into the Communications and Worldwide divisions started trading on the London Stock Exchange.** C&W Worldwide made its debut at 89 pence per share, one week after C&W Communications started trading on the same exchange. The de-merger has already resulted in the unlocking of shareholder value.
- **Bwin Interactive Entertainment AG, PartyGaming Plc and William Hill Plc, the companies with the biggest shares of Europe's online gambling revenue, and their competitors may face higher costs as the expansion of that 8.3 billion euros (US\$11.2 billion) market comes with new regulations.** French senators have approved regulations that will grant online gambling licenses to foreign companies, ending a ban. Denmark may do the same, and Italy is opening its market in stages. Germany's prohibition faces a challenge at Europe's highest court. Companies moving into the expanded markets face tight restrictions. Building operations that can comply with new regulations in multiple countries requires a minimum investment of about 1 billion euros (US\$1.4 billion).
- **Macquarie International Infrastructure Fund Ltd. has agreed to sell its 8.7 percent stake in Arqiva.** The divestment will be made to three infrastructure investors, all of which are existing shareholders of Arqiva. Arqiva is a provider of terrestrial, satellite broadcasting, transmission wireless communications and radio services predominantly operating in the U.K. The company owns and operates 1,154 TV transmission sites, 8,000 active sites for mobile communications and two of the six digital terrestrial TV multiplexes in the U.K. The proposed sale is at a significant premium to the value implied by MIIF's prevailing share price, John Stuart, chief executive of Macquarie Infrastructure Management.

Internet

- **Iliad SA had a 75 percent rise in 2009 net profit and expects another very strong rise in net profit this year as well as double-digit percentage growth in EBITDA.** The Paris-based group, which operates the Free and Alice brands in France, said 2009 net profit was to 175.9 million euros (US\$235.4 million), driven mainly by growth in its subscriber base as well as the integration of recently acquired Internet provider Alice. Full-year EBITDA rose 26 percent. Full-year revenue rose 25 percent, and that its broadband subscriber base totaled 4.46 million at the end of December.
- **Microsoft's web browser Internet Explorer is reported to have lost market share in Europe immediately after the company made it easier for internet users in the region to choose other web browsers.** Microsoft's move to actively offer its users a choice to use other web browsers, a result of the company's anti-trust settlement with the European Union, led to users switching to other browsers. Internet explorer lost around 1% of market share in U.K, 1.3% in Italy and almost 2.5% in France in the month of March.
- **The European Union is investigating complaints made by two internet price-comparison companies and an online legal search engine against Google.** The complaint alleges that Google

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imposed penalties on these companies that demoted them in search rankings, thus affecting their revenues. The European Union is responsible for ensuring that no market competitor takes undue advantage of the dominance it enjoys in the marketplace. The Union has the authority to penalize offenders up to 10% of their revenues. Google named the three companies as Foundem, ejustice.fr and Ciao.

- **The European Union Court of Justice ruled that Google's Adwords model was legal and did not infringe on copyrights and trademarks of large brands and fashion houses.** The ruling was in response to a complaint filed by luxury brands in Europe that advertisers using Google's Adwords model could link their smaller brands to more established ones by purchasing keywords related to those brands. Thus, when users would use Google to search for a famous, international luxury brand, advertisers could ensure that their brands would also be displayed along with search results. This could potentially lead to loss of revenue and brand value of the larger companies. The court ruled in favor of Google and argued that the responsibility did not lie with Google unless the company deliberately manipulated the search results in a specific way.

Software

- **Norwegian software company Opera Software, which maintains the most popular browser used in mobile phones is all set to apply for access to the iPhone.** Apple currently restricts iPhone users from accessing software outside of its proprietary, online application store. Opera launched a new mobile browser recently that is almost 6 times faster than Apple's browser while also reducing data traffic significantly.

South Africa/Middle East/Latin America

Telecommunications

- **America Movil SAB raised US\$4 billion in one of biggest debt offerings ever sold by a company based in a developing economy, another sign that investors are snapping up deals from the faster-growing emerging markets.** The debt sale by America Movil comes as money pours into emerging-market fixed-income assets and the company targets ambitious plans to gain an even larger share of Latin America's telecommunications market. America Movil is owned by Mexican billionaire Carlos Slim Helu, who was recently named Forbes Magazine's richest man in the world. Bond deal caps an active period for the company in capital markets. It raised around US\$1.2 billion through local peso bond sales and nearly US\$214 million in a Swiss franc-denominated offering.
- **Skype, the internet telephone company which has over 500 million customers globally, has announced that it will appeal against the ban imposed by the Egyptian telecom regulatory body on international calls made through mobile internet connections.** The ban is primarily on the country's three mobile operators who offer mobile internet access to users through devices like USB modems and mobile phones. The regulator, however, allows internet telephony services on internet connections provided by the country's fixed line telecom provider. This move by the regulator was to promote the use of the fixed line infrastructure in the country, currently controlled by a state-owned telecom operator. Skype has said that consumers should be free to make their own choices.
- **Egypt's state-owned fixed line company Telecom Egypt will launch its TE North undersea cable before June of 2010.** The company announced that it has already sold about 38% of the cable capacity for US\$220 million over a period of 15 years. The company had already announced the sale of about 25% of the cable's capacity last year, for about US\$176 million.

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- **South Africa's largest telecom operator, MTN, also one of the main sponsors of the FIFA Football World cup to be held in the country later this year, announced that it is preparing for the mega-event.** The company has invested almost US\$965 million in upgrading its networks and increasing coverage to areas where the stadiums are located. The company has won exclusive rights to mobile content for the tournament.
- **Qatar's fixed and mobile telecommunication, internet and cable television services provider QTel approached banks to refinance an existing US\$2 billion loan.** The company had entered into a forward-start agreement last year, by which it obtained the option to extend the term of its loan maturing in 2009. Tight credit conditions last year had forced some borrowers to enter into such agreements last year. However, as the credit situation has eased up currently, along with a fall in yields, borrowers can now refinance their loans at cheaper rates.
- **Saudi Telecom has sought the services of Alcatel-Lucent to help test the telco's 3G LTE network.** The testing will be conducted this year and represents a further step towards the introduction of high speed mobile broadband services in Saudi Arabia.
- **America Movil, the Latin American telecom giant that is expected to have 250 million subscribers after a planned consolidation of related companies successfully raised US\$4b in debt.** The debt issue, split into 3 tranches of varying durations was raised from an initially planned US\$3.75b to US\$4b later. The company issued US\$750m in 5-year notes, US\$2b in 10-year notes and US\$1.25b in 30-year notes at floating coupon rates of 125bps, 140bps and 160bps over U.S Treasuries respectively. Meanwhile, the company sought authorization to issue a tender offer for Carso Global Telecom and Telmex International, two related companies also controlled by Slim as part of the consolidation strategy.
- **Brazilian telecom operator GVT Holdings will be delisted after majority share holder Vivendi SA, a communications group based in France decided to acquire the remaining 15% stake it didn't already own for about US\$550 million.** The French company made an open public tender offer for the shares.

Internet

- **A Nigerian rights group called the Civil Rights Congress announced that it will contest the ban imposed on Facebook and Twitter in a Sharia court.** The group had initiated a debate on the networking platforms in protest of a Sharia court ruling that ordered the amputation of a farmer's hands in the country. The Sharia court had responded by banning the social networking platforms in the country altogether.
- **Kenyan internet service provider Access Kenya declared full year results for 2009.** The company recorded pre-tax profit of 182.3 million shillings (US\$2.37 million) on revenues of 2.1 billion shillings (US\$27.3 million) for the full year. This represents a revenue growth of 32% over 2008. Pre-tax profit, however, fell by 30.7% compared to 2008. The revenue growth was mainly driven by demand for corporate data services, retail data services and Information Technology services. The company attributed the fall in pre-tax profit to heavy investment in network upgrading and laying out cables across the country. The company expects this investment to payoff in the future.

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Other Economic Data

Currency Exchange Rates						
Currency	Units	Current Rate (on 03/19/10)	% Change 1 Week Ago	% Change 1 Month Ago	% Change 1/1/2010	% Change 1/1/2009
Japanese yen	¥/US\$	92.518	2.18%	4.03%	2.79%	3.65%
Hong Kong dollar	HK\$/ US\$	7.7625	0.04%	0.01%	0.03%	0.07%
Chinese renminbi	RMB/ US\$	6.827	0.01%	0.02%	0.10%	0.20%
Singapore dollar	S\$/ US\$	1.4036	0.36%	-0.14%	2.54%	4.14%
South Korean won	KRW/ US\$	1,138.80	0.53%	-1.74%	3.54%	6.35%
New Taiwan dollar	NT\$/ US\$	31.876	0.42%	-0.74%	1.21%	2.17%
Australian dollar	US\$/A\$	0.904	-1.25%	1.03%	-4.63%	-7.13%
New Zealand dollar	US\$/NZ\$	0.704	-0.59%	0.92%	-8.92%	-13.35%
Philippine peso	PHP/ US\$	45.51	-0.05%	-1.28%	0.07%	0.95%
Euro	US\$/€	1.341	-0.89%	-1.56%	-11.76%	-16.48%
British pound	US\$/£	1.4898	-0.77%	-2.24%	-13.70%	-18.30%

Fixed Income Prices and Yields

Note	Currency	Current (on 03/19/10)		1 Week Ago		4 Weeks Ago	
		Price	Yield	Price	Yield	Price	Yield
US 30-year	US\$	98.06	4.80%	100.72	4.63%	100.75	4.58%
Japan 30-year	¥	100.57	2.29%	100.07	2.31%	97.91	2.32%
Hong Kong 10-year	HK\$	94.70	2.81%	94.17	2.87%	93.60	2.85%
China (06/16)	US\$	109.38	3.05%	109.38	3.05%	108.12	3.25%
Singapore 10-year	S\$	98.10	2.75%	98.60	2.69%	98.10	2.73%
South Korea 20-year	KRW	10,669.31	5.16%	10,945.28	4.93%	10,310.10	5.34%
Australia 15-year	A\$	99.86	5.77%	100.40	5.70%	101.78	5.53%
New Zealand (12/17)	NZ\$	99.75	6.11%	100.68	6.01%	101.25	5.82%
Philippines 20-year	PHP	103.31	9.33%	103.50	9.31%	102.70	9.19%
India 30-year	INR	82.60	8.63%	82.50	8.64%	81.66	8.55%
UK 30-year	£	94.22	4.67%	95.05	4.61%	94.62	4.58%
Germany 30-year	€	114.92	3.91%	115.08	3.90%	115.64	3.87%

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