



## IRG Technology, Media and Telecommunications Weekly Market Review

***Week of 15 August 2011 - 21 August 2011***

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## Table of Contents

<b>Equity Market Indicators</b>	<b>3</b>
<b>Technology, Media, and Telecommunications Market Activity</b>	<b>4</b>
<b>Weekly Highlights</b>	<b>5</b>
International	5
Japan	6
Korea	7
China	7
Taiwan	9
Hong Kong	10
Singapore/Malaysia/Philippines/Indonesia/India/Australia	11
United States/Canada	15
Europe	18
South Africa/Middle East/Latin America	19
<b>Other Economic Data</b>	<b>20</b>
Currency Exchange Rates	20
Fixed Income Prices and Yields	20

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# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

Equity Market Indicators					
Index	Closing Level (8/19/2011)	% Change 1 Week Ago	% Change 1 Month Ago	% Change 12/31/2010	% Change 12/31/2009
S&P 500	1,123.53	-4.7%	-15.3%	-10.7%	0.8%
Dow Jones Industrial Avg.	10,817.65	-4.0%	-14.1%	-6.6%	3.7%
Dow Jones Tech. Index	380.19	-7.2%	-16.4%	-15.6%	-5.6%
Dow Jones Telecom. Index	224.30	-1.2%	-6.5%	-4.4%	2.2%
NASDAQ Composite	2,341.84	-6.6%	-17.1%	-11.7%	3.2%
Japan Nikkei 225	8,719.24	-2.7%	-11.8%	-14.8%	-17.3%
JASDAQ	49.24	-1.0%	-6.3%	-5.9%	1.8%
Japan Mothers	440.59	1.0%	-9.0%	1.6%	5.9%
Korea KOSPI Composite	1,744.88	-2.7%	-18.1%	-14.9%	3.7%
Korea Kosdaq	474.65	0.1%	-9.5%	-7.1%	-7.6%
Taiwan Stock Exchange	7,342.96	-3.9%	-13.9%	-18.2%	-10.3%
Singapore Strait Times	3,283.41	-4.6%	-12.1%	-16.0%	9.8%
Hong Kong Hang Seng	19,399.92	-1.1%	-11.4%	-15.8%	-11.3%
Hong Kong GEM	535.57	-3.7%	-19.8%	-33.9%	-20.9%
China Shanghai (A-Share)	2,654.34	-2.3%	-9.4%	-9.7%	-22.8%
China Shenzhen (A-Share)	1,187.92	-2.2%	-6.8%	-12.1%	-5.8%
China Shanghai (B-Share)	261.04	-2.0%	-8.3%	-14.2%	3.4%
China Shenzhen (B-Share)	665.77	-1.7%	-10.4%	-19.3%	6.4%

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

Technology, Media, and Telecommunications Market Activity						
NASDAQ/NYSE TMT IPO Filings						
Filing Date	Issuer	Industry Sector	Size (US\$MM)	Description	Book-Runner	Co-Manager
8/15/11	CyOptics, Inc. [NASDAQ: CYOP]	Semicon	100.0	Optical Switching & Transmission Components	J.P. Morgan and Barclays Capital	NA
8/12/11	FusionStorm Global Inc. [NASDAQ: FSTM]	IT	175.0	Information Technology Services	Needham & Co.	NA

NASDAQ/NYSE Equity Markets: TMT IPO Pricing						
IPO Date	Issuer (Exchange)	Description	Size (US\$MM)	Offer Price	Price on 8/19/11	% Change From Offer
8/16/11	Tudou Holdings [NASDAQ: TUDO]	One of China's leading online video websites	174.0	29.00	19.24	-33.7%

Asian Equity Markets: TMT PO Filings						
Filing Date	Issuer	Industry Sector	Size (US\$MM)	Description	Book-Runner	Co-Manager
N/A						

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

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

### Weekly Highlights

#### International

##### *Mobile/ Wireless*

- **Global sales of mobile phones are forecast to reach over 1.4 billion units in 2011, generating a sales value of almost 174 billion euros (US\$250.5 billion), according to EITO research released by German ICT industry group Bitkom.** This will be equal to unit sales growth of around 10 percent and sales growth of almost 17 percent compared to 2010. Unit sales in 2012 are expected to grow by 3.3 percent to almost 1.5 billion, with sales value rising 9.5 percent to over 190 billion euros (US\$273.5 billion).

##### *Internet*

- **Sales for the world's Internet industry have grown eight times in the past 10 years due to the expansion of electronic commerce and Web search and portal services.** According to the report by the Samsung Economic Research Institute, sales of the top 500 listed Internet companies totaled US\$170.6 billion in 2010, compared with US\$21.3 billion in 2000. During the same period, sales in the IT industry rose 2.4-fold and the energy industry surged 4.2-fold. The total capitalization of the companies reached US\$588.8 billion, up from US\$108.4 a decade ago. Their total operating profit was US\$28.5 billion last year, turning from a loss of US\$11.4 billion in 2000. Only three firms, Amazon.com, eBay and Yahoo, were among the 10 biggest companies by sales both in 2000 and 2010. Over the decade, Asian Internet companies surged faster than U.S. firms, as five new businesses including China's search engine Baidu, Yahoo Japan and NHN have joined the ranks of the world's top 10 Internet service providers.

##### *Telecommunications*

- **The number of Wimax subscribers globally has reached the 20 million mark at the end of the second quarter, according to Infonetics Research.** The research also forecasts that the number of Wimax subscribers is on track to hit 25 million by the end of the year. Subscriber growth continues in all regions as Wimax operators build their customer bases, but notably strong growth is seen in the US, the Indian sub-continent, and Latin America. The number of Wimax subscribers is forecast to surpass 100 million by the end of 2015. Furthermore, in the first quarter the total worldwide sales of Wimax equipment reached US\$502.1 million, up 49 percent year-on-year.
- **Around 74 percent of the operators unanimously plan to take the W-CDMA to HSPA+ to LTE migration path, according to a study by Infonetics Research.** The fact that 11 percent of respondents are deploying LTE as a greenfield network suggests that they are using LTE for a purpose other than a true mobile broadband upgrade, such as a DSL replacement. Close to 2/3 of operators do not know when they will trial LTE-Advanced, although 5 percent are already testing the technology and 16 percent plan to trial LTE-Advanced in 2013. Operators are not rushing to offer voice services over their LTE RAN, with 47 percent of respondents saying they plan to offer voice services three or more years after launching. Half of respondents believe it is very important to start construction of their LTE network with macrocells first, followed by a mix of small cells as an augmentation to optimize coverage.

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

- **Broadband prices remain out of reach for many consumers in Asia's emerging markets, according to Ovum.** The study of prices in countries including Malaysia, the Philippines, India and Pakistan found that prices have fallen in most markets since 2010. But consumers in emerging markets are still paying far more for fixed and wireless broadband than their mature market counterparts. In some countries, broadband pricing is double or even triple the price of an equivalent service in a more developed market. The cheapest broadband technology in emerging markets is HSPA, according to the report, with an average global entry-level price of US\$223 per year. But these services often have much lower data allowances than entry-level DSL. The Philippines and Malaysia had the lowest broadband tariffs of the 19 countries in the sample, the report states.

### *Semiconductor*

- **Revenue in the first quarter for mobile DRAM exceeded the US\$2 billion level for the first time on a quarterly basis, according to IHS.** Global revenue for mobile DRAM hit US\$2.07 billion during the first three months of this year, up 10 percent from an already hefty US\$1.88 billion in the fourth quarter of 2010. Showing how far the industry's revenue levels have progressed, the increase between the two quarters of about US\$190 million was equivalent to almost the entire mobile DRAM market in the first quarter of 2009, when revenue amounted to just US\$205 million. Revenue in the first quarter this year is also up an impressive 150 percent from the same time last year. Given the expected proliferation of 8Gb and 16Gb chips during the next few years, mobile DRAM densities will rise by a factor of almost 14 for tablet devices. Unit shipments of mobile DRAM also can be expected to grow, given that tablet shipments are projected to multiply 15 times between 2010 and 2015.

### **Japan**

#### *Media, Entertainment and Gaming*

- **Sales of Nintendo Co.'s 3DS handheld game system surged in Japan after its price was slashed on Aug. 11, hitting the second-highest weekly sales tally since the week of its launch.** Domestic sales of the 3-D game device reached 214,821 units for the Aug. 8-14 period, according to Enterbrain Inc. When the product was released in February, 371,326 units flew off the shelves in the first week. Weekly sales had slumped to between 20,000 and 30,000 units, partly because consumption cooled following the March 11 disaster. With the system's relatively high price tag of 25,000 yen (US\$326) also dampening sales, Nintendo cut it to 15,000 yen (US\$196). The release of a title under the popular "Pokemon" series also helped boost demand.

#### *Telecommunications*

- **Jupiter Telecommunications ended July with 3.55 million customers, up 5.9 percent year-on-year.** Combined revenue generating units (RGUs) for cable television, internet access, and telephony services reached approximately 6.68 million, up 8.7 percent from July 2010 as the bundle ratio increased to 1.88 from 1.83 a year earlier. The number of internet subscribers went up 7.2 percent from July last year to 1.77 million, as the number of telephony customers surged 12.6 percent to 2.11 million. J:Com also had 2.80 million cable TV customers, up 6.9 percent from a year earlier.

#### *Advertising*

- **Dentsu-owned digital advertising technology company IgnitionOne has acquired display ad exchange AdJug for an undisclosed sum.** The acquisition is aimed at bolstering Dentsu's European digital marketing business for selling bundles of banners and other online advertising space.

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

The exchange currently serves five billion-plus ad impressions per month to more than 67 million unique users, across more than 2,000 publishers and 4,000 sites worldwide.

### Korea

#### *Telecommunications*

- **KT ended July with 7.66 million broadband customers as the company added 28,000 new subscribers in the month.** KT also had 19.25 million fixed-line customers, comprising 16.17 million PSTN users and 3.07 million VoIP customers. The operator gained 36,000 VoIP subscribers in July but lost 64,000 PSTN customers. Furthermore, the company had 2.69 million IPTV subscribers after adding 70,000 new customers in July. However, the number of Wi-Fi subscribers declined by 3,000 to 240,000.
- **According to JoongAng Daily, the 1.8Ghz band has gone through 21 rounds of bidding, with the price rising from 445.5 billion won (US\$412.9 million) to 543.7 billion won (US\$500 million).** The 1.8Ghz band is highly prized due to its compatibility with 4G communications. Several carriers in Europe and the U.S have chosen the frequency band, deeming it potentially easier for the band's winner to acquire compatible mobile devices from manufacturers. An SK Telecom spokesperson told JoongAng Daily that the operator would not let competitors have the 'best weapon' without a fight. The government had previously allocated the bands to operators but had this year decided on an auction. Three bands were put up for bidding, the 2.1Ghz band, the 1.8 Ghz band and 800Mhz band. The 2.1Ghz band went to the country's smallest mobile carrier LG U+, which paid 445.5 billion won (US\$410 million) for the lot. LG U+ was previously the only carrier without a license for the band. The win was viewed more as a formality because rivals SK Telecom and Korea Telecom had been banned from bidding.
- **SK Broadband ended July with 4.11 million internet customers in total, similar to June, as the company only signed up 58 new customers in the month.** However, the company signed up 36,024 telephony customers to bring its total to 4.12 million, comprising 3.20 residential customers and 916,392 corporate telephony customers. The number of VoIP customers surged to 1.68 million. SK Broadband also had 26,727 leased line customers at end-July, after attracting 1,011 new customers during the month. The company again shed IPTV customers, namely 4,633, to end the month with a total of 906,583 IPTV service subscribers.

### China

#### *Internet*

- **Warburg Pincus LLC and Kleiner Perkins Caufield & Byers will jointly invest US\$100 million in China fashion shopping website operator Xiu.com, a source told Reuters.** This will be the second round of funds raised by Xiu.com after KPCB invested \$20 million in March. Xiu.com had forecast 2011 sales at 1 billion yuan (US\$156.7 million), up from 250 million yuan (US\$39.2 million) last year, the source said. Founded in March 2008, Xiu.com is an e-commerce company retailing fashion brands, including Louis Vuitton, Coach and Chanel. Shenzhen-based Xiu.com has buyer offices in New York, Los Angeles and Miami in the U.S., and Australia, Britain, France, Hong Kong, Japan, Italy and South Korea.



# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

- **Sina has invested between US\$30-US\$40 million in Chinese online video site Tudou Holdings , a source familiar with the matter told Reuters.** Tudou, which listed on the Nasdaq last week, is China's second-largest online video site after Youku.com Inc . The investment, which gives Sina around a 4 percent stake, may be a prelude to deeper cooperation between the two companies although those details have not yet been discussed, said the source who declined to be identified as the matter is not public.
- **NetEase had 56.77 million registered users for its microblogging service by the end of July. It has linked up the service with its one-stop account system, allowing users to log in with their e-mail accounts.** The company has spent over 10 million yuan (US\$1.6 million) to date to develop its series of free video lectures from overseas universities, with most of the spending going toward creating Chinese subtitles for the lectures, Beijing Business Today reported. Downloads of the mobile phone client-end exceeded 600,000 by the end of July, Southern Metropolitan News reported separately.
- **Renren Inc. , one of China's leading social networking platforms, said it made a profit for the second quarter from a loss last year, when results were hurt by one-time expenses.** Excluding items, quarterly adjusted earnings actually declined from the prior year, on increased selling and other expenses. Total revenues for the quarter surged 53.2 percent to US\$30.4 million from US\$19.9 million in the prior year. Wall Street analysts expected revenues of US\$29.49 million for the quarter. Renren earned a modest US\$0.8 million or for the quarter compares to a net loss of US\$25.5 million. Results for the year-ago quarter included a loss of \$28.7 million related to change in fair value of warrants. Excluding items, adjusted income for the quarter was US\$2.3 million, a decline from an adjusted income of US\$5.2 million last year. Online advertising revenues, which account for over half the business, soared nearly 94.0 percent, from the year-ago quarter. The number of activated users increased to 124.2 million at the end of the quarter, from 96.8 million a year before.
- **Sina Corp.'s second-quarter net profit declined 61 percent as higher product development and advertising costs for its popular Sina Weibo microblog service weighed on its bottom line.** Sina said it will keep investing heavily in the service and believe that the investment in Weibo will pay off later by recharging its growth in online advertising and bringing in revenue from new areas like e-commerce and online games. The company said Weibo's registered accounts recently topped 200 million, up from at least 140 million at the end of April. That is around the same level as Twitter, which also has over 200 million registered accounts globally. Sina will likely start generating revenue from Weibo in the first half next year, Chief Executive Charles Chao said on a teleconference.

### *Mobile/Wireless*

- **Sky-mobi Ltd. cut its first-quarter sales guidance on lower-than-expected handset sales in China and a difficult operating environment for mobile service providers.** The company, which operates a mobile-application store and mobile social network community in China, said it now expects revenue for the quarter ended June 30 to be 164 million yuan (US\$25.7 million) to 167 million yuan (US\$26.1 million), down from its previous guidance of 180 million yuan (US\$28.1 million) and 190 million yuan (US\$29.7 million). For the full year, Sky-mobi expects revenue of 680 million yuan (US\$106.3 million) to 690 million yuan (US\$107.9 million). Chairman and CEO Michael Tao Song said the company expects Maopao Community, its mobile app store, to grow in fiscal 2012 and beyond. Sky-mobi swung to a fourth-quarter profit as revenue increased by 21 percent. The company went public in December at \$8 per American depository share.



# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

- **China ended the second quarter with 523 million active mobile instant messenger (IM) accounts, up 6.25 percent, according to Analysys International.** Tencent led the market with a market share of 58.2 percent, followed by Fetion (under China Mobile) with 27.5 percent, Microsoft MSN with 9 percent, and AlWangWang (Alibaba) with 3 percent.

### *Telecommunications*

- **China Mobile Ltd. beat estimates to post a 6.3 percent increase in its first-half net profit, as it added users to its 3G mobile network and sold them more value-added data services.** China Mobile said its net profit for the six months ended June 30 surged to 61.28 billion yuan (US\$9.59 billion). China Mobile's operating revenue in the period surged 8.8 percent to 250.08 billion yuan (US\$39.1 billion). Revenue from fees for value-added services such as text messages and wireless data services surged 18.5 percent to 80.45 billion yuan (US\$12.6 billion).
- **Huawei Technologies Co. said first-half revenue increased 11 percent from a year earlier to 98.3 billion yuan (US\$15.38 billion) and said it is confident it can reach annual sales of 199 billion yuan (US\$31.1 billion) this year as it sells more devices such as mobile phones to consumers and services for enterprises.** The forecast for this year would mark growth of 7 percent over 2010. Huawei's revenue increased 24 percent from a year earlier to 185.18 billion yuan (US\$28.9 billion) in 2010, suggesting the equipment maker is experiencing signs of a slowdown amid uncertain prospects for the global economy.

### *Media, Entertainment and Gaming*

- **CCTV has broadcasted investigative reports and published commentary in which it accuses Baidu of abusing its power and of failing to manage content responsibly, according to the Financial Times.** CCTV, which is launching its own internet search engine, established a special page on its website under the headline "Trust is Gold" and claims it is participating in a government initiative to safeguard broadcasting on the internet. The broadcaster said it was exposing false information, negative behavior driven by unfair competition, and promoting the establishment of a healthy, fair online environment. Neither Baidu nor CCTV provided comment to the Financial Times.

### *Hardware*

- **In the second quarter approximately 1.44 million tablet PCs were sold in China, up 39 percent from the first quarter, according to Analysys International.** Sales were led by the Apple iPad, which accounted for 74.3 percent of the sales volume, followed by Chinese vendor Eben with 4.8 percent, Samsung Electronics with 4.5 percent, Asustek Computer with 4.2 percent, Motorola Mobility with 2.2 percent, and Lenovo with 2 percent.

## Taiwan

### *Hardware*

- **HTC has completed its buyback program and has acquired back 10 million shares for a total of TWD 8.51 billion (US\$293 million) for transfer to employees.** The company now holds 19.79 million own shares or 2.30 percent. Separately, HTC announced it has increased the capital of HTC Asia Pacific. The subsidiary issued 5.5 million shares for US\$5.5 million to parent HTC.

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

### *Telecommunications*

- **Global Mobile is eyeing a merger with rival Tatung InfoCom, Cens reports citing Global Mobile chairperson Rosemary Ho.** The Wimax carriers in Taiwan cannot merge until they have completed 70 percent of their network roll out as stipulated in the licenses. Tseng suggested the Wimax operators can cooperate on roaming until mergers are allowed. Operators in Taiwan have complained that six Wimax licenses is too many and to ease the situation, the government allows the operators to offer services in areas outside of their licenses to allow the company's to expand their reach and customer base more easily. Recently, however, media reported that Wimax operator Vee Time will acquire the majority stake in Wimax operator Vmax Telecom.
- **Vibo Telecom has secured a NT\$5.1 billion (US\$176 million), five-year syndicated loan agreement with a consortium of sixteen banks.** One-third of the funds will be used strengthen its operations, including the upgrade of infrastructure and procurement of smartphones, as the remaining funds will be used to repay existing loans, the Digitimes writes citing Vibo chief executive George Chou. The company also will expand its retail network to 860 outlets by the end of this year however, the procurement of equipment for 2,000 base stations will be delayed to the first quarter of 2012 from the second half of this year.

### **Hong Kong**

#### *Telecommunications*

- **PCCW Ltd. will proceed with a plan to list its telecom assets as a business trust in Hong Kong despite the current market volatility, after the operator had an 8 percent rise in its first-half net profit.** Group managing director Alex Arena said the company is moving ahead with the listing plan as quickly as possible. The market volatility from uncertainties in the global economy won't affect the stable returns of the business trust. Beijing-controlled China Unicom Ltd, one of the major shareholders in PCCW, will support the listing proposal. PCCW plans to raise up to US\$2 billion from the listing. Hong Kong's stock exchange approved the proposed listing in June after initially rejecting the proposal in April. However, the listing must still be approved by shareholders and the securities regulators.
- **Asia Satellite Telecommunications Holdings (AsiaSat) profits increased 20 percent in the six months ended 30 June to HK\$367 million (US\$47 million).** Turnover grew 16 percent to HK\$802 million (US\$103 million) due to continued growth in the company's core business, bolstered by significant contracts from new customers. Wholly-owned satellite communications subsidiary SpeedCast generated a turnover of HK\$118 million (US\$15.1 million). Joint venture Dish-HD Asia Satellite had another loss of which AsiaSat's share was approximately HK\$57 million (US\$7.3 million).
- **China Wireless Technologies saw its first half net profit fall 56.3 percent to HK\$118.98 million (US\$15.3 million) due to a decrease in gross profit and increase in sales and administration expenses.** The expenses went up on increased R&D expenses and increased expenditures for marketing, advertising and promotions to support new product launches. Revenues, however, rose 44 percent to HK\$3.03 billion (US\$389 million). The growth was driven by the strong increase in sales of 3G Coolpad smartphones. Revenues from 3G Coolpad smartphones increased by 64.6 percent to HK\$2.96 billion (US\$379 million) and make up 97.9 percent of the company's total revenues. The sales volume went up by approximately 3.01 million units to 4.43 million units in the first half.

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

### *Media, Gaming and Entertainment*

- **Mainstream Hong Kong news media are showing a growing interest in South Korea, a study showed, indicating closer ties between the two sides.** According to the research conducted by the South Korean consulate general in Hong Kong from April 1, 2010, to March 31, 2011, the number of news articles about South Korea that appeared in the four major Chinese-language newspapers in Hong Kong was 8,331. The four newspapers, the Oriental Daily, Dagongbao, Mingbao and Wenhuibao, published five to seven news articles a day on average during the one-year period, said the South Korean consulate general in Hong Kong. Cultural and sports news were most had with 4,643 articles, followed by inter-Korean news with 1,510 articles and political and diplomatic news with 1,166. Economic news trailed with 630 articles. South Korea was one of the most covered foreign countries, the consulate general said. In March alone, the Oriental Daily published 157 news articles about South Korea, following the U.S. with 387 articles. Japan trailed in third place with 147.

### **Singapore/Malaysia/Philippines/Indonesia/India/Australia**

#### *Telecommunications*

- **PT Indosat's first-half net profit at least doubled, mostly from higher revenue, foreign-exchange gains and a significant drop in other expenses.** Chief Executive Harry Sasongko said the cellular operator is likely to maintain strong profit growth in the second half due to the Ramadan and Eid Al-Fitr festivities and year-end holiday period. Net profit for the January-to-June period rose to 681.9 billion rupiahs (US\$79.8 million). Revenue rose to 10.05 trillion rupiahs (US\$1.17 billion), the nation's second largest telecommunication company by assets and subscribers said. Higher revenue was attributable to an increase in subscribers which rose to 47.5 million from 37.6 million at the end of June a year earlier. Indosat's BlackBerry subscribers rose to 1.2 million as of June 30 from 800,000 at the end of last year, faster than the targeted 40 percent growth target which is crucial as the company receives more income from BlackBerry services than for normal services. Indosat booked 47.3 billion rupiahs (US\$5.5 million) in foreign exchange gains. It attributed the increase in net profit to the significant drop in other expenses, which included lower debt repayment and procurement costs as a result of a stronger rupiah against the dollar.
- **The Indian government has raised over 2.15 trillion rupees (US\$47 billion) so far this fiscal year from telecommunication operators as spectrum and license fees, reported the PTI.** Up to June, the government had received 1.27 trillion rupees (US\$27.8 billion) as spectrum charges and 880.95 billion rupees (US\$19.3 billion) as license fees from operators, for a total amount of rupees 2.15 trillion (US\$47 billion), Minister of State for Communications and IT Milind Deora said. Deora said these figures include entry fees for 2G, 3G and BWA. Deora said that telecommunication regulator TRAI, in May 2010, had recommended that in future, spectrum fees should be delinked from the Unified Access Services (UAS) license charge. The regulator also recommended that all future licenses should be unified licenses.
- **The Indian government is seeking legal opinions over whether it can cancel up to 83 of the regional telecom licenses issued between 2006 and 2008.** The government has also issued show-cause notices to seven operators – Aircel, Dishnet Wireless, Etisalat DB, Idea Cellular, SSTL, Spice and Vodafone Essar Spacetel – over alleged violation of license terms including rollout obligations. Trai last month recommended that at least 53 licenses be cancelled and suggested the government seek legal opinions in 30 more cases. LiveMint suggested that the license plan may be part of attempts to ensure India's overcrowded mobile market is cut back to a more sustainable number of competitors.

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

But in the midst of India's 2G license allocation scandal, seeking to revoke the licenses could prove to be a legal minefield. To try to avoid litigation, DoT may offer token reimbursements, LiveMint said – but whether this will be enough to placate affected companies remains to be seen.

- **Idea Cellular said Axiata Investments 2 (India) Ltd has hiked its stake in the company to 5.91 percent by acquiring additional shares worth Rs 306.69 crore (US\$67 million) through open market transactions.** Axiata Investments 2 (India) Ltd has acquired 29,776,341 shares, or 0.9 percent, of Idea Cellular at Rs 103 apiece (US\$2.26), aggregating to Rs 306.69 crore (US\$67 million), the private telecom operator informed the Bombay Stock Exchange. Axiata Investments 2 (India) Ltd now holds a 5.91 percent stake in Idea Cellular. Prior to this, it held a 5.01 percent in the company.
- **Shin Corp PCL said that Cedar Holdings Ltd., a 49 percent-owned affiliate of Singapore state-investment firm Temasek Holdings Pte. Ltd., has sold 253.5 million shares, or 7.9 percent, of Shin Corp's shares to a group of investors.** The sale will raise around US\$300 million. Of the total, around 60 percent was sold to Thai investors, Shin said in a statement to the Stock Exchange of Thailand without indicating details of the price. Following the sale, Cedar will hold a 46.4 percent stake in Shin Corp. It is a significant discount of between 24.4 percent and 27.9 percent from the THB49.25 a share that Temasek-linked units paid in 2006 to purchase a controlling stake in Shin Corp from the family of Thailand's former prime minister, Thaksin Shinawatra.
- **PLDT may walk away from its plan to acquire a controlling stake in Digitel if it fails to secure the required regulatory approvals.** PLDT chairman Manuel Pangilinan said that he favors abandoning the merger if approval is not granted in time. As he stressed he was referring to his own personal views, he expressed a desire to move on from the deal in wake of the opposition from consumer groups and rival Globe, as well as the repeated delays securing the required approvals. But the NTC has expressed confidence it will be able to come to a final decision on the deal before August 26. The body concluded public hearings on the merger earlier this month, and is now sorting through the final legal and economic implications of the deal. PLDT will acquire a 51.55 percent stake in Digitel for 74.1 billion pesos (US\$1.74 billion) in March. At the time, the operator had hoped to push through the deal by June 30.
- **Reliance Communications Ltd. missed estimates and had a 37.2 percent drop in fiscal first-quarter profit hurt by higher costs and continued pressure on revenue, indicating the company has yet to benefit from stabilization in tariffs in the Indian market.** Bharti Airtel Ltd., the country's largest phone services company by users, and Idea Cellular Ltd. have robust revenue growth, indicating their resilience against undercutting by newer phone services companies. For the three months through June, Reliance Communications, had a 37.2 percent fall in profit at 1.57 billion rupees (US\$34.3 million). Revenue for the period declined 6 percent to 47.12 billion rupees (US\$1.03 million). The company said it earned other income of 1.37 billion rupees (US\$30 million) at the operating level. Reliance Communications was expected to earn a first-quarter profit of 2.02 billion rupees (US\$44 million) on revenue of 54.13 billion rupees (US\$1.2 million), according to a Dow Jones poll of 14 analysts. The company's depreciation, impairment and amortization costs stayed marginally flat at 9.76 billion rupees (US\$214 million) as the company has yet to amortize the costs related to its purchase of third-generation bandwidth.
- **Reliance Communications has hired UBS to sell its 95-percent stake in tower unit Reliance Infratel and has reached out to several strategic and private-equity firms, asking for US\$5 billion for the stake, three sources told Reuters.** Potential bidders have expressed concern about debt-laden Reliance's valuation. UBS has reached out to U.S. companies American Tower and Crown



# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

Castle International, India's Viom Networks and UAE's Etisalat, said the sources, who declined to be identified because the process is not public yet. The bank has also reached out to private-equity firms Carlyle, Apax Partners and Blackstone, the sources said. Reliance Comm, controlled by Anil Ambani, who ranked 36 on the Forbes global rich list last year, said in May it had several offers for its tower arm. But the sources told Reuters there were no formal offers on the table yet, mainly because of huge gaps in valuation. Reliance Communications is battling a fast-growing but ferociously competitive Indian cellular market as low call prices and high operational costs squeeze margins.

- **GTL Infrastructure Ltd.'s fiscal first-quarter net loss at least quadrupled from a year earlier despite a rise in revenue as interest costs at least doubled.** GTL rents telecom towers to phone companies and is India's largest tower company not aligned with any telephone operator. The company had embarked on an aggressive debt-funded expansion spree to capitalize on the demand for telecom infrastructure in the world's fastest-growing mobile telecom market. In January 2010, GTL Infrastructure acquired Aircel Ltd.'s 17,500 telecom towers for 84 billion rupees (US\$1.9 billion), funding it mostly through debt. However, a steep rise in interest rates caught the company off guard. Its board approved a proposal to restructure the company's debt which was followed by a ratings downgrade by Fitch. For the three months through June, GTL Infrastructure had a net loss of 839.5 million rupees (US\$18.4 million). The loss widened despite a 28.2 percent rise in total revenue to 1.41 billion rupees (US\$30.8 million).
- **The Bakrie Group through PT Capital Manager Asia (CMA) Indonesia has wholly acquired PT Rekajasa Akses, a license holder of the 4G of telecommunication technology.** CMA, the holding for media company PT Visi Media Asia, will invest US\$50 million including 25 percent to pay for the acquisition and 75 percent for expansion of networks and infrastructure, the Bakrie Group said. After the acquisition, CMA will cooperate with its affiliates in the Bakrie Group including Rekajasa and cellular phone operator PT Bakrie Telecom, Anindya Bakrie, the president of the Bakrie Group, said. Anindya said the acquisition of Rekajasa is part of the program to bring to reality the media and technology vision 2015 of the Bakrie Group. The Bakrie Group will invest US\$575 million in the telecommunications and information sector until 2015.
- **True Corp. saw its revenues grow on broadband, mobile non-voice, and the consolidation of the Hutch business in the second quarter but widened its net loss.** Consolidated revenues (excluding interconnection charges) went up 11.1 percent to 14.1 billion baht (US\$473 million). EBITDA rose 5.3 percent to 4.7 billion baht (US\$157 million) and EBITDA margin reduced to 29.7 percent from 33.8 percent a year earlier, mainly due to higher volume sales of lower-margin products. True had a net loss of 1.25 billion baht (US\$42 million) versus a net loss of 814 million baht (US\$27.3 million) in the year-ago quarter due to higher costs related to the Hutch acquisition and a mark-to-market forex loss. The wireless group had service revenues of 6.8 billion baht (US\$228 million), up 21.4 percent, mainly on the Hutch consolidation and growth in non-voice and postpaid revenues. TrueMove's service revenues were 5.9 billion baht (US\$197 million), up 4.7 percent year-on-year. TrueMove added 261,000 new subscribers in the quarter to bring its total to 17.9 million and the wireless group ended June with 18.5 million customers.
- **Tech Mahindra Ltd. said first-quarter net profit surged 92 percent, driven by its share of profit from unit Satyam Computer Services Ltd., but warned that the volatile economic environment and an ongoing probe in India's telecom sector may pose challenges to growth.** Tech Mahindra, which makes software and billing systems mostly for the telecommunications industry, was hit hard by the recession-led cutback in spending on technology at the end of 2008 and is struggling to recover as the telecom sector is still striving to attain normalcy. Chairman Anand Mahindra said that

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

discretionary spending by the telecom industry remained low, as Vice Chairman Vineet Nayyar said that the company is closely watching the unfolding global economic situation. Nayyar added that the ongoing probe in India into allegations of rigged bandwidth auctions of 2008 could hurt demand from local telecom firms as well.

- **Almost one third of India's mobile customer base was inactive in the most recent quarter, according to Wireless Intelligence, which revised down its view on the size of the market.** Based on figures published by the Telecom Regulatory Authority of India (TRAI) recently, the analyst firm estimates that close to 250 million mobile connections in India were inactive in the April-June quarter. That leaves India some way behind China when it comes to total market size. According to figures provided by China's three main mobile operators, the country had almost 907 million mobile connections at the end of June. However, with 600 million active users, India remains a major player on the world stage. And as Wireless Intelligence pointed out, India's inactive mobile customer base alone matches the size of the whole market in other major mobile markets like Brazil and Russia.
- **Bain Capital has signed a definitive agreement with buyout group Archer Capital to buy Australian accounting software company MYOB.** Bain did not disclose the price of the deal. Sources had told Reuters that Bain had agreed to buy MYOB for about A\$1.2 billion (US\$1.3 billion). Bain and Kohlberg Kravis Roberts & Co had re-entered the bid for MYOB after market turmoil derailed Sage, the UK software group's attempt to buy its Australian peer. MYOB had an EBITDA of about A\$100 million, two sources previously told Reuters.
- **Australia's Future Fund had reduced its holding in telecommunications giant Telstra Corp. to 0.8 percent of the company as part of a rebalancing of its portfolio.** The Fund had about 100 million Telstra shares, after being transferred 2.1 billion shares by the federal government in 2007. It said sales of Telstra shares and dividends had earned the Fund A\$9.37 billion (US\$9.7 billion) over the term of its holding period.
- **Amcom Telecom had a 50 percent increase in net profit to A\$25.9 million (US\$26.2 million) for the year ended 30 June.** Net profit excluding the profit of A\$4.3 million (US\$4.5 million) on the sale of iiNet shares and A\$7.8 million (US\$8.1 million) from its share of iiNet's profits prior to the sale of the shares was A\$13.8 million (US\$14.4 million). Revenues rose 38 percent to A\$87.2 million (US\$90.7 million). The company said the results reflect the ongoing strong demand for the company's core fibre-based communications services.
- **APN News & Media Ltd had a first half loss as the company faced a difficult publishing market impacted by earthquakes and floods.** The net loss was A\$98.3 million (US\$103.36 million) for the six months to June 30 and mainly due to a non-cash impairment charge of US\$156 million related mainly with metropolitan newspapers in New Zealand. Excluding the impairment charge, profit declined 46 percent to US\$21.8 million. The company also said earnings before interest and tax in the second half would be in line with the previous year's US\$118 million. First half EBIT came in at US\$66.5 million.
- **Sacom gets approval to list 65.4m new shares on Vietnam bourse.** The Hochiminh Stock Exchange has allowed Sacom Development and Investment Corp., or Sacom, to list 65.4 million new shares on the bourse. The stock market operator didn't provide a timeframe for the listing of the new shares. Sacom, which is in the business of telecom-material production and real-estate investment, currently has 65.4 million shares listed on the Hochiminh Stock Exchange. State media said. the company incurred a loss of VND125 billion (\$5.9 million) in the first half of this year.

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

- **Telecom Corp. had its net profit for the six months ended June 30 declined 99 percent from a year earlier due to asset write downs related to its copper network as the telecom operator moves to help the government build a new fiber network.** Telecom said net profit for the fiscal second half declined to NZ\$1 million (US\$.817 million), as revenue declined 3.8 percent to NZ\$2.5 billion (US\$2.04 billion). For the full-year, the company said net profit declined 57 percent on year to NZ\$166 million (US\$135.7 million). Telecom has struggled with numerous regulatory requirements imposed on the former state monopoly in 2006, including high levels of reinvestment in infrastructure and opening its networks to rivals. However, the telecommunication company will separate into a retail business and an infrastructure company to meet requirements laid down by the New Zealand government when it awarded Telecom a deal to build 70 percent of the new nationwide fiber network. The separation, if approved by shareholders, is expected to be completed in 2012.

### *Media, Gaming and Entertainment*

- **UTV Software Communications Ltd has approached competition watchdog CCI to seeks approval for its proposed merger with Walt Disney Co (South East Asia) Pte Ltd in a deal valued at around Rs 2,000 crore (US\$443.16 million).** Walt Disney would buy out the stake held by public shareholders and other promoters of UTV Software Communications, would require the Competition Commission of India's (CCI's) clearance to establish that the stake sale will have any ramifications on market competition. Subsequent to the buy-out of public shareholders by Walt Disney Company, UTV Software Communications Ltd, a promoter group firm, will be delisted from both the Bombay Stock Exchange and National Stock Exchange.

## United States/Canada

### *Mobile/Wireless*

- **Micromax Informatics Ltd. said phone makers may shift to other software platforms if Google doesn't keep its Android operating system open after its proposed acquisition of Motorola Mobility Holdings Inc.** Like many other home-grown handset makers, Micromax uses Google's Android mobile phone software as it comes free, reducing the cost of smart phones compared to the high fees charged by Nokia and Microsoft for their Symbian and Windows Phone software. Google's proposed US\$12.5 billion purchase of handset maker Motorola Mobility has raised fears it may not keep Android open indefinitely and may begin competing with other Android handset makers. Delhi-based Micromax sells at least a million handsets every month in India, with about 15 percent of its sales coming from phones using Android.

### *Internet*

- **Initial takeover bids for video service Hulu LLC are due on August 24th and offers could range from about \$500 million to US\$2 billion, The Wall Street Journal reported.** Google, Yahoo, Amazon.com and DirecTV are among the companies expected to bid, the newspaper said in its electronic edition. Hulu's board is expecting that the video service could sell for as much as a few billion dollars, the newspaper said.
- **Interpublic Group Of Cos. will sell about half of its Facebook Inc. stake for US\$133 million in cash, and increased its stock repurchase plans by US\$150 million.** Interpublic's stake in Facebook was valued between US\$200 million and US\$300 million in April, according to Financial Times. The stake cost Interpublic less than US\$5 million when purchased in 2006. Facebook has signaled that it intends to launch an initial public offering sometime next year. Interpublic expects to



# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

book a pretax gain of US\$132 from the privately negotiated transaction. The company also increased its existing stock repurchase program to US\$450 million from US\$300 million. Interpublic has repurchased US\$187.6 million of its stock through Aug. 12. Interpublic reported last month its second-quarter earnings rose 27 percent as international business helped drive revenue growth, but higher staff-related costs hurt margins.

### *Media, Entertainment and Gaming*

- **Time Warner Cable Inc. will acquire cable operator Insight Communications Co. in a cash deal valued at US\$3 billion.** The tie-up joins two of the 10 largest U.S. cable operators by subscribers, further continuing consolidation in a business facing stiff competition for TV subscribers from satellite operators and telecommunications companies, as well as Internet-based upstarts. The Wall Street Journal had reported Time Warner Cable and Insight, which is controlled by private-equity firm Carlyle Group LP, were negotiating a final agreement Sunday. Final bids for Insight, the country's ninth-largest cable operator by number of basic cable subscribers, were due in early July, and a buyer was seen to be chosen within a month. Time Warner Cable believes that the purchase will help it create annual cost efficiencies of roughly US\$100 million, after one-time costs and capital expenditures. Cable operators have been attractive acquisition targets in recent years, attracting interest from private-equity buyers due to their steady cash flow, as larger rivals pursue them as part of a search for growth in new markets.
- **Ubisoft Entertainment is developing movies and television series based on its products and expects this to boost revenues and volume as of 2013.** Three films based on the "Assassin's Creed," "Splinter Cell" and "Ghost Recon" games are being discussed with studios, Chief Executive Officer Yves Guillemot said. TV programs, including one based on Ubisoft's "Rabbids" game, are about to be financed and the French company is completing deals with broadcasters that will be announced soon. Ubisoft is targeting the social, mobile and online games markets and is looking for acquisitions to boost revenue from those segments, Guillemot said. He declined to say how much the company could spend on acquisitions. A game on Facebook based on the recently released animated movie, The Smurfs, has 4 million average monthly users and is adding 200,000 players daily, making it the best-selling game in the last two weeks, he said.

### *Telecommunications*

- **AT&T Inc. sold a three-part US\$5 billion bond offering in the U.S. debt market, the largest investment-grade corporate bond sale in the U.S. since a US\$5 billion deal from Hewlett-Packard Co.** The offering is also among AT&T's largest bond offerings. Its largest deal was in January 2009 for US\$5.5 billion, according to Dealogic. The deal is composed of US\$1.5 billion in five-year notes, US\$1.5 billion in 10-year notes and US\$2 billion in 30-year notes, all senior unsecured. AT&T's bond sale is one of six investment-grade deals, as corporate issuers seized record-low yields and a window of investor confidence. All three tranches launched at the narrow end of price guidance, suggesting strong demand. The five-year piece launched with a risk premium of 148 basis points over Treasuries, the 10-year piece at 160 basis points over Treasuries and the 30-year piece at 185 basis points over Treasuries. The five-year notes were sold with a coupon of 2.4 percent at a price of 99.673 to yield 2.47 percent. The 10-year notes were sold with a coupon of 3.875 percent at a price of 99.705 to yield 2.311 percent. The 30-year notes were sold with a coupon of 5.55 percent at a price of 99.336 to yield 5.596 percent.
- **Marvell Technology Group had net revenues for the fiscal second quarter ended 30 July grew slightly to US\$897.52 million from US\$896.47 million in the same period last year.** Gross

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

margin decreased to 57.9 percent from 59.1 percent. Net profit declined to US\$192.39 million or US\$0.31 per share from US\$219.77 million or US\$0.33 per share. Cash and cash equivalents at the end of the period amounted to US\$862.96 million.

### *Hardware*

- **Dell Inc. projected sales growth of 1 percent to 5 percent this year, down from a previous range of 5 percent to 9 percent.** Second-quarter sales rose less than 1 percent to US\$15.7 billion, Dell said. Analysts had estimated revenue of US\$15.8 billion in the period, according to Bloomberg data. Lackluster demand from consumers and market-share gains by Apple Inc. weighed on results, offsetting stronger corporate orders for server computers. Households have stepped up purchases of tablets and smartphones, as curtailing purchases of PCs, Dell's mainstay. Renewed concerns that the economy will fall back into recession also may be curbing spending.
- **HP had revenues for its fiscal third quarter to end July at US\$31.2 billion, up 3 percent from the year before, but down 2 percent when adjusted for currency effects.** Commercial businesses saw 4 percent revenue growth year-on-year but Consumer businesses, within PSG and IPG, together saw revenues drop 15 percent from the year before. Revenue was flat in the Americas as well as in Europe, the Middle East and Africa, at US\$14.1 billion and US\$11.0 billion respectively. Revenue in Asia Pacific was at US\$6.1 billion, rising 9 percent from the year earlier. Adjusted for currency effects, revenue declined 2 percent in the Americas, 5 percent in Europe, the Middle East and Africa, and lifted 1 percent in Asia Pacific. BRIC countries (Brazil, Russia, India and China) had revenues up 12 percent to US\$3.7 billion, making up 12 percent of total HP revenue. HP also issued forecasts that missed analysts' estimates and unveiling a set of strategic shifts that undermined confidence in the company's management. HP Leo Apotheker cut sales forecasts for the third time since becoming CEO in November. He's spinning off the personal computer unit, dropping a five-month-old plan to put the WebOS mobile software on devices and purchasing Autonomy Corp. for US\$10.3 billion. As aimed at helping adding higher- margin products, the shifts are costly and may be time consuming, said Brian Marshall, an analyst at Gleacher & Co.
- **Hewlett-Packard Co. considered buying Tibco Software Inc. and Teradata Corp. before pursuing the U.K.'s Autonomy Corp., according to bloomberg.** HP approached Tibco Software, indicating it could make a per-share offer in the high US\$30s, said one of the people involved. Tibco, which sells software to companies that connect applications, had sales of US\$216.4 million in the second quarter ended in May, up 25 percent from a year earlier. Net income grew 64 percent to US\$21 million at the company. Teradata, which provides data warehousing technologies and services, had US\$581 million in sales in the second quarter ended in June, up 24 percent from the previous year. Profits surged 39 percent to US\$103 million. Hewlett-Packard also announced that it will acquire Cambridge, England-based Autonomy for US\$10.3 billion.

### *Information Technology*

- **Defense contractor General Dynamics announced that it will acquire Vangent Inc. for about US\$960 million from private equity firm Veritas Capital in a cash deal.** Virginia-based Vangent provides consulting, systems integration, human capital management and other outsourcing services to the U.S. federal and international governments. Defense contractors are looking to acquire companies with product lines that are expected to be in high demand as U.S. spending on weapons comes under pressure. Last month, General Dynamics bought a cloud computing service firm for an undisclosed sum, and in June it acquired a provider of secure wireless networking equipment

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

### *Software*

- **Top-line growth is the first priority of managers at Salesforce.com as the company swung to a fiscal second quarter loss on higher compensation and acquisition costs offset by slightly higher core profit.** The company last year introduced Chatter, a social networking feature that is now integrated with its cloud-based suite of sales and business management software. For the quarter ended July 31, Salesforce.com posted a loss of US\$4.3 million, or 3 cents a share, compared with a prior-year profit of US\$14.7 million, or 11 cents a share. Excluding stock-based compensation, a large income-tax benefit and other items, earnings surged to 30 cents from 29 cents as revenue climbed 38 percent to US\$546 million.
- **Intuit Inc. announced its first cash dividend ever as fiscal fourth-quarter revenue increased 10 percent.** The board approved a quarterly payout of 15 cents a share for Oct. 18 to shareholders of record as of Oct. 10. Revenue surged to US\$593 million in the period ended July 31. Intuit's board also approved a new US\$2 billion stock repurchase program to run through August 2014.

### **Europe**

#### *Telecommunications*

- **Revenue in the Dutch mobile market declined 4.5 percent on the year to 1.53 billion euros (US\$2.2 billion) in the three months to June, research firm Telecompaper said.** Based on recent quarterly results and current market conditions, the Dutch mobile market will show a service revenue decline of around 3 percent to 6.0-6.1 billion euros (US\$8.6 billion) over the full year, Telecompaper estimates. In terms of overall service revenue performance, Vodafone PLC outperformed the market in the second quarter and was the only operator to show stable revenue on an annual basis, boasting the largest relative revenue growth compared to the previous quarter. Both Royal KPN NV and Deutsche Telekom AG's T-Mobile lost revenue share to Vodafone. Vodafone reinforced its second place position and increased its market share annually by 1.4 percent to above 30 percent, as KPN's market share declined by 1.1 percent to just below 46 percent. T-Mobile's market share decreased 0.5 percent to just below 24 percent.
- **Telecom Italia SpA said it has sold a voice technology unit, Loquendo, to U.S. company Nuance Communications Inc. for an enterprise value of 53 million euros (US\$75.5 million).** The sale of Loquendo is part of a wider rationalization plan already announced by Telecom Italia earlier this year.. Telecom Italia expects to close the deal around the end of September.
- **Telecom Egypt had a 15 percent drop in second-quarter profit, as a slowdown in tourism and business activity dragged on earnings.** Telecom Egypt, in an emailed statement, said net profit in the second quarter amounted to EGP826.7 million (US\$138.6 million). The telco also said that the decline in net profit was due to higher repair and maintenance costs, the start of operations in Telecom Egypt's cable business, a decline in investment income and the impact of the increase in corporation tax to 25 percent from 20 percent that came into effect March 1.

#### *Media, Gaming and Entertainment*

- **Scripps Networks Interactive Inc. will acquire Virgin Media Inc.'s 50 percent stake in British cable-channel owner UKTV for around 239 million pounds (US\$393.4 million) as part of wider efforts to build an international footprint.** Scripps will also pay about 100 million pounds (US\$164.6 million) to acquire the outstanding preferred stock and debt owed by UKTV to Virgin Media. Scripps, whose cable channels include the Food Network and Travel Channel, entered

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

exclusive talks with Virgin Media to acquire its half ownership in UKTV several months ago. UKTV owns channels including Dave, Yesterday and Good Food, and attracts 36 million viewers a month. Scripps is seeking to build an international footprint and the UKTV deal will help the company establish its presence in the U.K. and other European markets.

### South Africa/Middle East/Latin America

#### *Telecommunications*

- **Brazil's Senate approved a law allowing telephone carriers and foreign companies to offer cable television, creating new opportunities for Tele Norte Leste Participacoes SA and America Movil SAB.** The bill lifts the current 49 percent cap on foreign ownership of cable operators, Brazilian newspapers Folha de Sao Paulo and Valor Economico reported. Under the new law, America Movil would be able to exercise an option it has to take control of the voting shares of Net Servicos, Brazil's largest cable company. America Movil, controlled by billionaire Carlos Slim, already owns 49 percent of the voting shares and a 92 percent financial stake in Net. Net 7.5 percent bonds due in 2015 rose 2.16 cents on the dollar.
- **MTN Group's subscribers increased by 7.5 percent over the first half of 2011 to 152.3 million.** Revenue increased 1.0 percent year-on-year to ZAR 5.65 billion (US\$785 million) and was up 9.4 percent on a constant currency basis. Revenues in its home market South Africa increased 5.9 percent to ZAR 18.14 billion (US\$2.5 billion), as the second-largest market Nigeria surged 0.4 percent to ZAR 16.54 billion (US\$2.3 billion), or 13.1 percent at constant currency rates. The Middle East and Africa mobile operator improved its EBITDA margin by 1.3 percentage points to 44.6 percent, helped by a profit on the sale of towers in Ghana. Total EBITDA increased by 3.9 percent to ZAR 25.20 billion (US\$3.5 billion). There was strong subscriber growth in most of the group's operations including an encouraging performance in Sudan.

# IRG Technology, Media and Telecommunications

## Weekly Market Review



Week of 15 August 2011 - 21 August 2011

### Other Economic Data

#### Currency Exchange Rates

Currency	Units	Current Rate (on 8/19/11)	% Change 1 Week Ago	% Change 1 Month Ago	% Change 1/1/2011	% Change 1/1/2010
Japanese yen	¥/US\$	76.5200	-0.2%	-3.3%	-5.7%	-17.6%
Hong Kong dollar	HK\$/ US\$	7.7951	0.0%	0.0%	0.3%	0.5%
Chinese renmenbi	RMB/ US\$	6.3910	0.0%	-1.1%	-3.0%	-6.4%
Singapore dollar	S\$/ US\$	1.2088	-0.2%	-0.5%	-5.7%	-14.0%
South Korean won	KRW/ US\$	1,087.2000	0.8%	2.9%	-3.0%	-6.6%
New Taiwan dollar	NT\$/ US\$	28.9950	0.1%	0.4%	-0.6%	-9.2%
Australian dollar	US\$/A\$	1.0398	0.4%	-3.1%	1.9%	15.9%
New Zealand dollar	US\$/NZ\$	0.8160	-1.9%	-4.6%	4.7%	12.7%
Philippine peso	PHP/ US\$	42.5700	-0.1%	-0.6%	-2.4%	-8.4%
Euro	US\$/€	1.4395	1.0%	1.7%	7.6%	0.6%
British pound	US\$/£	1.6460	1.1%	2.0%	5.5%	1.9%

#### Fixed Income Prices and Yields

Note	Currency	Current (on 8/19/11)		1 Week Ago		4 Weeks Ago	
		Price	Yield	Price	Yield	Price	Yield
US 30-year	US\$	106.61	3.40%	100.41	3.73%	103.16	4.19%
Japan 30-year	¥	104.69	1.95%	103.66	2.00%	103.68	2.00%
Hong Kong 10-year	HK\$	104.86	1.69%	103.10	1.82%	99.59	2.28%
China (06/16)	US\$	103.65	3.78%	103.14	3.78%	104.84	3.60%
Singapore 10-year	S\$	105.94	1.59%	104.95	1.69%	100.96	2.14%
South Korea 20-year	KRW	11,224.54	3.91%	11,231.89	3.90%	10,720.73	4.24%
Australia 15-year	A\$	110.18	4.38%	108.29	4.57%	106.63	4.96%
New Zealand (12/17)	NZ\$	112.12	4.44%	111.89	4.46%	107.23	5.04%
Philippines 20-year	PHP	103.18	7.69%	100.83	7.92%	98.02	8.20%
India 30-year	INR	96.97	8.58%	96.86	8.59%	97.01	8.58%
UK 30-year	£	108.68	3.77%	105.06	3.95%	102.15	4.12%
Germany 30-year	€	134.49	2.96%	129.66	3.16%	124.60	3.40%

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