



## IRG Technology, Media and Telecommunications Weekly Market Review

***Week of 12 September 2011 - 18 September 2011***

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Equity Market Indicators					
Index	Closing Level (9/16/2011)	% Change 1 Week Ago	% Change 1 Month Ago	% Change 12/31/2010	% Change 12/31/2009
S&P 500	1,216.01	5.4%	1.0%	-3.3%	9.0%
Dow Jones Industrial Avg.	11,509.09	4.7%	0.2%	-0.6%	10.4%
Dow Jones Tech. Index	420.34	5.4%	0.8%	-6.7%	4.4%
Dow Jones Telecom. Index	227.89	2.2%	-1.5%	-2.8%	3.8%
NASDAQ Composite	2,622.31	6.3%	2.6%	-1.2%	15.6%
Japan Nikkei 225	8,864.16	0.8%	-2.4%	-13.3%	-16.0%
JASDAQ	49.33	-1.2%	-1.6%	-5.7%	2.0%
Japan Mothers	419.64	-2.3%	-5.6%	-3.2%	0.8%
Korea KOSPI Composite	1,840.10	-0.4%	2.6%	-10.3%	9.3%
Korea Kosdaq	467.84	-1.6%	-1.3%	-8.4%	-8.9%
Taiwan Stock Exchange	7,577.40	0.4%	-3.1%	-15.5%	-7.5%
Singapore Straight Times	3,393.59	-2.8%	-2.0%	-13.2%	13.4%
Hong Kong Hang Seng	19,455.31	-2.3%	-4.0%	-15.5%	-11.1%
Hong Kong GEM	527.19	-1.8%	-5.6%	-35.0%	-22.1%
China Shanghai (A-Share)	2,600.05	-0.7%	-5.5%	-11.6%	-24.4%
China Shenzhen (A-Share)	1,142.37	-0.9%	-7.2%	-15.5%	-9.4%
China Shanghai (B-Share)	252.06	-1.7%	-6.1%	-17.2%	-0.1%
China Shenzhen (B-Share)	619.75	-5.7%	-9.7%	-24.9%	-1.0%

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Technology, Media, and Telecommunications Market Activity						
NASDAQ/NYSE TMT IPO Filings						
Filing Date	Issuer	Industry Sector	Size (US\$MM)	Description	Book-Runner	Co-Manager
N/A						

NASDAQ/NYSE Equity Markets: TMT IPO Pricing						
IPO Date	Issuer (Exchange)	Description	Size (US\$MM)	Offer Price	Price on 2/18/11	% Change From Offer
N/A						

Asian Equity Markets: TMT PO Filings						
Filing Date	Issuer	Industry Sector	Size (US\$MM)	Description	Book-Runner	Co-Manager
9/15/11	Parade Technologies Ltd. [GTSM: 4966]	Technology	NA	Fabless supplier of mixed-signal ICs for display and high-speed interface standards	Mega Securities Co., Ltd.	NA

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						

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### Weekly Highlights

#### International

##### *Mobile/ Wireless*

- **Global mobile phone application downloads will top 18 billion by the end of this year, growth of 144 percent from the 7.4 billion downloaded in 2010, according to Ovum.** This year will see some of the strongest growth in mobile phone application downloads, which it predicts will top 45 billion in 2016. Meanwhile, revenues from paid-for mobile phone applications will hit US\$3.7 billion this year, growth of 92 percent from the US\$1.95 billion the market achieved in 2010. The market will go on to achieve revenues of US\$7.7 billion in 2016. In addition to the strong growth in downloads and revenues this year, Ovum believes that Android will upset the apple cart by stealing dominance of total downloads from the iPhone for the first time. Android will take a lead, with 8.1 billion downloads compared to Apple's 6 billion. Last year the two top players reached downloads of 1.4 billion and 2.7 billion respectively.

##### *Hardware*

- **Global suppliers of liquid crystal display (LCD) panels will cut their output in the third quarter, as panel prices drop and weak demand outweighs expectations for a holiday sales peak.** Major LCD makers are forecast to reduce the monthly input of glass substrate, key materials for LCD panels, by 14 percent on-quarter during the current quarter to 12.2 million square meters, according to DisplaySearch. The reduced input will lead to lower-than-expected operation rates at LCD production lines. The LCD panel production lines are predicted to operate at around 75 percent of their full capacity, falling short of the initial projection of around 85 percent. The LCD industry, led by Samsung Electronics and LG Display, has been grappling to weather one of the worst downturns in the sector, which was caused by oversupply and scant demand for TVs.

#### Japan

##### *Hardware*

- **Research Analysts expect Nintendo Co. to sell fewer 3-D handheld players than it's targeting as price cuts and new accessories fail to make up for a lack of hit titles.** Based on the average estimate of four analysts surveyed by Bloomberg News, 3DS sales is forecasted to be 16 percent lower of the company's annual target of 16 million units even after Nintendo slashed prices by as much as 40 percent. The game maker may only sell 2.5 million 3DS players halfway into the fiscal year, which ends March 31, according to Macquarie Group Ltd. The creator of the Super Mario Bros. franchise should introduce more major titles at 3DS conference or consider developing games for social networks to restore investor confidence in a stock that has tumbled at least 80 percent since its 2007 high, analysts at Macquarie and Cosmo Securities. Nintendo President Satoru Iwata, bracing for the game maker's lowest profit in 26 years, is seeking to win back users who are content to play games on iPhone and Facebook's online service.

##### *Telecommunications*

- **Usen Corp. doubled its group net profit to around 2.3 billion yen (US\$29.9 million) for the year ended in August by consolidating data centers and distribution locations to lower fixed costs.** The telecom firm's total sales for the year declined 49 percent to about 75 billion yen (US\$976 million). The sharp decline was largely attributed to its sale of a temporary staffing subsidiary to a U.S.

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investment fund. The company reached an agreement with banks to lower the interest rates on its loans, easing its payment burden. Its interest-bearing loan balance declined 17 percent to 52.5 billion yen (US\$683 million).

- **KDDI has invested approximately JPY 100 million (US\$1.3 million) to take a 15 percent stake in the French software provider Total Immersion, reports the Nikkei.** In making the investment, KDDI is laying the groundwork for providing augmented-reality services to smartphone subscribers using its au wireless service. Total Immersion has image-recognition technologies for identifying the features of landscapes and objects captured with camera phones and then delivering content that superimposes what was captured on screen with related text and video. KDDI will utilize these augmented-reality technologies for content delivery services starting in December.
- **NTT Docomo will enable smartphone users to access the websites of 300 content providers via its 'i-mode' mobile internet service by as early as November, reports the Nikkei.** The move is designed to encourage subscribers to switch to smartphones. The 300 content providers provide some 10 percent of the content available to subscribers of Docomo's mobile phone services. Approximately 60 million subscribers have registered for the fee-based service, with the market for i-mode estimated at roughly JPY 500 billion (US\$6.5 million). When Docomo's subscribers switch to smartphones, they must cancel all their contracts with i-mode-based content providers, including firms that offer news and ringtones. Later this year, Docomo will begin to keep records on its server of subscribers who access i-mode content for monthly fees.

### *Semiconductors*

- **DoCoMo, Fujitsu, NEC and Panasonic Mobile Communications are in talks with Samsung to form an alliance to develop, design and sell key chips for next-generation smartphones.** The joint venture firm, which will be headquartered in Japan, will be capitalized at 30 billion yen (US\$388 million) with NTT DoCoMo taking a majority stake. The chip venture will take aim at the market for semiconductors that control wireless communications and signals, which is dominated by Qualcomm. Qualcomm supplies 30 percent of such mobile chips for third-generation handsets. In the global smartphone market, at least 80 percent of such chips come from Qualcomm, Nikkei reported.
- **Elpida Memory Inc. said it may shift some domestic production to Taiwan given a strong yen and an industry slump.** The maker of memory used in personal computers is studying the feasibility of transferring some production at its Hiroshima plant to a more cost-efficient factory operated by subsidiary Rexchip Electronics Corp. in Taiwan. Elpida is among chipmakers facing weakening demand for dynamic random access memory chips, or DRAM, as sales of personal computers slow. In response to an extremely harsh business environment caused by the appreciation of the yen and a drop in chip prices, Elpida will also try to accelerate reducing the circuitry of its chips to 30 nanometers from 40 nanometers to cut production costs, as expanding procurement in U.S. dollars to minimize currency-related risks.

### *Internet*

- **Rakuten Inc. has taken a minority stake in Russian e-commerce giant Ozon.ru, pushing into a ninth overseas market.** Rakuten acquired some shares issued by the Russian company as part of a private placement totaling US\$100 million. Its stake could increase down the road, depending on market conditions. Ozon.ru generated sales of 137 million dollars last year. It offers 1.5 million items, including books and consumer electronics, on its marketplace and boasts 5.2 million registered users.

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### Korea

#### *Telecommunications*

- **SK Telecom Co. said that SK Planet will be the name for its new business entity that will be separated from the mobile operator next month.** SK Telecom's board approved last month the plan to spin off its platform business, which encompasses its mobile applications business, mobile software and mobile commerce. SK Planet will be launched as a wholly owned unit of SK Telecom on Oct. 1, tasked with various mobile services. The spinoff is expected to facilitate fast decision making and allow the company to quickly respond to the wireless market, SK Telecom said.

#### *Mobile/Wireless*

- **LG will close the mobile phone research and development department at its China R&D Center in Beijing and cut half of the staff in the department, reports China Tech News.** The company said it hopes to minimize the number of layoffs by further internal staffing. A representative from LG confirmed to the local media that its mobile phone R&D department will soon have major adjustments. Currently, the company's mobile R&D department is in Beijing and its plant is located in Shandong. LG will combine its manufacturing and development. Once the plan is implemented, its mobile phone R&D department will be relocated to Yantai, Shandong. By then, members of the mobile phone R&D team will be transferred to Yantai or the headquarters in South Korea. They can also stay at the Beijing R&D centre and transfer to the LCD TV R&D department.

### China

#### *Internet*

- **Alibaba Group Holding Ltd. is aiming to handle one trillion yuan (US\$157 billion) of transactions in 2012 on its Taobao consumer sales platforms, the company's Chairman Jack Ma said.** Mr. Ma said that the websites, consumer-to-consumer trade platform Taobao Marketplace, and business-to-consumer platform Taobao Mall, which were recently split into separate business units, will help spur consumer demand in the world's most populous nation. Taobao as a whole handled nearly 400 billion yuan of online transactions last year. Mr. Ma hopes to step up competition in a wider range of Internet sectors, including with Chinese search giant Baidu Inc., through Alibaba Group's new online-shopping search engine called eTao, underscoring the company's aggressive expansion of its business in the past year. Alibaba Group, in which Yahoo owns an approximately 40 percent stake, is the parent company of Hong Kong-listed Alibaba.com Inc. Ma said Alipay, an affiliate providing online-payment services that was recently transferred out of Alibaba Group to a separate company controlled by Mr. Ma, already has made a contribution to Internet users by challenging banking services.
- **Google Inc. added a new service to collect group-buying deals in the Asian nation. Shihui can be translated as a timely benefit.** Google has been losing market share in China's search market to Baidu Inc. since January 2010, when the Mountain View, California-based company said it was no longer willing to comply with China's requirements for websites to self-censor content. Two months later, Google redirected Chinese users to an unfiltered site in Hong Kong. Google's share of China's search market declined to 19 percent in the second quarter of this year, from a peak of 36 percent in the fourth quarter of 2009, according to Analysys International.
- **China's online retail sales reached 370.7 billion yuan (US\$58 billion) in the first half of this year, surging 74 percent year on year, according to Analysys International.** In the second quarter, online sales amounted to 192.4 billion yuan (US\$30.1 billion). Chen Shousong, an analyst at



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Analysys, said that the growth from the second half of last year to the first half of this year slowed to 20.7 percent, indicating that high speed growth of China's online retail market was stabilizing, especially for the C2C market. He predicted that the future growth of the industry would depend on the B2C market. Chen attributed the slowdown of C2C market growth to the slower expansion of the platform Taobao.com. Analysys holds that competition in China's B2C market is much more intensive than on the C2C market, as companies in the B2C market have established access barriers to the industry, including IT capability and distribution systems.

### *Telecommunications*

- **Huawei Technologies will build or acquire a factory in Brazil to manufacture handsets and panel computers as its sales situation is predicted to change dramatically, according to Li Ke, chief executive of Brazil branch of Huawei.** Turnover of telecommunications infrastructure equipment, which accounted for 75 percent of the total of Huawei's revenues in Brazil, is expected to reach US\$1.8 billion this year. However, in view of the fast development of the handsets and device units and the complex operation in Brazil, especially taxation issues, Huawei was considering having its own production facilities, noted by Li. Sales revenues of handsets and devices in Brazil are expected to surge 80 percent in 2011. Huawei had not excluded possibility of acquiring local manufacturing businesses, added Li. Huawei has tended to rely on such third party manufacturers as Flextronics International and Foxconn International Holdings to produce its equipment for Europe and South America.
- **Datang Telecom Technology & Industry Group is interested in acquiring the 20 percent stake in Guyana Telephone and Telegraph Company (GT&T) owned by the government, Stabroek News reports.** Datang is already in talks with the government and is offering US\$30 million for the stake. The price comprises an initial payment of US\$10 to 25 million with the remainder to be paid over a period of up to ten years.

### *Media, Entertainment and Gaming*

- **Shanda Interactive Entertainment announced its unaudited consolidated financial results for the second quarter ended June 30, 2011.** Consolidated net revenues increased 5 percent quarter-over-quarter and increased 26 percent year-over-year to 1,709.8 million yuan (US\$264.2 million). Shanda Games' revenues increased 5 percent quarter-over-quarter and increased 19 percent year-over-year to 1,320.5 million yuan (US\$204.0 million). Shanda Online's revenues increased 2 percent quarter-over-quarter and increased 24 percent year-over-year to 308 million yuan (US\$47.6 million). Other revenues decreased 1 percent quarter-over-quarter and increased 53 percent year-over-year to 403.8 million yuan (US\$62.4 million).

## Taiwan

### *Semiconductors*

- **Taiwan Semiconductor Manufacturing Co. expects sales for the third quarter of this year will go beyond its expectations on the back of short-term rush orders it has received.** TSMC projects to post NT\$102 billion (US\$3.4 billion) to NT\$104 billion (US\$3.5 billion) in sales on a consolidated basis for the third quarter. Due to the rush orders, TSMC's sales in August grew 6.2 percent from July to NT\$37.65 billion (US\$1.3 billion), which ranked the second highest level after the NT\$38.43 billion (US\$1.3 billion) registered in October 2010. The August figure was also up 0.7 percent from a year earlier. In the first eight months of this year, TSMC had NT\$288.96 billion (US\$9.7 billion) in sales, up 6.3 percent year-on-year. TSMC did not expect such short-term rush orders will continue into the fourth quarter as uncertainty over the global economy remains in place.



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TSMC chairman Morris Chang has cut the growth forecast of the global foundry business by almost half to 7 percent for 2011. In reflection of the slowing growth, the company has lowered its 2011 capital expenditure plan to US\$7.4 billion. United Microelectronics Corp. witnessed its August sales fall 6.91 percent from July to NT\$8.2 billion (US\$277 million) on weakening demand.

- **MediaTek Inc.'s sales for August hit a record 11-month high on the back of a recovery in demand from China.** Last month, the IC designer had sales of NT\$8.31 billion (US\$285 million), up 16.33 percent from July but down 17.23 percent from a year earlier. The August figure was the highest since September 2010, when revenue totaled NT\$9.86 billion (US\$333 million). It was the third consecutive month MediaTek had scored month-on-month sales growth. In the first seven months of this year, it had NT\$56.27 billion (US\$1.9 billion) in sales, down 30.47 percent from a year earlier. MediaTek said rising demand from the Chinese market reflected a acquiring spree ahead of the Oct. 1 National Day holiday. The company said that since the high-tech market entered the current peak season of the year in the third quarter, the IC designer has witnessed growth in ICs for use in cellphones, Blu-ray DVD players and digital TVs.

### *Mobile/ Wireless*

- **HTC has become the latest company to flag possible mobile OS intentions, by revealing it is weighing acquiring its own platform.** Chairwoman Cher Wang has been reported as stating that the company has internally debated acquiring an OS platform, but that it is in no hurry to decide whether to do so. The comments have led to speculation that HTC could be considering acquiring out WebOS from HP, should the latter - as some expect - decide to sell. The Taiwanese vendor is shaping up as one of the most likely acquirers, after Samsung unequivocally ruled out acquiring the platform. Other pundits have suggested HTC could be a possible suitor for MeeGo, if rumors of Nokia and Intel seeking to exit the platform prove accurate. But Wang indicated that HTC believes it can provide enough differentiation to existing platforms such as Android at the user interface and software layers, so it may decide it has no need for its own OS. Regardless, her comments have added fuel to concerns that Google's planned US\$12.5 billion acquisition of Motorola Mobility could lead some Android handset makers to seek new platforms, for fear that Google may start granting preferential treatment to Motorola at their expense.
- **Android phones command a 32 percent share of Taiwan's smartphone market now, higher than the 25 percent for iOS-powered phones, reports Cens citing a study by Google.** The survey showed that 26 percent of handset users polled on the island have smartphones, with 83 percent of whom owning their first ones now. As to mobile activity, 43 percent of smartphone owners said that they use phones for mobile search every day, with 38 percent of the total focusing on browsing social websites and the remainder watching videos with their phones. The number of applications installed on a smartphone averages 25, eight of which are paid for. Higher-end smartphone are more sought-after with Taiwanese smartphone owners, as they prefer models built with larger touch screens and higher-definition cameras. The survey shows Taiwan's mobile online shopping market has huge growth potential, as 22 percent of local smartphone owners polled use their phones to assist shopping.
- **Taiwan's smart handheld device sector will generate about NT\$1.28 trillion (US\$43.8 billion) in production value in the next five years, according to the Ministry of Economic Affairs.** The ministry said that due to the bright outlook of the sector, it will launch an action plan in November to facilitate the development of the local smart handheld industry by pushing for development of critical components, such as active-matrix organic light-emitting diode (AMOLED) and graphics processing units (GPUs). According to the MOEA's plan, the ministry will organize a partnership among the local high tech heavyweights to transform Taiwan into a handheld device innovation center and promote domestically made products in the global market. The electronics firms targeted by the MOEA

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include: smartphone maker HTC, contract notebook computer makers Quanta Computer, Compal Electronics, and Inventec, PC vendors Asustek Computer and Acer, flat panel suppliers Chimei Innolux and AU Optronics, and integrated circuit designer MediaTek.

- **TCL Communication Technology Holdings has released shipment figures for its handsets and other products in August and the first eight months of this year.** In August, the group's handsets and other products sales totalled 3.60 million units, up 20 percent from the corresponding period in 2010. Of the total sales, smartphones accounted for 143,906 units. About 3.30 million units were sold in overseas markets and 303,113 units were sold in China in August, representing year-on-year increases of 15 percent and 133 percent, respectively. For the first eight months this year, the cumulative sales volume of handsets and other products grew 32 percent to 26.67 million units, with 24.18 million units sold in overseas markets, representing an increase of 30 percent from the corresponding period of the previous year.
- **Smartphone shipments in Taiwan overtook feature phone shipments for the first time during the second quarter of 2011, IDC said.** Shipments of smartphones in the second quarter of this year totaled 980,000 units, up 145 percent year-on-year, but the quarterly growth was only 5 percent. During the same period, feature phone shipments dropped to a record low, down 17 percent from the first quarter and 32 percent from a year earlier, falling below one million units for the first time. In Taiwan, overall mobile phone shipments in the second quarter totaled 1.97 million units, down 8 percent from the first quarter, but up 6 percent from a year earlier, the IDC report showed. According to IDC, Google's Android operating system, which overtook Nokia's Symbian in the third quarter of last year, continues to top Taiwan's smartphone market with a nearly 70 percent share in the second quarter, followed by Apple's iOS.

### *Hardware*

- **The Taiwanese PC makers' cloud services market will be worth TWD 41 billion (US\$1.4 billion) in 2014, based on a CAGR from 2009 to 2014 of 21.8 percent, reports Cens.** Dampened by the U.S. and Europe's pessimistic economic outlooks, global investments by both governments and enterprises in IT products will show a CAGR of less than 5 percent in the period. By contrast, the scale of the global market for cloud computing applications is estimated to shoot up to US\$42 billion in 2014 from US\$12.3 billion in 2009, for a CAGR of 27.4 percent. The business opportunity has lured a number of Taiwanese high-tech companies, especially those relying on PCs, to venture into the market by developing related hardware in recent years. For instance, Quanta Computer, Wistron, Inventec, Hon Hai Precision Industry and Asustek Computer have been engaged in developing cloud servers, as Acer and Chunghwa Telecom have also worked on cloud data centres.
- **Notebook computer shipments by Taiwan's Compal Electronics Inc. in August were relatively flat in August from a month earlier, defying the conventional wisdom that the third quarter is a traditional peak season for the high-tech sector.** Compal had about 3.3 million notebooks in August, roughly the same amount as in July, with strong demand from China offsetting weakness in other markets around the world. The company has estimated that notebook shipments for the third quarter would total 10.20 million units, but it admitted that reaching the target would be a challenge judging by the roughly 6.5 million units it shipped in July and August. Compal said shipments in September were likely to grow slightly from August under the current unfavorable circumstances. Despite stable notebook volume in August, Compal's consolidated sales slipped to NT\$55.07 billion (US\$1.87 billion), down 1.5 percent from July and 16 percent lower than a year earlier. In the first eight months of the year, Compal's sales totaled NT\$444.14 billion (US\$14.9 billion), down 21 percent from a year earlier. Notebook shipments during the eight-month period were between 27.60 million and 27.80 million units, the company said.

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- **Acer Inc. has revised downward its tablet computer shipment target for 2011 by 10 percent, a company executive said, expanding its gap behind the leader, Apple Inc.** Acer revised downward its full-year forecast for tablet shipments from 5-7 million units to 2.5-3 million units, and the company cut the target further Aug. 24 to 2-2.5 million units due to weakening demand. Acer's smaller rival, Asustek Computer Inc., predicted Aug. 28 that the company will ship 1.5-2 million of its Eee Pad tablet PCs this year, slightly higher than its previous forecast. According to Gartner, worldwide tablet PC shipments will grow to 64 million units this year and to 134 million units in 2012, compared with nearly 20 million in 2010.
- **Hon Hai said that August sales on an unconsolidated basis declined 6.54 percent from July to NT\$214.43 billion (US\$7.2 billion), and also declined 0.17 percent from a year earlier.** For the first eight months of this year, Hon Hai had NT\$1.63 trillion (US\$55 billion) in consolidated revenue, up 21.75 percent from a year earlier. Hon Hai said as demand for consumer electronics products weakened to some extent last month, shipments of personal computers and communications devices remained stable. Hon Hai is the flagship company of Hon Hai Group, which operates a broad production base worldwide, in particular in China, churning out iPads and iPhones for Apple, as also producing gadgets for other multinational high tech giants, such as Dell, Hewlett-Packard and Sony. KBC Concord Asset Management analyst Henry Chen said the market had previously seen Hon Hai would report higher sales in August compared with July as many in the market suspected Apple, which was likely to launch the iPhone 5 in September, had placed large orders with the Taiwanese company to assemble the product.

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

#### *Telecommunications*

- **Indosat is rumored to be close to a long-expected sale of some tower assets, in a deal that could be worth US\$500 million.** Tower Bersama Infrastructure, Solusi Tunas Pratama and Sarana Menara Nusantara have expressed an interest in acquiring around 4,000 towers from Indosat, multiple sources told Bloomberg. Indosat had hinted at a possible sale by stating it was exploring options for its tower business. The company had in May last year also been rumored to be considering divesting its entire tower business, in a deal that could have been worth nearly US\$2 billion. Indosat makes about 20 percent of its mobile service revenue from its tower business, in the first half it earned around 198 billion rupiah (US\$23.16 million) from the unit.
- **PT Telekomunikasi Indonesia Tbk (Telkom) will set aside 1 trillion rupiah (US\$116 million) in funds to realize its acquisition plan in 2012, its president director said.** PT Telkom planned to acquire stakes in a number of companies engaged in other sectors besides telecommunications.
- **PT Telkom may cancel plan to acquire Cambodian telecommunication operator as it is more interested in buying back the entire stake of Singapore's Singapore Telecom in its cell phone subsidiary Telkomsel.** Rinaldi Firmansyah, the president of the state company said Telkom gives first priority to buying back the 35 percent stake its has sold to SingTel over other acquisition plans. Rinaldi said there has been no conclusion on negotiation with the Cambodians on its plan to acquire CamGSM although the process is to be wrapped up in the third quarter of the year. The price of the 35 percent stake it wants to buy back from SingTel is much higher than the cost of taking over CamGSM. However, there has been no indication announced that SingTel would agree to sell the stake back to Telkom.

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- **Philippine Long Distance Telephone is enhancing its 10,000km Domestic Fiber Optic Network to meet the increasing demands for improved resiliency and capacity of the Offshoring and Outsourcing industry in several key regions in Luzon and Mindanao.** The company's DFON consists of ten fibre optic loops across the country which currently offer 1.6 Tbps capacity. PLDT also acquired a fully-supported Reconfigurable Optical Add-Drop Multiplexer that has been deployed and upgraded since 2009. PLDT is targeting the completion of parallel underground fibre in nine segments of the DFON along north and central Luzon to Manila by November this year, as six segments linking Manila to south Luzon where major industrial parks are located are also in progress and are seen to be finished by January 2012. PLDT earlier announced the completion of a new undersea and inland cable that provides a third resilient route between Visayas and Luzon. The new fibre optic cable from Cagayan de Oro to Davao via Bukidnon is set to enhance resiliency of the existing self-healing Mindanao fibre optic loop with a third leg by the first quarter of 2012.
- **Pacnet has commenced construction of its latest Data Landing Station in Hong Kong.** The two-storey facility will be built within the site of Pacnet's EAC-1 CLS in Tseung Kwan O and will be capable of supporting 800 racks and a total IT load of 3 MW in its initial phase.
- **True Corp. PCL expects to end years of net losses and break even in late 2012, Chief Executive Supachai Chearavanont said.** A credit facility worth 48.94 billion baht (US\$1.62 billion) signed recently between its units and four local banks will likely help reduce the company's financial cost substantially. About half of the credit facility will be used to refinance existing debt, which will see its interest cost fall by around four percentage points to 6.0 percent-7.0 percent, Supachai told reporters. The remainder of the facility will be used to invest in third-generation mobile phone services. True Corp. signed 15-year deals with state-owned CAT Telecom in January that will allow it to install a 3G network on CAT's HSPA network in exchange for the right to resell services via its unit Real Move Co. True Corp has planned 25 billion baht (US\$823 million) of capital expenditure for 3G network installation between 2011 and 2012.
- **India's fixed-line subscriber base declined in July to 34.18 million from 34.29 million in June, according to Trai.** BSNL and MTNL hold 82 percent of the fixed-line market share. BSNL's subscribers declined to 24.5 million as the company lost 140,813 customers in July. BSNL has a market share of 71.93 percent. MTNL gained 1,115 subscribers to end the month with 3.44 million and the company had a market share of 10.08 percent. Bharti Airtel gained 5,012 subscribers to bring its total to 3.32 million subscribers and a market share of 9.73 percent. Reliance Communications won 8,991 new customers and ended the month with 1.25 million customers, as Tata Teleservices had 1.33 million subscribers at the end of July, up by 10,059 subscribers.
- **Celcom Axiata had a second quarter profit of MYR 496 million, up 4 percent from MYR 476 million a year earlier.** Revenues for the quarter went up 3 percent to MYR 1.77 billion from MYR 1.71 billion but EBITDA slipped 3 percent to MYR 794 million from MYR 818 in Q2 2010. Celcom ended the quarter with 11.73 million subscribers, up 11 percent year-on-year. Blended ARPU slipped to MYR 49 from 52 and blended MOU went up to 198 from 193 a year earlier.
- **Bahrain Telecommunications is exploring all options to ensure long- term growth of the company's investment in the Indian telecom market.** STel is a joint venture between Siva Group (formerly Sterling Infotech Group) and Bahrain Telecommunications Company (Batelco). The Middle East telecom firm holds 42.7 percent stake in the joint venture company. The reaction comes after media reported that Batelco is looking to sell around 30 percent its stake in STel. Batelco has hired an investment bank to approach potential acquirers for an up to 30 percent stake in the Indian mobile operator. Batelco holds 42.7 percent of S Tel. Batelco CEO Peter Kaliaropoulos didn't confirm or



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deny plans for the stake sale. He said that Batelco is committed to the Indian telecom market, but values the opportunities for growth that will be enhanced by future market consolidation in the industry. Batelco, along with a private-equity partner, bought 49 percent of S Tel for about US\$225 million in early 2009. Bahrain-based Batelco warned earlier this year that losses from the Indian venture would hurt the group's profits this year.

- **Bharti Airtel sees to touch revenues of US\$5 billion from its Africa operations by March (rpt) March 2013.** Last year, in the largest telecom takeover by an Indian firm, Bharti had acquired Kuwait-based Zain Telecom's African business for US\$10.70 billion. The closure of the deal implied that Bharti had received all the approvals from the governments and regulators of each of these 16 nations. During 2010-11, Airtel's Africa operations had a net loss of 480 crore rupees (US\$101 million), as revenues reached 13,083 crore rupees (US\$2766 million).
- **Bharti airtel is understood to have finally will give dividend to its minority partner in Rajasthan circle, state-run TCIL, from next fiscal at the rate of 20 percent or equivalent to the amount it had given to its shareholders.** Bharti Hexacom, a joint venture between Bharti airtel and TCIL, offers mobile services in Rajasthan. Bharti owns 70 percent and the remaining 30 percent is with TCIL. The company offers mobile services in six north-eastern states (excluding Assam) and Rajasthan and has a little over 15 million customers. Telecom Consultants of India has asserted that Bharti should announce an interim dividend in lieu rpt lieu of not declaring it in the last fiscal.

### *Mobile/ Wireless*

- **Vietnamese mobile users are increasingly embracing smartphones, with 849,000 devices sold in the country in the first seven months of 2011, an increase of 73 percent on the same period in 2010, research from GfK said.** Smartphones are helping propel the telecom market in Vietnam, boosting the value of the smartphone industry to hit nearly US\$280 million, a 67 percent increase in sales revenue on the US\$168 million had in the first seven months of 2010. Meanwhile, the growth in feature phone sales is slowing; sales of 8 million units equates to 24 percent growth, down by 10 percentage points on the 2010 period, generating revenue of over US\$530 million. And, despite high mobile penetration, Vietnam's mobile market is seen to continue to experience rapid growth in the coming years. Vietnam was home to 153.7 million mobile customers at the end of 2010, giving a penetration rate of 172.3 percent, according to Hot Telecom. A change in reporting as of the start of 2011 the numbers exclude prepaid users who have not used their phone in the past months, means the number declined to 112.3 million at the end of Q1 2011, although the analyst company predicts the market total will reach 161.5 million (178.7 percent penetration) by the end of the year.
- **India ended July with 858.37 million mobile subscribers, up by 0.78 percent from a month earlier, according to Trai.** Bharti Airtel led the market with 170.7 million subscribers as the company added 1.51 million new customers in the month. Airtel was followed by Reliance Communications with 144.78 million subscribers, up by 1.52 million new customers in the month, and Vodafone was the third largest operator in terms of subscribers with 143 million customers. Vodafone Essar gained 1.49 million new customers in July. Idea Cellular ended the month with 96.11 million subscribers as it signed-up 1 million new customers, BSNL added 1.4 million subscribers in the month to bring its total to 95.14 million. Tata Teleservices lost 2.6 million subscribers in the month to bring its total to 88.31 million, and Aircel/Dishnet added 608,597 new customers in July to bring its customer base to 58.5 million.

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- **The mobile user base in Singapore grew to 7.590 million in July, up from 7.537 million in June, and the mobile penetration rate grew to 149.5 percent from 148.5 percent a month earlier.** Of the total mobile subscribers in Singapore, 235,500 are 2G postpaid subscribers and 1.967 million are 2G prepaid subscribers, according to IDA. The number of 3G postpaid subscribers grew to 3.698 million and the number of 3G prepaid customers went up to 1.689 million. Meanwhile, the number of broadband subscribers went up to 8.907 million in July from 8.529 million in June. The total includes 560,000 xDSL users, 693,000 cable internet subscribers, 7.319 million wireless broadband users, 47,300 fibre subscribers, and 2,500 subscribers using other technologies. Furthermore, some 62,200 people still used dial-up technology in July, down from 62,500 a month earlier.

### *Hardware*

- **Top South Korean and Japanese consumer appliances makers including Samsung Electronics Co. are looking to boost revenue from India as demand for their products remains buoyant in Asia's third-largest economy even as Western markets struggle.** Top executives at the India units of Samsung, Sony, Panasonic and LG Electronics told Dow Jones Newswires separately that they are aiming to expand India revenue and investing here to benefit from the fast-growing economy. They also said high inflation in India hasn't had much impact on demand for computers, laptops, home appliances and mobile phones. Rising income levels in India are driving consumers to acquire more electronic goods such as flat-panel TVs, high-end mobile phones, laptops and air-conditioners at a time when consumer confidence in developed Western markets is falling due to persistently high unemployment and the looming threat of a double-dip recession.

### *Internet*

- **India's Info Edge has committed to investing an additional 13.5 crore rupees (US\$3 million) in online food and lifestyle portal Zomato.com.** Info Edge had earlier invested about 4.7 crore rupees (US\$1 million) in August last year to fund Zomato.com's product development, sales and marketing efforts, Zomato.com said. Zomato.com has expanded to 10 cities, which are Delhi National Capital Region, Mumbai, Bangalore, Chennai, Hyderabad, Pune, Kolkata, Ahmedabad, Jaipur and Chandigarh and increased its coverage from 7,000 restaurants to 18,000 restaurants, as its online user base has increased from 150,000 to over 1 million. The portal now will focus on using the investment to further scale up operations to drive both its existing and new verticals and increase its brand visibility.
- **Ru-Net, alongside other investors, has invested US\$60 million in Vietnam internet holding company MJ Group, reports Vedomosti.** German company Rebate Networks and IDG Ventures also became partners of the company. MJ owns the portals Nhomua.com and Diadiem.com, which offer navigation and e-commerce services, as well Two.vn, a mobile applications company, and Two Media, an online advertising company. The company has around 500 employees in Hanoi and Ho Chi Minh City.

### *Media, Gaming and Entertainment*

- **GS Home Shopping Inc. will launch a TV shopping channel in Thailand next month in the first such move by a local retailer to advance into the Southeast Asian country.** The company will partner with three local companies, a satellite TV operator, a mall operator and a convenience store operator to start TrueGS, a TV home shopping channel. TrueGS will be capitalized at around 9 billion won (US\$8.36 million). TrueVisions, Thailand's leading satellite TV operator, will own a 45-percent stake in the TV channel and GS Home Shopping will get a 35-percent stake. The Mall Group, a mall operator, and CP All, which runs 7-Eleven convenience stores in Thailand, will each have a 10-percent stake in the TV channel. GS will run and manage the home shopping channel as TrueVisions

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will offer the broadcasting platform. The Mall Group will supply products based on its networks of department stores and malls and CP All will be in charge of shipments.

### United States/Canada

#### *Internet*

- **Groupon Inc. has begun offering discounts on products sold over the Web in the U.K., thrusting the Internet-coupon company into closer competition with the likes of Amazon.com Inc. and eBay Inc.** The company is advertising discounts of at least 80 percent off products to its U.K. customers. When users purchase a product deal, they receive a code to enter into the manufacturer's website for a discount on their online order. Groupon, which makes most of its revenue selling daily deals for local restaurants, hotels and other merchants, may be able to bolster its growth by adding vouchers for e-commerce sites. With its ability to send discounts to at least 115 million e-mail subscribers, Groupon could attract sellers that normally hawk their wares on Amazon and eBay, said Scot Wingo, chief executive officer of ChannelAdvisor Corp. Groupon's National Deals feature has offered mattresses from UK-Bedding, teeth-whitening kits from Whitening Professionals and customized photo albums from Albelli. In each case, Groupon has sold at least 10,000 items.
- **Friendster is gaining momentum with increasing users and premium games.** Friendster has attracted at least half a million new users and now includes over 40 premium games in 2 months after it was introduced to the public on June 28. The new site is aimed at bringing social games to young Asians and helping games publishers and developers tap the robust gaming Asian markets. Social gaming is a new genre of easy to play online game that is played by a wide demographic of users with their friends on social networks. Some of the most popular social games on Friendster includes BoomZ and Dragon's Call. Monthly Active Users and Daily Active Users have increased by 50 percent. At least 90 percent of the new users are now based in Asia. There are currently over 40 premium games and hundreds of free-to-play games and applications; with nearly half of the new users play between one to five games in the last 30 days.
- **AOL Inc. Chief Executive Officer Tim Armstrong is talking with advisers to Yahoo Inc. about possibly merging the companies, Bloomberg News reported.** Armstrong is gauging Yahoo response on options for combining the two Internet companies, the people said, according to Bloomberg. He has talked with private-equity firms and investment bankers from Allen & Co. working with Yahoo, one person told Bloomberg.
- **Social networks and blogs continue to dominate the US consumers' time online, now accounting for nearly a quarter of total time spent on the internet, according to a Nielsen report.** At over 53 billion total minutes during May, US users spend more time on Facebook than they do on any other website. The report also shows that Tumblr is an emerging player in social media, nearly tripling its audience from a year ago. Around 40 percent of social media users access social media content from their mobile phone. Internet users over the age of 55 are driving the growth of social networking through mobile internet services. Nearly 70 percent of active online adult social networkers shop online, 12 percent more likely than the average adult internet user.
- **By 2015, more US internet users will access the internet through mobile devices than through PCs or other wireline devices, according to IDC.** The number of mobile internet users will grow by CAGR of 16.6 percent between 2010 and 2015. The impact of smartphone and media tablet adoption will be so great that the number of users accessing the internet through PCs will first stagnate and then slowly decline. Western Europe and Japan will not be far behind the US in following



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this trend. Worldwide, the total number of internet user will grow from 2 billion in 2010 to 2.7 billion in 2015, when 40 percent of the world's population will have access to its vast resources. Global B2C e-commerce spending will grow from US\$708 billion in 2010 to US\$1,285 billion in 2015 at a CAGR of 12.7 percent.

- **Netflix Inc. completed the launch of streaming-content services in Latin America by launching in the Caribbean, Mexico and Central America.** The operator of the movie-rental and video-streaming website kicked off its Latin American expansion in Brazil, followed by Argentina, Uruguay, Paraguay, Ecuador, Peru and Venezuela. The company's first venture outside the U.S. and Canada comes shortly after its streaming services suffered a setback in content licensing. Early this month, pay-TV channel Starz called off talks to renew its streaming deal with Netflix, which would turn off the tap on an ample source of newer movies for the site's subscribers. However, the existing contract continues until February, and Netflix sees to double the number of hours of content available on the site by the end of the year.
- **FriendFinder Networks has acquired BDM Global Ventures, the company which owns the operations of JigoCity, for a combination of stock and warrants.** The merger consideration consists of approximately 1.6 million shares of FFN common stock and approximately 6.4 million FFN warrants with exercise prices ranging from US\$5-18 per share. Assuming the cashless exercise of all the warrants at the highest exercise price, the merger consideration will be approximately US\$65 million. JigoCity is a global social commerce organisation committed to providing members with daily deals that are relevant to their individual lifestyles. JigoCity is led by a management team including founder and chief executive officer Tony Bobulinski, founder and chief marketing officer Michael Dorman and founder and chief strategy officer Joshua Mallamud.
- **Groupon Inc., LivingSocial and other daily-deal websites will generate US\$4.17 billion in U.S. sales in 2015, at least double the amount this year, research firm BIA/Kelsey estimates.** The market will be worth US\$1.97 billion in 2011. The company has revised its projections since March, when it predicted smaller sales this year but a faster growth rate from 2011 to 2015. Even as Groupon and LivingSocial increase sales, other companies have lost interest in the daily-deal industry. Facebook and Yelp have pulled back on deals, and some consumers and merchants have begun to grow weary of getting scads of offers from discount providers. That means a slower annual growth rate in coming years than in 2011. At least 600 daily-deal providers have crowded into the market and they're increasingly targeting users based on their location and interests. Still, the average number of transactions and price per transaction on the sites is growing.
- **Yahoo! Inc.'s former Chief Executive Officer Carol Bartz has resigned from the board, severing the last ties with the Internet company after a tumultuous ouster.** Bartz stepped down as a director on Sept. 9, said Charles Sipkins, a spokesman for Sunnyvale, California-based Yahoo's board. She was fired by telephone three days earlier by Chairman Roy Bostock, leading Bartz to accuse the board of mistreatment in a Fortune magazine interview. Bartz had said to Fortune that she planned to remain on as a director following her firing as CEO, prompting the board to issue a statement last week saying she was obligated to resign.
- **Yahoo! Inc. investor Third Point LLC ramped up pressure on the company's board, saying it may add to its 5.2 percent stake and reiterating a demand that Chairman Roy Bostock step down.** Daniel Loeb would seek U.S. approval to acquire more stock and criticized Bostock's oversight of the company in a letter to Yahoo co-founder Jerry Yang. Loeb said he told Bostock and Yang in a Sept. 12 phone conversation that he planned to pursue whatever efforts were necessary to remove Mr. Bostock from the board. The dialogue ended when Bostock terminated the call, Loeb said. Bostock fired Yahoo CEO Carol Bartz by phone last week after less than three years on the job. Bartz was

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hired to help Yahoo revive the Web portal's sales growth and boost its shares after the 2008 decision to reject a US\$47.5 billion offer from Microsoft Corp.

### *Media, Entertainment and Gaming*

- **Time Warner Cable has priced a US\$2.25 billion underwritten public offering of debt securities, including US\$1 billion aggregate principal amount of 4 percent notes due 2021 and US\$1.25 billion aggregate principal amount of 5½ percent debentures due 2041.** The net proceeds from the issuance of the debt securities are seen to be used for general corporate purposes, which may include the repayment of debt. The sale of the debt securities is expected to close on 12 September.

### *Semiconductors*

- **Broadcom Corp will acquire NetLogic Microsystems Inc for approximately US\$3.7 billion to expand its lineup of chips used in wireless network equipment to take advantage of growing demand for mobile data services.** The US\$50-per-share deal, which represents a premium of 57 percent over NetLogic's close of US\$31.91 on the Nasdaq, sent NetLogic's shares soaring 50 percent. But Broadcom shares were down 2.5 percent at US\$32.60 as some investors questioned the steep premium. Broadcom Chief Executive Scott McGregor defended the premium, noting that NetLogic would bring faster profit and revenue growth and that the addition of the products to Broadcom's lineup would double the size of the network equipment market it can go after to about US\$12 billion by 2015. Broadcom would continue to look for more acquisitions in the communications chip market.
- **Texas Instruments narrowed and lowered its forecasts for revenue and earnings per share in the third quarter.** The reductions are due to broadly lower demand across a wide range of products, markets and customers, the company said. It now sees revenues of US\$3.23-3.37 billion, down from the previous range of US\$3.40-3.70 billion, as the EPS outlook was narrowed to US\$0.56-0.60, from US\$0.55-0.65.

### *Technology*

- **Cisco Systems Inc. executives predicted annual sales growth of 5 percent to 7 percent by 2014, a slowdown from the range of 12 percent to 17 percent the networking-gear maker had been predicting until this year.** The company also forecast per-share earnings growth of 7 percent to 9 percent in the coming three years, and operating margins in the mid-20s percentage range. The earnings growth represents an improvement from last quarter's decline, and the operating margin would be higher than last year's 19.6 percent. Chief Executive Officer John Chambers is eliminating jobs and exiting businesses in a bid to revive sales growth and reverse the slide that has knocked 19 percent off Cisco's share price this year. In all, 12,700 people have departed as part of a cost-reduction effort, Cisco said.

### *Hardware*

- **When Facebook Inc. set out to build two new data centers, engineers couldn't find the server computers they wanted from Dell or HP.** They decided to build their own. Hewlett-Packard, Dell and companies that sell the computers off the shelf are losing sales in a key market because Facebook and Google are leading a switch among Internet companies to do-it-yourself servers. These customized machines now account for 20 percent of the U.S. market for servers, which generated US\$31.9 billion globally in last year, according to Gartner. As sales of personal computers slump and consumers shift to tablets such as iPad, computer makers are becoming more dependent on servers. Dell and HP lose out when they're shunned by large customers such as Facebook, which are outfitting data centers with thousands of servers.

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- **HP sold US\$4.6 billion of bonds with yields hovering at about record lows to help pay for the proposed acquisition of Autonomy Corp.** HP computers sold the debt in five parts with maturities from three to 30 years, according to Bloomberg. HP extended a deadline for search-software company Autonomy's shareholders to agree to the sale. Sales of corporate bonds are rebounding, after falling in August to the lowest since May 2010, as investors gain confidence that companies can survive a slowing U.S. economy and Europe's sovereign debt crisis. Yields on investment-grade corporate debt averaged 3.7 percent and touched 3.45 percent, the lowest in data extending to October 1986, on Aug. 4, according to the Bank of America Merrill Lynch U.S. Corporate Master Index. The company sold US\$350 million of three-year floating-rate securities that pay 155 basis points at least the three-month London interbank offered rate, Bloomberg data show.
- **Dell has added US\$5 billion to its stock- buyback program, citing a resurgence in its cash flow.** The repurchase adds to the US\$2.16 billion remaining from prior authorizations at the end of the fiscal second quarter, which ended in July, Dell said. The Round Rock, Texas-based company spent US\$1.6 billion on buybacks through the first half of the year. Dell has cut expenses and focused on more profitable customers and products, helping boost its cash and investments to a record US\$16.2 billion at the end of last quarter. In August, the company said operating income would increase by as much as 23 percent this fiscal year, excluding some items. That was up from a previous forecast of as much as 18 percent. The company ranks second to HP in PC sales.

### *Software*

- **Microsoft Corp. is likely to raise its dividend 19 percent as early as this week, frustrating investors who are clamoring for a bigger payout from its US\$52.8 billion cash hoard.** The projected increase to 19 cents a share per quarter would be similar to last year's rise. As Microsoft's board is aware of the shareholder demands, it will most likely stay with the usual increase. Microsoft's cash and short-term investments swelled 43 percent in the past fiscal year. With the shares losing at least 7 percent of their value in 2011, more investors want the company to boost its payout. Chief Executive Officer Steve Ballmer has said that Microsoft's dividend policy is to raise payments in line with annual gains in operating income, which climbed 13 percent in the year that ended in June.

## Europe

### *Telecommunications*

- **France Telecom SA is close to an agreement to purchase Congo China Telecom, the fourth-largest mobile operator in the Democratic Republic of Congo.** The deal could be announced as early as this week and may value the company, which is jointly owned by China's ZTE Corp. and the Congolese government, at about 160 million euros (US\$218 million) including debt, one of the people said. Both declined to be identified because the talks are private. France Telecom, the country's largest phone company, is scouring Africa and the Middle East for potential acquisitions, including in some of the region's poorest and most unstable countries, as it aims to offset slowing growth in its domestic market. In March, the Paris-based company will pay US\$245 million for a 20 percent stake in Iraqi operator Korek Telecom, and last year bought 40 percent of Morocco's Meditel for 640 million euros (US\$884.5 million).
- **Polskie Koleje Panstwowe SA has invited interested parties to bid for its telecommunications subsidiary, TK Telekom Sp zoo.** Several Polish telecommunications assets have either been sold or put up for sale in the past year as various companies with a communist-era history divest non-core assets. Interested parties that receive an information package have until Oct. 24 to enter their bids for 100 percent of PKP's telecommunications subsidiary. Poland's Treasury Ministry owns 52.09 percent

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of TK Telekom and PKP 47.91 percent. The Treasury Ministry is aiming to raise 15 billion zlotys (US\$4.75 billion) this year from privatizations.

### *Internet*

- **InternetQ PLC had a 23 percent rise in first-half pretax profit and said it is on the hunt for acquisitions to accelerate its geographical expansion.** InternetQ, which floated on London's AIM stock market in December and raised 12 million pounds (US\$18.9 million) from shareholders in July, said its pipeline of new business is strong. Chief Executive Konstantinos Korletis told Dow Jones Newswires that the number of meetings with major mobile operators during the first half at least doubled on a year ago, which he expects to translate into revenue in the second half and beyond. Korletis said revenue in the company's traditional markets of Greece and Poland declined due to economic weakness and increased competition, as well as the decision to exit its legacy call center business. Overall revenue growth was 16 percent, considerably slower than the at least doubled revenue reported for the 2010 full year. Revenue should climb faster in the second half as the company now has greater exposure to higher growth regions, he added.

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### Other Economic Data

Currency Exchange Rates						
Currency	Units	Current Rate (on 9/16/11)	% Change 1 Week Ago	% Change 1 Month Ago	% Change 1/1/2011	% Change 1/1/2010
Japanese yen	¥/US\$	76.7700	-1.0%	-0.1%	-5.4%	-17.4%
Hong Kong dollar	HK\$/ US\$	7.7913	-0.1%	0.0%	0.2%	0.5%
Chinese renmenbi	RMB/ US\$	6.3820	-0.1%	-0.1%	-3.2%	-6.5%
Singapore dollar	S\$/ US\$	1.2404	1.0%	3.3%	-3.3%	-11.7%
South Korean won	KRW/ US\$	1,112.4000	3.3%	4.2%	-0.7%	-4.4%
New Taiwan dollar	NT\$/ US\$	29.5400	1.2%	2.2%	1.3%	-7.5%
Australian dollar	US\$/A\$	1.0359	-1.1%	-1.4%	1.5%	15.5%
New Zealand dollar	US\$/NZ\$	0.8283	0.9%	-0.5%	6.3%	14.4%
Philippine peso	PHP/ US\$	43.2600	1.9%	2.1%	-0.8%	-6.9%
Euro	US\$/€	1.3797	1.1%	-4.5%	3.1%	-3.6%
British pound	US\$/£	1.5786	-0.6%	-3.7%	1.2%	-2.3%

### Fixed Income Prices and Yields

Note	Currency	Current (on 9/16/11)		1 Week Ago		4 Weeks Ago	
		Price	Yield	Price	Yield	Price	Yield
US 30-year	US\$	108.16	3.32%	109.63	3.24%	99.59	3.77%
Japan 30-year	¥	101.29	1.93%	100.34	1.98%	103.68	2.00%
Hong Kong 10-year	HK\$	105.69	1.59%	105.40	1.62%	102.87	1.87%
China (06/16)	US\$	103.32	3.91%	103.08	3.91%	103.81	3.79%
Singapore 10-year	S\$	105.75	1.61%	106.48	1.53%	104.55	1.74%
South Korea 20-year	KRW	11,446.95	3.78%	11,574.53	3.69%	11,231.89	3.90%
Australia 15-year	A\$	110.06	4.38%	109.79	4.41%	110.18	4.38%
New Zealand (12/17)	NZ\$	111.63	4.48%	111.32	4.52%	111.63	4.50%
Philippines 20-year	PHP	105.47	7.47%	107.75	7.26%	100.90	7.91%
India 30-year	INR	96.52	8.63%	96.45	8.63%	96.89	8.59%
UK 30-year	£	110.57	3.66%	111.25	3.63%	105.20	3.95%
Germany 30-year	€	140.12	2.75%	139.52	2.77%	129.23	3.19%

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