

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



Week of 11 May - 17 May 2003

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Equity Market Indicators					
Index	Closing Level (5/16/2003)	% Change 1 Week Ago	% Change 1/1/2002	% Change 1/1/2003	% Change 2002 Low
S&P 500	944.30	1.2%	-18.2%	7.3%	21.9%
Dow Jones Industrial Avg.	8,678.97	0.9%	-13.8%	4.0%	19.6%
Dow Jones Tech. Index	254.04	3.5%	-24.7%	10.6%	37.6%
Dow Jones Telecom. Index	155.51	2.1%	-25.4%	5.2%	29.9%
NASDAQ Composite	1,538.53	1.2%	-22.3%	15.2%	39.2%
The Street.com Net	114.99	4.8%	-41.2%	34.2%	83.5%
Japan Nikkei 225	8,117.29	-0.4%	-25.3%	-5.4%	-2.2%
Japan TOPIX	819.17	-0.5%	-22.3%	-2.9%	0.5%
Korea KOSPI Composite	610.81	-1.3%	-15.7%	-2.7%	6.0%
Korea Kosdaq	43.98	0.5%	-40.9%	-0.9%	1.1%
Taiwan Stock Exchange	4,283.77	0.9%	-23.5%	-3.8%	12.5%
Singapore Straits Times	1,304.91	-1.0%	-19.7%	-2.7%	-1.5%
Hong Kong Hang Seng	9,093.18	0.1%	-19.9%	-2.4%	3.0%
Hong Kong GEM	1,064.20	6.2%	-78.9%	12.0%	15.1%
China Shanghai (A-Share)	1,627.76	2.2%	-2.9%	14.7%	18.1%
China Shenzhen (A-Share)	449.91	2.1%	-8.2%	9.7%	15.0%
China Shanghai (B-Share)	116.49	-1.8%	-31.1%	2.6%	3.9%
China Shenzhen (B-Share)	216.53	2.0%	-17.2%	15.8%	15.8%

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## Technology, Media, Telecommunications and Life Sciences Market Activity

### NASDAQ/NYSE TMT and Life Sciences IPO Filings

File Date	Issuer	Industry Sector	Size (\$MM)	Description	Book-Runner	Co-Manager
5/14/03	Journal Communication Inc. [JRN.US] (NYSE)	Media	US\$250	Publisher of two major daily newspapers in the Milwaukee, Wisconsin market. The Company also provides high quality, multi-color offset, sheet-fed and gravure printing services and operates 3 TV stations and 5 radio stations	Morgan Stanley	Robert W. Baird & Co.

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

Pricing Date	Issuer (Exchange)	Description	Size (US\$MM)	Offer Price	Price on 5/16/03	% Change From Offer
N/A						

### Asian Equity Markets: TMT and Life Sciences IPO Pricing

Pricing Date	Issuer (Exchange)	Description	Size (US\$MM)	Offer Price	Price on 5/16/03	% Change From Offer
5/12/03	Synmosa BioPharma Corp. [4114.TT] (GRETAI)	Produces prescription & over-the-counter medicine and healthcare products; also distributes pharmaceutical products from Aventis and Orion	US\$2.6	NT\$25	NT\$22	-13.2%
5/15/03	Motech Industries Inc. [6244.TT] (GRETAI)	Manufactures and markets solar cells as well as testing and measuring instruments	US\$2.7	NT\$43	NT\$45	4.7%

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## Weekly Highlights

### International

#### *e-Commerce*

- **Online retailer sales surged 48 percent in 2002, according to a study by Shop.org, a division of National Retail Federation and Forrester Research.** The report shows sales rose to US\$76 billion last year, and forecasts Internet retail sales will grow 26 percent to US\$96 billion in 2003. The report said U.S. online retailers continue to boost both revenue and profit numbers, and indicates that 70% of the 130 online retailers surveyed posted positive operating margins last year, compared with 56% in 2001. The study predicts online sales will account for 4.5% of total retail sales in 2003, up from 3.6% last year.

#### *Media, Entertainment and Gaming*

- **Electronic Arts is about to throw its considerable weight behind Sony Corp. to challenge Microsoft.** When EA puts its biggest blockbuster sports games online, they will be available only in versions for Sony game consoles. The exclusive deal shuts out rival game-machine makers from access to the popular EA Sports line in its new online form and is a particular rebuke to Microsoft, whose Xbox competes with Sony's PlayStation 2.
- **AOL Time Warner Inc. and Bertelsmann AG are in active talks to merge their music divisions in a transaction that would have each company owning 50% of the new entity.** Both companies' music-publishing operations would likely be excluded from the merged venture. Last year, Warner Music had revenue of US\$4.2 billion, while BMG had revenue of US\$3.1 billion.
- **Universal Music Group sued Bertelsmann AG over the German media company's investment in Napster Inc., the defunct file-sharing service.** In a suit filed in U.S. District Court in New York, Universal claims Bertelsmann's funding of Napster contributed to copyright infringement on the peer-to-peer file-swapping network. Although the network shut down in the summer of 2001 after a federal court in San Francisco ordered it to remove pirated music, the complaint nonetheless claims Bertelsmann "deliberately and egregiously infringed" Universal's copyrights.
- **A phenomenal year is expected in the gaming industry, spurred in part by the highly anticipated release of the sequels to hit games such as "The Sims", "Doom" and "Half-Life".** Additionally, with "Halo 2", "World of Warcraft" and "Gran Turismo 4" in the pipeline, 2003-2004 is shaping up to be a stellar year for the industry.

#### *Mobile / Wireless*

- **Sales of ringtones have grown into billion-dollar industries in Europe and Asia but in the U.S. such sales are still in their infancy. That could change quickly, as users upgrade handsets and become more accustomed to paying for cellphone services.** The U.S. has lagged behind Europe and Asia in cellphone technology, and ringtones are no different. In Western Europe, the ringtone market grew to €1.2 billion (US\$1.4 billion) in 2002, from €941 million (US\$1.1 billion) the year before, according to the European Information Technology Observatory, a trade association in Frankfurt. In the U.S., ringtones generated only US\$16.6 million in sales last year. That figure is expected to more than double this year and shoot up to more than US\$400 million in 2005, according to IDC research.

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## *Software*

- **PeopleSoft plans to have all its business software running on Linux by the end of the year,** making it the latest high-technology company to embrace the free operating system. IBM is PeopleSoft's strategic Linux technology partner and the software maker chose several key IBM products as preferred Linux development platforms. PeopleSoft's Web server is now available to run Linux on IBM's WebSphere application server and eServer xSeries. The company expects to boost its one Linux-ready application to 170 applications by the end of this year, all of which will run Websphere and IBM's DB2 database.

## **Japan**

### *Media, Entertainment and Gaming*

- **Sony Corp. plans to launch a hand-held videogame player.** Sony said its "PSP" -- short for PlayStation Portable -- will begin selling toward the end of 2004 and will feature a 4.5-inch display screen and a high-performance microprocessor for running sophisticated games. Unlike many hand-held game players, the PSP is designed to be linked by wire to other PSPs as well as cellphones, personal computers or Sony's PlayStation 2 home videogame console.

### *Mobile / Wireless*

- **Japanese electronics firms' shipments of mobile phone handsets posted the highest year-on-year growth in two and a half years as customers shifted to more advanced digital and third-generation models.** Domestic shipments amounted to 5 million handsets in March, up 58.4% from a year earlier, according to the Japan Electronics and Information Technology Industries Association (JEITIA).
- **Sanyo Electric Co., Kyocera Corp. and other electronics manufacturers are gearing up to market their cellular phones with built-in cameras in the U.S..** Sanyo doubled production of a new model released the previous month doubling output capacity from 150,000 units a month to 300,000 units. The company plans to continue increasing capacity for June and beyond. The firm began shipping phones with built-in cameras last April and they sell for US\$99, well below the current average of US\$300 for models with cameras.

### *Semiconductors*

- **A giant chip-making joint venture between Japanese hi-tech leaders NEC and Hitachi plans to start mass-producing high-speed, next-generation DRAM chips this summer.** The joint venture would manufacture a 512 megabit DRAM chip called DDR2, which has a data transfer speed of 533 megabits per second, making it suitable for use in high-performance computers and servers.

### *Telecommunications*

- **NTT announced group sales for the fiscal year ended March 31<sup>st</sup> declined 1% on the year to ¥10.9 trillion (US\$93.7 billion), marking the first-ever decline in overall revenue since the firm's establishment in 1952.** The firm attributes the slip to the fact that mobile phone service sales failed to offset a decline in revenues from fixed-line phone services. NTT's regional arms, NTT East Corp. and NTT West Corp., saw their sales -- primarily in areas like fixed-line phone services -- fall by ¥413 billion

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(US\$3.5 billion). In addition to the decline in voice call services, the use of fixed-line services for data transmission has fallen as well.

- **NTT returned to profitability in the fiscal year ended March 31 on the back of aggressive cost-cutting, which will include an additional 3,900 layoffs.** The nearly 2% job reduction comes on top of the 16,100 jobs trimmed during the last fiscal year, which brought the work force at NTT down by 7% to 207,400 people, from 223,500 the previous year. For the fiscal year just ended, NTT posted a net profit of ¥233 billion (US\$2 billion), a significant improvement from the ¥835 billion (US\$7.2 billion) loss for the prior fiscal year.

## Korea

### *e-Commerce*

- **Internet Auction Co.--Korea's largest online auctioneer--posted 6.1 billion won (US\$5.1 million) in net profit for the first quarter of 2003,** helped by a steady increase in transactions, despite the gloom plaguing the overall dot-com sector. Its first-quarter earnings exceeded the total net income achieved in 2002. The figure also represented a 37% increase over the net profit of 4.5 billion won (US\$4 million) posted in the previous quarter. The company reported a record 12.7 billion won (US\$10.6 million) in revenues and 4.9 billion won (US\$4.1 million) in operating income during the first quarter.

### *Information Technology*

- **Korea's plan to use the export of information technology products as a main tool to grapple with the economic downturn has hit a snag as the impact of the SARS is likely to affect the technology sector, as well.** The Ministry of Information and Communication said that IT exports in April stood at US\$3.9 billion and imports reached US\$2.9 billion, leading to a trade surplus of US\$1 billion.

### *Media, Entertainment and Gaming*

- **D-Gate Co., South Korea's leading online and arcade game developer, has signed a deal with U.S. distributor Bromley to export \$3 million worth of arcade ping-pong game machines.** D-Gate invested 2 billion won (US\$1.7 million) to develop the game, which was nominated best multi-player game at the ETC2002 game exhibition held in England last year.
- **Massively multiplayer online games (MMOG) have gripped Korea, making it a global pioneer in the nascent industry.** NCsoft-- maker of the most popular game, *Lineage*--leads the market with 3.2 million users worldwide, 2.2 million in South Korea alone. Helped also by *Lineage*'s popularity in Taiwan, Hong Kong and Japan, NCsoft's sales jumped from US\$436,000 in 1997 to US\$123 million last year. It dwarfed the popularity of online gaming in the United States, where a combined 700,000 people play the five most popular online MMOGs.

### *Semiconductors*

- **Hynix Semiconductor reported a loss of 1 trillion won (US\$872.7 million) in the first quarter, after a sharp rise in non-operating expenses.** Hynix reported a net profit of 4 billion won (US\$3.3 million) in the year-earlier period, when memory-chip makers benefited from a rise in prices for dynamic random access chips. The world's third-largest memory-chip maker reported a 17% decline in sales to

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682 billion won (US\$570 million) from 823 billion won (US\$685.9 million). It posted an operating loss of 241 billion won (US\$202 million), reversing from operating profit of 118 billion won (US\$98.6 million) in the prior year.

## *Telecommunications*

- **Korea's major telecom players are scrambling to stay ahead in the race for the new licenses for 2.3GHz Internet services and satellite digital multimedia broadcasting.** KT Corp., SK Telecom, the LG Group and Hanaro Telecom Inc. are all interested in offering 2.3GHz services. Carriers are keen to grab the 2.3GHz spectrum on the assumption that the new technology will eliminate existing restrictions and open up new markets for value added services. Compared with other wireless Internet services, the 2.3GHz spectrum allows a wider coverage area, usually between 3 to 5 kilometers from base stations.
- **SK Telecom is expected to take steps to establish a digital media center (DMC) on its own,** signaling a possible clash with BSI-KDMC, a consortium formed by the LG Group. SK Telecom has been pushing its DMC business as it attempts to find fresh sources of income and ways to leverage its dominance in the mobile industry. The firm believes conventional services like voice and data through mobile phones are not growing enough and therefore are looking to DMC -- a field where telecommunications and broadcasting overlap -- as an opportunity to create and develop a new market.

## **China**

### *Internet*

- **Sina Corp. named Wang Yan chief executive and director, succeeding Daniel Mao, who is stepping down.** Mr. Yan founded Sina's predecessor, the Internet division of Beijing Stone Rich Sight in 1996 and over the years has helped transform the company from a software firm into an Internet portal in China.
- **Chinese portals have seen marked gains in their stocks in the past two months.** Most notably, Sina, Sohu and Netease shares have all jumped by at least 100 per cent in the period. Besides having the tailwind of an Internet renaissance in the United States, the trio is being seen as a beneficiary of the SARS crisis as panicked consumers turn to online shopping. A genuine upturn in the broader technology sector, the arrival of wireless laptops, Intel's new Centrino chip, the growing popularity of Wi-Fi connections and the rebuilding of run-down inventories are assumed to have fueled the Internet comeback.

### *Mobile / Wireless*

- **China Mobile is seeking to turn the tables on fixed-line carrier China Telecom by launching a service allowing users to divert calls from fixed lines to their mobile phone.** The move follows China Telecom's December launch of a "resting point" service allowing users to bypass mobile operators' networks and deliver calls to fixed-line phones, which prompted an outcry from mobile operators fearful of lost traffic. China Mobile expects the Chinese Ministry of Information Industry to approve its new service on the grounds of maintaining a level playing field.



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## Taiwan

### *Hardware*

- **Silicon Application Corp., a Taiwan-based semiconductor distribution company, will partner with Oki Electric Industry Co., Ltd. to establish OSAC Solutions Ltd.** SAC's area of expertise is providing a wide range of semiconductor products and system solutions; Oki offers a significant presence in the Japanese market, strong sales record, and an abundance of system large-scale integrated products and advanced technologies.

## Singapore / Malaysia / Philippines

### *Telecommunications*

- **Philippine Long Distance Telephone Co. posted sharply higher first-quarter earnings on the strong contribution of its mobile phone unit, Smart Communications Inc.** The company said its net profit in the January-to-March period rose 58% from the year-earlier period to 2.5 billion Philippine pesos (US\$47.7 million), beating estimates by both the market and the company. PLDT's first-quarter consolidated revenue grew 22% on year to 22.7 billion pesos (US\$435.4 million). Expenses for the same period rose 17% on year to 15.7 billion pesos (US\$301.1 million). Smart continued to be the main driver of PLDT's earnings, registering a 51% year-on-year rise in first-quarter revenue to 10.7 billion pesos (US\$205.2 million), bringing the mobile phone company's net profit for the period to 2.8 billion pesos (US\$53.7 million), up 87% year-on-year.

## Hong Kong

### *Telecommunications*

- **PCCW is to face a stock exchange inquiry over conflicting statements it made on its aborted takeover bid for Britain's Cable and Wireless.** Hong Kong Exchanges and Clearing, which runs the stock exchange, said that after a three-month investigation it had concluded that PCCW had a case to answer. The investigation followed a series of apparently contradictory statements made by PCCW in February in response to a report that it was engaged in talks to buy Cable and Wireless.
- **PCCW's plans to be the first in the region to roll out Bluetooth hot spots have been put on hold due to SARS.** The firm had planned to launch the new service early this month at the Pacific Coffee chain of outlets, but decided to postpone it for a month until customers returned to the cafes. Bluetooth hot spots are similar to those for wireless local area networks (WLAN) or 802.11b, popularly known as Wi-Fi. Customers within a hot spot who have Bluetooth-enabled personal digital assistants (PDAs) can access content from PCCW's partner Web sites.
- **Hutchison Whampoa is seeking to raise US\$1 billion, tapping the bond market for the third time this year.** Hutchison appointed HSBC to sell its 10-year bonds, which, if successful, would raise the total debt market funds raised this year by Hutchison to US\$3.5 billion.



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## United States / Canada

### *e-Commerce*

- **Ask Jeeves Inc. said it switched search-page listings providers in the U.K., dropping London-based eSpotting Media in favor of Google Inc.** The deal with Google provides Ask Jeeves with a bigger revenue cut, technology that's better suited to its longer search queries, more flexibility in its page design and consistent presentation around the world.

### *Hardware*

- **Bucking the trend of parsimonious ad spending amid a downturn, some tech companies are launching campaigns -- in some cases, spending even more than they did during the go-go days of the tech boom.** Intel Corp., began splurging on a US\$300 million campaign for its Centrino wireless system -- more than what it spent to promote its Pentium 4 chip. Advanced Micro Devices Inc. and Hewlett-Packard Co. are both in the midst of their largest worldwide brand campaigns ever.
- **Network Appliance Inc., a data storage equipment manufacturer, says its quarterly net profit rose from a year earlier as revenues increased 18 percent on rising business activity and a recovery in spending on storage products.** Network Appliance reported fiscal fourth-quarter net income of US\$24.8 million compared with net income of US\$7.8 million a year earlier. The firm reported revenues rose to US\$241.6 million from US\$204.9 million a year ago.
- **Dell Computer Corp. reported fiscal first-quarter net income rose 31%, boosted by strong computer sales and cost controls.** The company earned US\$598 million compared to US\$457 million in the same quarter last year. While industry PC shipments inched ahead just 2% world-wide in the first calendar quarter, Dell said its shipments for the three months ended May 2<sup>nd</sup> jumped 29%, the highest rate in more than two years. Revenue rose 18% to US\$9.5 billion from US\$8.1 billion a year ago.

### *Information Technology*

- **Electronic Data Systems is bracing for another tough year as the economic downturn continues to slow sales and rivals mount a strong challenge.** Although the firm has the size and track record to keep pace with market leader IBM Global Services in the information technology outsourcing industry, analysts anticipate a bumpy path to recovery for EDS. The company posted a net loss of US\$126 million in the quarter ending March 31 this year, from a net income of US\$354 million in the same period of last year. It also clinched fewer new deals as the sum of contracts in the quarter reached US\$3 billion, a sharp decline from US\$7.2 billion a year ago. Total first-quarter revenues hit US\$5.4 billion.

### *Media, Entertainment and Gaming*

- **Microsoft Corp. is introducing a series of enhancements for its Xbox videogame system, including music software and online-gaming options that underscore the software giant's plans to use videogames to move more broadly into digital entertainment.** Microsoft described software that can let consumers record, mix and organize digital music on the Xbox. The company also announced enhancements to its online-gaming service, Xbox live, that lets players set up online games and check scores from their personal computers and cell phones.

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- **America Online will demonstrate a new service that includes voice instant messaging for Sony Corp.'s market-leading PlayStation 2 video game console.** The service would include music programming, movie trailers, TV show clips, and footage from a new feature of AOL Games called "AOL Players Club," showing members executing special moves on Sony games. AOL said the showcase would feature "AIM Talk," a service that would allow PS2 owners with voice headsets to communicate with other instant messaging users on other PS2s or PCs.
- **Roxio Inc. is close to a deal to acquire Pressplay, the online music operation owned by music units of Vivendi Universal SA and Sony Corp.,** as part of a plan under which Roxio would wind up launching a music service under the name of the defunct file-swapping network Napster. Roxio would pay about US\$30 million in cash and stock.

## *Mobile / Wireless*

- **Good Technology Inc.-- provider of a system that allows users wireless access to messaging, such as email-- is acquiring the assets of wireless firm Neomar Inc., for an undisclosed sum.** Good is acquiring a technology from Neomar that allows consumers wireless access to corporate information systems, such as applications from Siebel Systems Inc. and SAP AG.
- **Verizon Communications has launched a service that will provide customers with wireless Internet access on high-speed networks (Wi-Fi) throughout New York City.** Verizon activated 150 Wi-Fi access points at pay phones in the city and plans to activate 850 more by the end of the year. It said its deployment would mark the largest such initiative by an Internet service provider in a single U.S. city.

## *Semiconductors*

- **Applied Material, the biggest manufacturer of machines for making chips, reported a loss of US\$62.1 million, after recording US\$151.7 million in restructuring charges.** For the year-earlier period, the company reported net income of US\$52 million. Revenue fell 4.3% to US\$1.1 billion from US\$1.2 billion. New orders were US\$971 million in the latest quarter, off 42% from the year-earlier period and 4% from the first period that ended in January.

## *Telecommunications*

- **MCI to build a small cellular telephone network in Iraq to help speed the reconstruction effort there.** Cellular communications would allow U.S. officials, American troops and international aid workers to coordinate better amongst themselves, removing one of the major obstacles to the U.S.-led rebuilding campaign. Equipment for the network already has started arriving in the country and eventually will be able to accommodate between 5,000 and 10,000 users. MCI expects the system to be in place by June.
- **The SEC is in talks with Qwest Communications Int'l Inc. to settle potential fraud charges stemming from "swaps" of fiber-optic capacity with other telecommunications firms.** The Qwest case could become a model for the tough scrutiny the SEC is now giving "swaps", a widespread corporate practice during the Internet and telecom booms. Swaps were at the center of a US\$2.2 billion revenue restatement that Qwest announced last year, after its auditor found the company had inappropriately recognized US\$1.6 billion from three years of swap sales ending in 2001. Qwest and at least 20 public companies swapped billions of dollars of revenue in recent years.

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- **Lucent Technology Inc. has cut its operating expenses by 74% and boosted its gross margins since initiating a restructuring program in 2001.** Lucent's CFO reaffirmed the firm's goal to reach profitability by the end of its fiscal year on Sept. 30<sup>th</sup> and added that the restructuring is playing a critical role in the company's attempt. He said the company's break-even level remains at US\$2.4 billion in quarterly revenue, down from a break-even level of US\$5 billion in 2001. Lucent, has cut costs by streamlining operations, eliminating manufacturing facilities, altering its product portfolio and associated research-and-development costs, and eliminating non-strategic product lines. The telecommunications equipment-maker has also reduced its work force by 64% to 38,500 from 106,000.
- **Allegiance Telecom Inc. filed for Chapter 11 bankruptcy-court protection.** Unable to devise a way to restructure US\$1.2 billion of debt outside court, the Dallas competitive local exchange carrier sought protection from its creditors in federal bankruptcy court in Manhattan. It owes US\$465 million to its lenders, US\$650 million to unsecured bondholders, and about US\$100 million on leases of fiber-optic lines.

## Europe

### *Telecommunications*

- **T-Online International AG said its net loss narrowed significantly in the first quarter as the company boosted operating margins amid increasing Internet use due to the war in Iraq.** The net loss at Europe's largest Internet-services provider was €30 million (US\$34.5 million) in the first quarter, after a loss of €90 million (US\$103.5 million) a year earlier, and was close to analysts' forecasts of €29 million (US\$33.3 million). EBITDA rose to €76 million (US\$87.4 million), after a loss of €14.5 million (US\$16.7 million) in the same period last year.
- **Shareholders opposed to Telecom Italia SpA's planned merger with its parent company Olivetti SpA are asking a court to block the deal.** Liverpool LP has been leading a group of Telecom Italia minority shareholders in protesting the terms of the merger announced in March, which is aimed at simplifying the structure of the telecom firm. However the Telecom Italia camp immediately responded that there is no basis for such legal action.
- **Deutsche Telekom posted its first quarterly profit in almost two years, boosted by asset sales and a tax rebate.** Europe's largest telephone company said it made a net profit of €850 million (US\$978.1 million) in the first quarter, confounding analysts' expectations of a loss of €487 million (US\$558 million). Revenue rose 6.3% to €13.6 billion (US\$15.6 billion) from €12.8 billion (US\$14.7 billion). Deutsche Telekom said its EBITDA was up 29% to €4.9 billion (US\$5.6 billion) from €3.8 billion (US\$4.4 billion) in the year-earlier period. Analysts had predicted EBITDA of €4.2 billion (US\$4.8 billion) and sales of €13.8 billion (US\$15.8 billion). The company posted a loss of €1.8 billion (US\$2.1 billion) in the year-earlier period. It last made a net quarterly profit in the second quarter on 2001.

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## Other Economic Data

Currency Exchange Rates						
Currency	Units	Current Rate (on 5/16/03)	% Change 1 Week Ago	% Change 1/1/2002	% Change 1/1/ 2003	% Change Last 12 Mth.
Japanese yen	¥/US\$	116.0700	1.1%	-11.8%	2.3%	8.5%
Hong Kong dollar	HK\$/ US\$	7.7989	0.0%	0.0%	0.0%	0.0%
Chinese renmenbi	RMB/ US\$	8.2770	0.0%	0.0%	0.0%	0.0%
Singapore dollar	S\$/ US\$	1.7255	1.0%	-6.6%	0.5%	4.1%
South Korean won	KRW/ US\$	1199.8500	0.0%	-8.7%	-1.2%	5.1%
New Taiwan dollar	NT\$/ US\$	34.7075	0.2%	-0.8%	-0.2%	-0.8%
Australian dollar	US\$/A\$	0.6531	1.1%	28.1%	16.3%	18.2%
New Zealand dollar	US\$/NZ\$	0.5810	0.6%	39.6%	10.8%	25.1%
Philippine peso	PHP/ US\$	52.5950	-0.5%	1.8%	1.9%	-6.0%
Euro	US\$/€	1.1588	0.9%	30.3%	10.4%	25.9%
British pound	US\$/£	1.6215	1.0%	11.6%	0.7%	11.2%

## Fixed Income Prices and Yields

Note	Currency	Current (on 5/16/03)		1 Week Ago		4 Weeks Ago	
		Price	Yield	Price	Yield	Price	Yield
US 30-year	US\$	115.2813	4.45%	110.8750	4.67%	107.2969	4.89%
Japan 30-year	¥	128.9250	0.90%	128.1125	0.93%	126.7230	0.98%
Hong Kong 10-year	HK\$	124.9396	3.25%	123.8980	3.42%	122.1874	3.71%
China (10/2027)	US\$	123.9075	5.68%	120.3530	5.92%	107.8333	6.84%
Singapore 10-year	S\$	119.5660	1.69%	119.2479	1.75%	118.6938	1.84%
South Korea 10-year	US\$	124.6137	3.38%	123.6478	3.59%	121.7198	4.02%
Australia 15-year	A\$	110.8300	5.10%	110.8880	5.10%	109.3480	5.29%
New Zealand (07/2009)	NZ\$	107.9652	5.46%	107.6442	5.52%	106.3211	5.78%
Philippines 20-year	PHP	138.7446	12.92%	137.4771	13.05%	131.9731	13.65%
India 20-year	INR	146.4473	6.22%	145.6402	6.29%	145.3510	6.31%
UK 30-year	£	97.2540	4.41%	95.7649	4.51%	94.3223	4.61%
Germany 30-year	€	113.0670	4.65%	111.1531	4.76%	109.7346	4.85%

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