



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

Week of 11 March - 17 March, 2007

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



Week of 11 March- 17 March 2007

Table of Contents

Equity Market Indicators	3
Technology, Media, Telecommunications and Life Sciences Market Activity	4
Weekly Highlights	5
International	5
Japan	5
Korea	7
China	9
Taiwan	12
Hong Kong	12
Singapore/Malaysia/Philippines/Indonesia	13
United States/Canada	14
Europe	16
Other Economic Data	17
Currency Exchange Rates	17
Fixed Income Prices and Yields	17

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



Week of 11 March- 17 March 2007

Equity Market Indicators					
Index	Closing Level (3/16/2007)	% Change 1 Week Ago	% Change 1/1/2007	% Change 1/1/2006	% Change 2006 Low
S&P 500	1,386.95	-1.1%	-2.2%	11.1%	13.3%
Dow Jones Industrial Avg.	12,110.41	-1.4%	-2.8%	13.0%	13.5%
Dow Jones Tech. Index	402.07	0.2%	-2.6%	7.2%	19.3%
Dow Jones Telecom. Index	259.89	0.1%	-0.1%	28.9%	29.1%
NASDAQ Composite	2,372.66	-0.6%	-1.8%	7.6%	17.4%
The Street.com Net	241.88	-0.9%	-2.2%	15.0%	25.7%
Japan Nikkei 225	16,744.15	-2.4%	-2.8%	3.9%	17.8%
JASDAQ	84.04	-2.4%	-2.5%	-35.5%	4.0%
Japan Mothers	1,010.37	-4.4%	-9.0%	-60.3%	0.2%
Korea KOSPI Composite	1,427.88	0.3%	-0.5%	3.5%	18.6%
Korea Kosdaq	631.39	2.9%	4.2%	-8.7%	17.1%
Taiwan Stock Exchange	7,719.80	2.0%	-1.3%	17.9%	23.4%
Singapore Straight Times	3,068.75	-2.4%	2.8%	30.7%	34.6%
Hong Kong Hang Seng	18,953.50	-0.9%	-5.1%	27.4%	26.8%
Hong Kong GEM	1,296.40	2.6%	5.9%	28.7%	28.9%
China Shanghai (A-Share)	3,079.09	-0.3%	9.4%	152.2%	147.9%
China Shenzhen (A-Share)	808.77	1.9%	42.0%	178.8%	174.2%
China Shanghai (B-Share)	170.21	0.3%	30.8%	174.5%	170.5%
China Shenzhen (B-Share)	487.58	0.8%	12.5%	149.3%	144.7%

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



Week of 11 March- 17 March 2007

Technology, Media, Telecommunications and Life Sciences Market Activity						
NASDAQ/NYSE TMT and Life Sciences IPO Filings						
Filing Date	Issuer	Industry Sector	Size (US\$MM)	Description	Book-Runner	Co-Manager
3/13/07	eTeleCare Global Solutions Inc. [ETEL.US] (NASDAQ)	BPO	US\$115.0	Provider of business processing outsourcing for various voice-based services such as technical support and financial advisory	Morgan Stanley	Deutsche Bank/ JMP Securities/ Robert Baird & Co.

NASDAQ/NYSE Equity Markets: TMT and Life Sciences IPO Pricing						
IPO Date	Issuer (Exchange)	Description	Size (US\$MM)	Offer Price	Price on 3/16/07	% Change From Offer
3/14/07	BigBand Networks Inc. [BBND.US] (NASDAQ)	Designs, manufactures and sells platforms for broadband multimedia services such as routers that integrate video, audio and data	US\$128.4	US\$13.00	US\$16.66	28.1%

Asian Equity Markets: TMT and Life Sciences IPO Pricing						
IPO Date	Issuer (Exchange)	Description	Size (US\$MM)	Offer Price	Price on 3/16/07	% Change From Offer
N/A						

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

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



Week of 11 March- 17 March 2007

Weekly Highlights

International

Internet

- **According to global market analyst Euromonitor International., India will be Asia's fastest growing market for online travel retail by 2010.** Other markets topping the table include Vietnam, Hong Kong, Indonesia and China, as online travel retail takes off in Asia. With Internet-based travel retail transactions increasing by a massive 271 percent between 2005 and 2010, Euromonitor International predicts that online travel retail sales generated in India will exceed US\$2 billion in 2010 alone. Euromonitor International also predicts that online travel companies in Asia will benefit from a recent shift in demographic usage of the Internet, to increasingly include older travelers. The over-65 generation in Asia is becoming more adept at using the Internet and as such, they should be a target consumer group for all online travel companies, particularly as over 65s typically have high disposable income levels to spend on expensive or long-awaited holidays. At present, Japan is leading the way by offering Internet services tailored to its ageing population, according to the report.

Semiconductors

- **According to a final 2006 market share ranking from market analyst iSuppli Corp., semiconductor supplier Intel Corp. remained No. 1 even as it experienced an endured 11.1 percent revenue decline in 2006, while smaller rival Advanced Micro Devices Inc. (AMD) nearly doubled its sales.** The report said Intel's 2006 revenue of US\$31.5 billion was less than half a percentage point higher than its sales in 2004. As the result of a 91.6 percent increase in revenue, AMD surged from 15th to eighth on iSuppli's list of the top 25 suppliers for 2006. The study ascribed this partly to the firm's mid-year acquisition of ATI Technologies Inc. Overall, global semiconductor industry revenue rose by 9.3 percent to reach US\$260.2 billion, up from US\$237.9 billion in 2005, according to iSuppli. The firm had said in December that its preliminary results indicated that the global chip market had increased by 9 percent in 2006. iSuppli released its final top 25 chip supplier rankings after market researcher U.S.-based IC Insights posted its ranking. The lists are similar, but contain notable differences. One difference is that IC Insights ranks foundries like Taiwan Semiconductor Manufacturing Co. and United Microelectronics Corp. among the top chip companies, while iSuppli excludes them. IC Insights ranked Hynix Semiconductor Inc. ahead of Renesas Technology Corp., while iSuppli said Renesas bested Hynix in 2006. IC Insights ranked AMD 13th, while iSuppli ranked AMD eighth. According to iSupply, outside AMD, Hynix, Elpida, and Spansion, three other companies among the top-25 achieved growth of more than 24 percent in 2006: Qualcomm Inc., Broadcom Corp. and Nvidia Corp.

Japan

Internet

- **Nintendo announced that starting in June, its Nintendo DS will be offered with an Internet browser in the U.S.** The device with the online feature was introduced in Europe this past fall. The device comes with the Opera Web browser. Nintendo has not yet released a suggested retail price for the portable game player. The Nintendo D.S. features dual screens with touch screen, voice recognition and wireless communications capabilities.

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



Week of 11 March- 17 March 2007

- **Limelight Networks, a leading content delivery network for digital media, announced it has been selected as the exclusive provider of streaming media services by The New Media Group, KK headquartered in Tokyo.** Under the multi-year agreement, Limelight will deliver TNMG's Internet Protocol Television (IPTV) offerings to audiences in Japan, South Korea and other parts of the world. The Limelight network is now delivering a wide range of popular TNMG-enabled content, via its World on Demand "IPTV" portal, which has exclusive IPTV distribution rights to the 2007 ICC Cricket World Cup Tournament in select markets. TNMG currently offers more than 40 live TV channels from Great Britain, Italy, Pakistan, India, France, Germany, and Australia to thousands of viewers in its core markets. Limelight is the content delivery network of choice for more than 700 of the world's top media companies, including Akimbo, Amazon Unbox, Belo Interactive, Brightcove, DreamWorks, LLC, Facebook, FOXNews.com, IFILM, ITV Play, Metacafe, MSNBC.com, MySpace, NC Interactive, Valve Software, Radio Free Virgin and Xbox Live. TNMG also operates Media Pay, a Japan and East-Asia payments gateway that utilizes every electronic wallet and conventional payment method available in those markets from minor branded affinity cards to cash collection at 35,000 distribution points.

Software

- **HI Corporation, a company specializing in computer software development, sales and support service as well as 3D consulting services, announced its listing on the JASDAQ Securities Exchange on April 12.** The company will offer 5,000 shares in its initial public offering. Of those 4,500 will be newly issued, the other 500 are shares currently held in private. The tentative price range will be announced on March 26 and the fixed offering price will be announced on April 3. Nomura Securities is the lead underwriter of the offer.

Hardware

- **Renesas Technology Corp. announced that it has become the world's first company to ship more than 1 billion microcontrollers with on-chip flash memory (flash MCUs).** Renesas Technology is the No. 1 supplier of flash MCUs worldwide, and MCUs are positioned as the company's core product. Flash MCUs are known for their superiority because of their easy re-programmability of on-chip flash memory. Microcontrollers with on-chip flash help shorten development time and offer flexibility since they can be re-programmed even after the MCU has been mounted on the product. Since Renesas' parent companies, Hitachi, Ltd., and Mitsubishi Electric Corporation began full-scale production of flash MCUs in 1996, Renesas Technology has built up the industry's most extensive lineup of flash MCUs, based on proprietary flash memory technology and MCU technology. Building on the synergy effect of the two founding partners, the company produces in volume flash MCUs featuring excellent performance and reliability. The company said it will continue to develop flash MCUs and to deliver solutions to meet the diverse needs of customers quickly with strong support services. Renesas Technology Corp. is one of the world's leading semiconductor system solutions providers for mobile, automotive and PC/AV (audio visual) markets and the world's No.1 supplier of microcontrollers.

Telecommunications

- **KDDI Corp. announced that it has entered into an alliance with East Japan Railway Co. to provide fiber-optic broadband services from April.** Under the partnership, KDDI will offer the services to 120,000 households by using JR East's fiber-optic network and installing new lines. In October last year, KDDI acquired the fiber-optic business of Tokyo Electric Power Co. Inc. in a deal

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



Week of 11 March- 17 March 2007

valued at 115 billion yen (US\$971.8 million), in a bid to catch up with former state monopoly Nippon Telegraph and Telephone Corp which is also expanding its fiber-optic services.

Korea

Mobile/Wireless

- **KTF, Korea's second-largest mobile service operator announced its plans to spend 88.5 billion won (US\$93.7 million) to buy back and cancel its own shares this year in a bid to raise shareholder value.** The company said it has decided to pay 600 won (US\$0.6) per share in dividends, with the payment scheduled for March 30. KTF holds a 32 percent share of the nation's mobile phone service market, which registered 40 million total subscribers. KTF posted a 24.9 percent decline in its net profit in 2006 to 410.6 billion won (US\$434.4 million) in net profit from a year earlier, even as sales registered a 7.5 percent growth to 6.5 trillion won (US\$6.8 billion).
- **SK Telecom and KTF announced their plan to set up a system of warnings for mobile Internet service users to prevent possible overcharging as some have already reported that bills could amount to more than 10 million won (US\$10,580) a month.** KTF said it will start giving notices to the users of its i-Plug service when they reach a certain level of Internet use. SK Telecom also said it is considering adopting a similar system before its T-Login service is deployed in July. i-Plug and T-Login are Internet services using mobile telephone networks. They enable laptop users to gain access to the Internet by using a finger-sized transmitter that fits into a USB port. The firms are offering promotional flat rates of around 30,000 won (US\$3.17) until June.
- **LG Electronics Inc. announced that it has initiated producing handsets in Iran with a local partner Maadiran Group.** The Iranian firm, which describes itself as the country's leading technology and automation company, disclosed that it has started production of five models of handsets under license from LG Electronics. The South Korean company said it aims to be more competitive in the Middle East market, and plans to export the handsets to other countries in the region. LG has subsidiaries in Morocco, the United Arab Emirates and Egypt. It also makes air conditioners in Turkey and TV tuners and components in Egypt, with Middle East sales posting about 3 percent of LG Electronics' global revenues of US\$38.6 billion in 2006.
- **Pantech Co., a South Korean mobile phone maker, announced that it will introduce the nation's slimmest handset model next month in a bid to appeal to design-conscious consumers.** The company said the 9.9-millimeter-thick model is expected to be the slimmest slide-type phone ever launched in the local market. Currently, the slimmest phone is Samsung Electronics' 12.9-millimeter-thick Ultra Edition model.

Internet

- **Samsung Electronics Co. announced that it has secured a contract to build a network in Washington, D.C. to enable high-speed mobile Internet connectivity anywhere in the city from December for U.S.-based wireless carrier Sprint Nextel Corp.** WiBro is an improved version of WiMax that enables high-speed Internet connectivity even when a user is in motion. WiMax refers to a wireless Internet technology developed by the world's largest chipmaker Intel Corp. Samsung is one of the companies Sprint Nextel has been working with for its plan to launch the WiMax service for areas around Washington and Chicago starting as early as the end of this year. In a related development, a Samsung official said that the company will continue to hold its 4G Forums to

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



Week of 11 March- 17 March 2007

promote 4G communications technology, an upgraded version of existing wireless communications platforms.

Semiconductors

- **A team of South Korean scientists from the Korea Advanced Institute of Science and Technology announced its development of what is considered the world's first flash memory cell that employs an eight-nanometer design rule.** The scientists said the achievement is expected to usher in the use of terabyte-level flash memory. When commercialized, a single terabyte-level chip will be able to store roughly 500,000 MP3 music files or 1,250 high-quality movies. One terabyte equals 1,000 gigabytes. Currently, the most advanced product is a 32-gigabit flash memory chip based on a 40-nanometer design rule that Samsung unveiled last year. Samsung is now going all-out to develop technology viable of making a 64-gigabit flash memory chip with 30-nanometer circuits, but it is a tall job even for such an R&D behemoth as Samsung.
- **Hynix Semiconductor announced that it has developed the industry's fastest and most efficient 512-megabit memory chip for handsets and other mobile devices.** The chip is expected to be used in a wide range of gadgets, with mass production slated to begin in the second half of 2007. The new DDR SDRAM, or double-data-rate synchronous dynamic random access memory, has the industry's fastest clock speed of 185 MHz. It is also equipped with Error Correction Code (ECC), which ensures data integrity and reduces power consumption by up to 50 percent.

Hardware

- **Samsung Electronics said it is looking to more development in the business-to-business office appliances market such as printers, servers, monitors and network equipment.** The move is seen as its response to the slow sales of its consumer goods businesses since last year. The President of Samsung's Digital Media division said the company is aiming to set up a premium brand of office appliances, just as Samsung has succeeded within the semiconductor chip, mobile phone and digital TV sectors. According to the official, the initial goal is to be one of the top three sellers of printers by 2010 and to pose a threat to market leader Hewlett Packard. Samsung has been one of the leading makers of semiconductor chips, mobile phones and TVs, but its operating profit has been sliding, from 12 trillion won (US\$12.6 billion) in 2004 to 8 trillion won (US\$8.4 billion) in 2005 to 6.9 trillion won (US\$7.3 billion) in 2006. All of its three key business divisions – semiconductor, mobile phone and liquid crystal display (LCD) – have lost profits during the period, pressuring the firm's management to search for new products that can be its next growth engine.
- **SpatiaLight, Inc. a developer and manufacturer of ultra high-resolution liquid crystal on silicon microdisplays, announced that it has secured a purchase agreement deal with DeoCom of South Korea.** Under the deal, SpatiaLight stated that it will supply DeoCom with LCoS imagers and associated products for Head Mounted Display applications over a period of three years. The products to be sold by SpatiaLight under this agreement are valued at over US\$27 million. SpatiaLight has received a firm purchase order for the first 1,000 units to be delivered under this agreement and has commenced production of LCoS microdisplays for use in DeoCom's head mounted display or HMD.

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



Week of 11 March- 17 March 2007

China

Internet

- **Baidu.com announced that it had set up a Japanese subsidiary and would officially unveil it as early as this month.** The company said it has already registered its web address for its Japanese language portal, a move that finally marks the mainland Internet search leader's first overseas expansion. The company said it is also employing a spider collection program on Japanese websites, which is a program that searches for information on the Internet and is used by search engines to index web pages. In February, Baidu disclosed its plan to invest US\$15 million in Japan this year although it did not give a timeframe for the launch of a Japanese unit or service. With the move, Baidu now competes with global leader Google, which offers web search services in Japanese and Korean.
- **Tom Online showed a quarterly loss as it reported its financial results for the fourth quarter and full year ended December 31, 2006, posting a 28.5 percent decline in its total revenues to US\$33.6 million.** The results also showed an 11.1 percent decline from the previous quarter. The Internet firm reported a 0.2 percent growth in its total revenues for the year ended December 31, 2006 to US\$168.3 million from 2005, even as its revenues from wireless Internet services went down 3.3 percent to US\$152.6 million for the year, from 2005. Tom Online reported online advertising revenues of US\$3.1 million, representing a 1.3 percent decline from the same period last year and 10.6 percent decrease from the previous quarter. Online advertising revenues made up 9.4 percent of the company's total quarterly revenues. The firm registered a quarterly net loss of US\$0.5 million, a decrease of 109.6 percent from the last quarter and a decrease of 104 percent from the same period last year, with Tom Online ascribing the results to the provision for goodwill impairment of US\$4.6 million for the company's Indiagames under discontinued operations.
- **Internet portal Netease.com reported that its board of directors has approved a new share repurchase program of up to US\$100 million of the company's outstanding American Depositary Shares for a period not to exceed three months.** This authorization follows the portal's completion of a share buyback program previously announced in August 2006 in which approximately 3.6 million of the company's issued and outstanding ADSs were purchased for an aggregate purchase consideration of US\$60.1 million. Under the terms of the newly approved program, Netease may repurchase its issued and outstanding ADSs in open-market transactions on the NASDAQ Global Select Market. With the announcement, Netease released its plans to fund repurchases made under this program from available working capital.
- **Google China announced its formal launching of a website search engine navigation service.** The firm explained its decision to offer this service as a response to market surveys, which indicated that many new Internet users log into web sites through direct visits. Industry observers see the service as directly competing against Baidu.com's Hao123 navigation service. Earlier, Google China reported entering into a strategic partnership with Xunlei, a downloading service provider, in a bid to boost its web site traffic flow.
- **Industry sources indicated that the Agricultural Bank of China, Industrial and Commercial Bank of China and China Construction Bank are working on plans to create an online joint transaction platform expected to extend their services and share resources.** According to an official of the e-banking department at the Agricultural Bank of China, the further development of the Internet will push each commercial bank to move their services from traditional counters to online

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



Week of 11 March- 17 March 2007

areas. The official noted that these commercial banks will naturally deal with other business through the online platform as security levels increase for online transactions.

- **51job.com announced that it has updated revenue guidance and provided earnings targets for the first quarter ending March 31, 2007.** The Chinese online recruitment service firm said that, based on current market demand and operating conditions, the company is increasing guidance and now expects first quarter 2007 revenues in the estimated range of 192 million yuan (US\$24.8 million) to 202 million yuan (US\$26.1 million). The announcement also mentioned that co-founder Michael Lei Feng is moving from his position as Senior Vice President to a Strategic Advisor of the company, and that David Weimin Jin has been promoted to Senior Vice President of Sales.

Media, Entertainment and Gaming

- **Computer game operator Tencent announced its decision to close down its service for exchanging game coins into its virtual Q coin money.** Currently, some sellers buy virtual equipment with Q coins and exchange it for some other game coins, and then they sell the game coins to other users for real money. Some officials have expressed their worries that the circulation of Q coins may affect China's currency and may even lead some teenagers to crime. The announcement of Tencent follows the issuance of a circular from different Chinese government ministries further regulating the management of Internet cafes and online games. The circular indicated that no new Internet cafes be set up in China this year and no virtual coins can be used to buy tangible items.
- **Sina.com announced that it has secured a strategic agreement with five international music groups – BMG Universal, Sony, Warner, EMI and Rock Records – to jointly launch a new music platform called Sina Music Storeroom.** Under the agreement, the new music platform will offer free online music as well as wireless music services such as mobile ring tones, color ring tones and IVR services for Internet users. Sina says it will share the income from the online advertisements and wireless value-added services of this platform with the five partners and they might also try a paid download service at a later time. Market figures show that the digital music market will reach US\$14.9 billion by 2010, while the traditional music market will decline to US\$19.6 billion compared with the US\$27.3 billion in 2005.

Mobile/Wireless

- **Telestone Technologies Corporation (TSTC), a wireless communication company, announced that it has secured a new US\$4.5 million contract with China Mobile.** Under the deal, TSTC will use its RF (radio frequency) products to integrate service from China Mobile for its wireless indoor coverage for 2007. TSTC will provide eight types of products that will be used in numerous configurations including repeaters, line-amplifiers and passive components. This marks the first time for TSTC to win the bid from China Mobile.
- **Hurray!, a mobile value-added services, disclosed its plans to shell out some 120 million yuan (US\$15.5 million) in a bid to acquire 65 percent of the stake of Secular Bird, a privately-owned music company in China.** With the agreement, Hurray!'s affiliate Hurray Digital Media will be responsible for the transaction and the company will be renamed Hurray Secular Bird Culture Company. Hurray Secular Bird will jointly manage the copyright music with Secular Bird, and Yang Haoyu, CEO of Hurray Digital Media, and Wu Feng, President of Hurray Digital Media, will work as President and Executive Director, respectively, at Hurray Secular Bird. With the latest acquisition, MVAS firm Hurray! now has four music companies under its umbrella: Feile, acquired in November 2005 for 60 million yuan (US\$7.7 million); Huayi Brothers in December 2006 for 35 million yuan

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



Week of 11 March- 17 March 2007

(US\$4.5 million); and New Run Entertainment, which was acquired in November 2006 for 18 million yuan (US\$2.3 million).

- **Industry sources indicated that China Unicom will formally launch GPRS service in no less than 50 cities across China at what the company called the “appropriate time” this year.** According to the general manager of China Unicom's value-added service department, China Unicom would take the lead promoting GPRS service in 65 to 100 cities in China and gradually launch value-added services like WAP, Java and MMS. Earlier a report indicated that Beijing Unicom, one of China Unicom's subsidiaries, has already launched GPRS limited value-added service in the Beijing area around the Spring Festival holiday this year and is planning to put it into widespread commercial use very soon. In addition, Shanghai Unicom, another affiliate of China Unicom, also upgraded its GSM network to GPRS at the end of last year and the related value-added services have already been opened on a trial basis.
- **Reacting to the reports about Datang Mobile and Shanghai Putian talking about a merger, Dating Mobile issued a statement through its spokesperson that such a merger is impossible for Datang Mobile to consider.** Datang Mobile explained that it is not looking to a merger as it has a better brand than Shanghai Putian. The company spokesperson also issued a denial about Datang Mobile being recombined with Datang Group's listed company Datang Stock. In previous reports, sources mentioned the State-owned Assets Supervision and Administration of the State Council commenting about the feasibility of merging Putian and Datang and that it would encourage the tandem. Analysts have also commented that there are still possibilities for the merger, seen as being good for the development of Putian.

Semiconductors

- **Government sources said Intel Corp. has received approval to build a US\$2.5 billion chip plant in China.** The announcement follows a surge in the demand for chips in China and the massive increase in its population of mobile phone users. The country's National Development and Reform Commission said the factory is planned for the northeastern Chinese city of Dalian. The Intel factory approved for Dalian would use 90-nanometer technology. That suggests that Intel plans to use the facility to manufacture flash memory chips and chipsets, which act as a PC's central nervous system by sending data from the microprocessor to other parts of the computer. Intel has 6,000 employees in China and factories in Shanghai and the western city of Chengdu making memory chips, microprocessors and other products.

Information Technology

- **First Data International and China UnionPay (CUP) announced the launching of a joint service capability that enables Chinese visitor access to their cash via First Data's ATM network, Cashcard, the largest ATM network in Australia.** Under the partnership, the two companies are aiming to enhance their working relationship to promote the use of CUP cards in markets outside China, with First Data providing transaction routing and payment processing services. China UnionPay is a shareholding financial service institution with the registered capital of 1.6 billion yuan (US\$206.8 million) through capital contributions by more than 80 domestic financial institutions. At the end of 2006, some 1.1 billion Chinese bankcards have been accepted via CUP network, with 189 member institutions having issued CUP cards and 520 thousand merchants able to accept CUP cards. First Data International maintains operation across Europe, Middle East and Africa, Latin America, Canada, Australia and Asia-Pacific, and serves 4.9 million merchant locations, 1,900 card issuers and their customers.

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



Week of 11 March- 17 March 2007

Telecommunications

- **ZTE announced that its entire set of TD-SCDMA equipment has successfully passed the tests of the Ministry of Information Industry and is one of the first recipients of the country's TD-SCDMA network entry certificate.** Covered by the new license are the four types of ZTE telecom equipment, including the core network equipment, wireless network control equipment, base station equipment and service platform equipment. The company explained that it has tested the entire set of TD-SCDMA equipment in Xiamen, Qingdao and Shanghai and is putting it into trial use in Beijing, Baoding, Qingdao and Xiamen. Even with this license granted to ZTE, nothing definite has been issued about the time frame for 3G being put into full commercial service throughout China.

Taiwan

Software

- **AXS-One Inc., a leading provider of high performance Records Compliance Management (RCM) solutions, announced its signing of a distribution agreement with a key new partner, IVAN Information Technology Company, as part of the drive to strengthen its presence in Taiwan and greater Asia.** Under the terms of the agreement, IVAN, a leading systems integrator and reseller of Hewlett-Packard products, Oracle and SAP and QAD enterprise software, will resell the AXS-One Compliance Platform in the Taiwanese market where demand for records compliance management solutions is increasing, but has remained mostly unfulfilled until now. AXS-One Inc. is a leading provider of high performance Records Compliance Management solutions, which enables organizations to implement secure, scalable and enforceable policies that address records management for corporate governance, legal discovery and industry regulations. Based in Taipei, Ivan Information Technology Company is a leading systems integrator and computer and network equipment reseller.

Semiconductors

- **DisplayLink Inc. (formerly Newnham Technology) announced that Sunix has chosen its network display technology for the new Sunix VGA2625 family of USB-to-VGA / DVI adapters.** Sunix, based in Taiwan, plans to market the VGA2625 in Europe and Latin America, where it has a strong brand name and distribution channel. The VGA2625 family provides a cost-effective and easy-to-use solution for adding extra monitors to a computer using USB 2.0 without requiring additional graphics cards. DisplayLink Corp is a network display fabless semiconductor company, formed in 2003 to lead the "second display revolution" by enabling flexible connections to be made between computers and displays using standard wired or wireless networking protocols. SUNIX specializes in the research and development of technology for I/O controller cards and markets its controller cards in the European market under the "Sunix" brand name. The technology and quality built into each and every Sunix I/O controller card has earned the company's products the nickname "Golden Card." Its customers include Fujitsu-Siemens, IBM and Quantum.

Hong Kong

Internet

- **Yahoo Inc. announced its plans to launch a Chinese language version of its popular photo-sharing site Flickr.com this year to tap demand from Chinese digital photo enthusiasts, which follows its move to localize and boost its services that focus on user-generated contributions.**

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



Week of 11 March- 17 March 2007

Online services, such as Flickr, Shutterfly Inc., Eastman Kodak's EasyShare Gallery and Hewlett-Packard Co.'s Snapfish, lets users load digital pictures online, where they can be edited, shared with others, printed and mailed. The new web site will target Hong Kong users and will offer all the core features currently available on the English platform. While the traditional version of written Chinese is widely used in Hong Kong and Taiwan, the simplified version of the script is the standard in mainland China. However, most mainland Chinese are able to read traditional Chinese, and vice versa. According to sources, after targeting Hong Kong consumers, Flickr's Chinese site will also focus on the Taiwan market, the spokeswoman said, but declined to elaborate on the mainland Chinese market. The country's leading e-commerce company, Alibaba, absorbed yahoo's China business in 2005. Yahoo Inc. also bought a 40 percent stake in Alibaba.

Mobile/Wireless

- **Savi Networks announced that it has entered into an agreement on a project that will allow it to extend the SaviTrak information service to facilities operated by Modern Terminals Limited, one of the leading container terminal operators in Asia.** Industry experts see the installation of SaviTrak's RFID infrastructure as boosting Modern Terminals' facilities in Hong Kong by enhancing the security and efficiency of in-transit cargo shipments. Savi Networks has partnerships with major port and terminal operators to build infrastructure at more than 80 terminals worldwide.

Singapore/Malaysia/Philippines/Indonesia

Internet

- **REDtone International Bhd, which is one of the four winners of the 2.3Ghz spectrum tendered by the Malaysian government, expects its newly secured license to enhance its plans of rolling out high-speed broadband nationwide.** Sources said REDtone's subsidiary, Redtone-CNX Broadband Sdn Bhd was awarded the spectrum OND, designated by the Malaysian Communications and Multimedia Commission (MCMC) to deploy the service in Sabah and Sarawak. The company described the license as giving REDtone a chance to have a "meaningful role" in the government's project to boost broadband connection in the country.

Mobile/Wireless

- **According to the Indonesian government sources, South Korea has provided Indonesia with mobile broadcasting equipment to help the country launch a digital multimedia broadcasting (DMB) service in the nation's aim to get a foothold in the Southeast Asian market.** DMB allows users to view TV programs on personal devices even while they are in motion. South Korea, which was the first country to launch the service in 2005, is seeking to export its DMB technology and equipment. According to the country's Ministry of Information and Communication, Indonesia already began a test run of ground-based DMB with encoders and mobile handsets provided for free by the South Korean government. The ministry said Indonesia plans to conduct the test operations for three months before choosing its DMB service standard.

Telecommunications

- **Telekom Malaysia Bhd announced that it will spend about 40 million ringgit (US\$11.3 million) on infrastructure to develop a Malaysian-based Internet Protocol (IP) hub, a project to be in partnership with Verizon Business, a U.S.-based global firm that provides communications and information technology.** According to a TM official, the investment would

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



Week of 11 March- 17 March 2007

allow TM to set up a physical node in Cyberjaya in June, which could be jointly operated by TM and Verizon. A memorandum of understanding will allow TM and Verizon to jointly operate the infrastructure and generate cost savings on international bandwidth connectivity for TM and other Internet service providers (ISP) as Internet queries and traffic are contained within the country. The TM official said the company looks to the collaboration as attracting new opportunities for Internet peering by major regional Tier-1 ISPs from South Korea, Japan, China and India to Malaysia, in order to further establish the country as a leading IP hub. TM has a presence in Indonesia and Sri Lanka.

United States/Canada

Internet

- **Online jobs service Monster Worldwide Inc., the online jobs service, disclosed that it is working with privately held software company Adicio to supply classified advertising to 250 U.S. newspaper web sites.** Under the deal, web news outlets will be able to let job seekers and employees list themselves on Monster services. Monster users can buy print advertising with news outlets that use Adicio. The agreement would also enable Adicio's news web site customers to co-brand their site with Monster. According to Monster, the two companies will work under a revenue-sharing arrangement even as the companies did not disclose financial terms.

Media, Entertainment and Gaming

- **Media conglomerate Viacom Inc. said it has filed a lawsuit against Google Inc. and YouTube for more than US\$1 billion, a move that challenges the company's strategy to dominate the online video market.** The lawsuit accuses Google and its online video unit of "massive intentional copyright infringement" for allowing users to upload popular shows. Last month, Viacom demanded that YouTube remove some 100,000 video clips uploaded by users. Viacom indicated that almost 160,000 unauthorized clips have been uploaded on to YouTube's site and viewed more than 1.5 billion times.
- **AOL announced that it is entering into partnership with a unit of Gannett Co. to offer new forms of interactive advertising that incorporate audio and video elements.** Under the agreement which is built on an existing relationship with PointRoll, AOL is expected to get an exclusive window to use several new rich media ad formats under a two-year strategic alliance in which AOL becomes PointRoll's "preferred portal partner." The companies did not disclose specific financial terms. AOL is a unit of Time Warner Inc. Gannett, publisher of USA Today and other newspapers, bought privately held PointRoll Inc. in 2005.

Software

- **Outsourcer EDS announced that it is entering into a deal leading to its acquisition of RelQ Software, a privately held application-testing firm based in India's Bangalore tech hub.** Under the deal, all of RelQ's 700 employees in India, the United Kingdom, France and the U.S. are expected to join EDS. The financial terms of the deal were not disclosed. RelQ is an ISO 9001-2000 certified software-testing company that serves customers primarily in the banking, financial services, telecom, and consumer electronics industries. In 2006, EDS acquired a majority stake in Indian outsourcer Mphasis BFL Ltd., a provider of business process and application development services.
- **Bravo announced its acquisition of TelevisionWithoutPity.com, a site catering to hard-core TV fans.** The NBC Universal-owned cable network said the site will be part of Bravo's existing digital

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



Week of 11 March- 17 March 2007

portfolio, which includes BravoTV.com and the suite of online properties under the Trio banner, BrilliantbutCancelled.com, OutzoneTV.com and GetTrio.com. Bravo said the acquisition boosts the network's presence on the web by 27 percent in terms of unique visitors and more than doubles its total page views. Terms of the deal were not disclosed.

- **Industry sources said that Microsoft Corp. is in talks to buy privately held Tellme Networks, a maker of web-based voice technology.** The deal has been valued at about US\$800 million. The sources said Microsoft may sign the deal soon. Industry observers said that Tellme's products would help Microsoft build voice-recognition capabilities into its products.

Hardware

- **SanDisk Corporation announced its introduction of SanDisk Mobile Premier, a new line of performance-oriented microSD memory cards aimed specifically at the mobile phone market.** The cards allow consumers to quickly transfer content to and from their mobile phones as well as increase storage for videos, music, ring tones, digital images and other files. Also, SanDisk Mobile Premier cards feature SanDisk's TrustedFlash technology, which allows network operators to sell premium content that can be downloaded directly to mobile phones, stored on the cards and played on other TrustedFlash-enabled devices authorized by the network provider. SanDisk is the original inventor of flash storage cards and is the world's largest supplier of flash data storage card products, using its patented, high-density flash memory and controller technology. SanDisk is headquartered in California, and has operations worldwide, with more than half its sales outside the U.S.

Ventures/Investments

- **Motorola's venture capital arm announced its investment in Amimon, an Israeli company that designs chips for wirelessly transmitting high-definition video.** Amimon, a fabless semiconductor company that designs WHDI (wireless high-definition interface) chip sets, modules, and reference designs. WHDI enables the transmission of an uncompressed video signal between devices such as a digital set-top box and a high-definition TV. Motorola, which stated that it looks to WHDI as becoming a new industry standard, did not reveal the amount of its investment. Amimon's other investors include Argonaut Partners LLC, Cedar Fund, Evergreen Venture Partners, Stata Venture Partners, and Walden Israel Venture Capital.

Telecommunications

- **AT&T Inc. announced an investment of more than US\$750 million in 2007 in a bid to expand its global communications network for corporate customers, the amount representing an 89 percent rise over last year.** The company said the investment for its enterprise business was part of a previously announced capital-spending plan for the overall company. The announcement followed the development in the market showing increased demand for Internet-based telephone services and other communications services in China, India, and other emerging markets where many of AT&T's corporate customers have operations. AT&T said global investment would focus on high-growth economies in Asia, the Middle East and Latin America, as well as some developed markets in Europe.

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



Week of 11 March- 17 March 2007

Europe

Internet

- **Market sources said the shares in Swedish online ad firm Tradedoubler went down following the announcement of AOL's withdrawal of its offer worth some US\$900 million.** Reports indicated that some Swedish institutional shareholders thought the bid from the online unit of Time Warner Inc, as "too low." AOL said it had failed to reach its goal of approval by 90 percent of Tradedoubler stockholders. The board of Tradedoubler had recommended the bid. It was in January when AOL reached a deal to buy the Swedish company in a bid in to expand its online advertising operation in Europe.

Media, Entertainment and Gaming

- **Nokia said it predicts the replacement sales of cell phones to continue gaining share of the total market in 2007, with the company indicating that the number of consumers replacing their old cell phones will stand for about 65 percent of the device industry volumes in 2007, compared with more than 60 percent in 2006.** Nokia said demand for color screens, cameras, music players and 3G will drive the sales. The firm explained that replacement volumes in the emerging markets are having an increasingly significant impact on the global market.

Mobile/Wireless

- **Accenture announced its acquisition of Digiplug S.A.S., a Paris-based leader in outsourced mobile-content repurposing and distribution services to the music and communications industries, from Faith Inc. of Kyoto, Japan.** Terms of the transaction were not disclosed. Digiplug currently supplies music and video manufacturing and delivery services to major music labels as well as wireless carriers and mobile terminal device manufacturers around the world. The addition of Digiplug's expertise in digital content distribution will build on Accenture's leadership in digital media solutions with a recognized, ready-to-market suite of technology and business services currently in use within the industry. Accenture is a global management consulting, technology services and outsourcing company. Faith was the first company in the world to design and apply "ring tones" for mobile telephones and expanded its business activities not only within Japan, but also into 21 countries throughout the world including North America, Europe, the Asia-Pacific region and South America. The company also provides electronic money service used for settlement of accounts for on-line games, music distribution and e-commerce.
- **Comverse, a subsidiary of Comverse Technology, Inc. and the world's leading supplier of software and systems enabling network-based multimedia enhanced communication and billing services, and Mobixell, a leading provider of innovative mobile multimedia solutions, announced the deployment of mobile multimedia adaptation and optimization services for German Tier 1 mobile operator O2, part of the Spanish telecommunications group Telefonica S.A.** Industry observers see O2's implementation of Rich Media Service Center offered by Comverse and Mobixell as providing delivery of mobile multimedia messages and ensuring that they are displayed optimally on the handsets of O2's subscribers throughout Germany. O2 (Germany) GmbH & Co. OHG, a subsidiary of Telefonica O2 Europe and part of the Spanish telecommunications group Telefonica S.A., offers its post-paid and pre-paid subscribers almost blanket GSM coverage in Germany through its own mobile communications network and a roaming agreement with T-Mobile Deutschland. Mobixell Networks provides advanced multimedia technologies and business solutions for mobile operators and service providers.

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



Week of 11 March- 17 March 2007

Other Economic Data

Currency Exchange Rates						
Currency	Units	Current Rate (on 3/16/07)	% Change 1 Week Ago	% Change 1/1/2007	% Change 1/1/2006	% Change Last 12 Mth.
Japanese yen	¥/US\$	116.6025	-0.7%	-2.1%	-1.0%	-0.9%
Hong Kong dollar	HK\$/ US\$	7.8116	0.0%	0.4%	0.7%	0.7%
Chinese renmenbi	RMB/ US\$	7.7365	-0.1%	-0.9%	-4.1%	-3.8%
Singapore dollar	S\$/ US\$	1.5264	0.0%	-0.7%	-8.2%	-5.8%
South Korean won	KRW/ US\$	944.7000	-0.1%	1.6%	-6.5%	-3.1%
New Taiwan dollar	NT\$/ US\$	33.1150	0.5%	1.6%	0.9%	2.1%
Australian dollar	US\$/A\$	0.7952	2.0%	0.8%	8.5%	7.9%
New Zealand dollar	US\$/NZ\$	0.6974	1.2%	-0.9%	2.0%	9.2%
Philippine peso	PHP/ US\$	48.8550	0.6%	-0.3%	-8.0%	-4.5%
Euro	US\$/€	1.3336	1.4%	1.0%	12.5%	10.4%
British pound	US\$/£	1.9488	0.9%	-0.5%	13.1%	11.6%

Fixed Income Prices and Yields							
Note	Currency	Current (on 3/16/07)		1 Week Ago		4 Weeks Ago	
		Price	Yield	Price	Yield	Price	Yield
US 30-year	US\$	100.8594	4.70%	100.4688	4.66%	99.1620	4.79%
Japan 30-year	¥	104.5700	2.24%	105.1270	2.21%	102.6980	2.34%
Hong Kong 10-year	HK\$	105.2887	4.36%	105.3870	4.36%	104.8740	4.24%
China (06/16)	US\$	112.5028	3.12%	112.5803	3.11%	113.1400	3.05%
Singapore 10-year	S\$	102.7250	3.01%	100.6940	3.19%	99.8470	3.26%
South Korea 20-year	US\$	108.1007	5.11%	108.0502	5.08%	110.8120	5.07%
Australia 15-year	A\$	153.9725	2.44%	154.9850	2.41%	153.3210	2.49%
New Zealand (12/17)	NZ\$	100.8952	5.84%	101.6538	5.79%	100.5670	5.93%
Philippines 20-year	PHP	128.5597	8.21%	134.9558	7.97%	135.4600	7.92%
India 30-year	INR	89.7587	8.33%	89.6450	8.27%	93.0000	8.03%
UK 30-year	£	99.5560	4.26%	99.1360	4.26%	98.7447	4.33%
Germany 30-year	€	98.7850	4.08%	97.8610	4.09%	96.9880	4.18%

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