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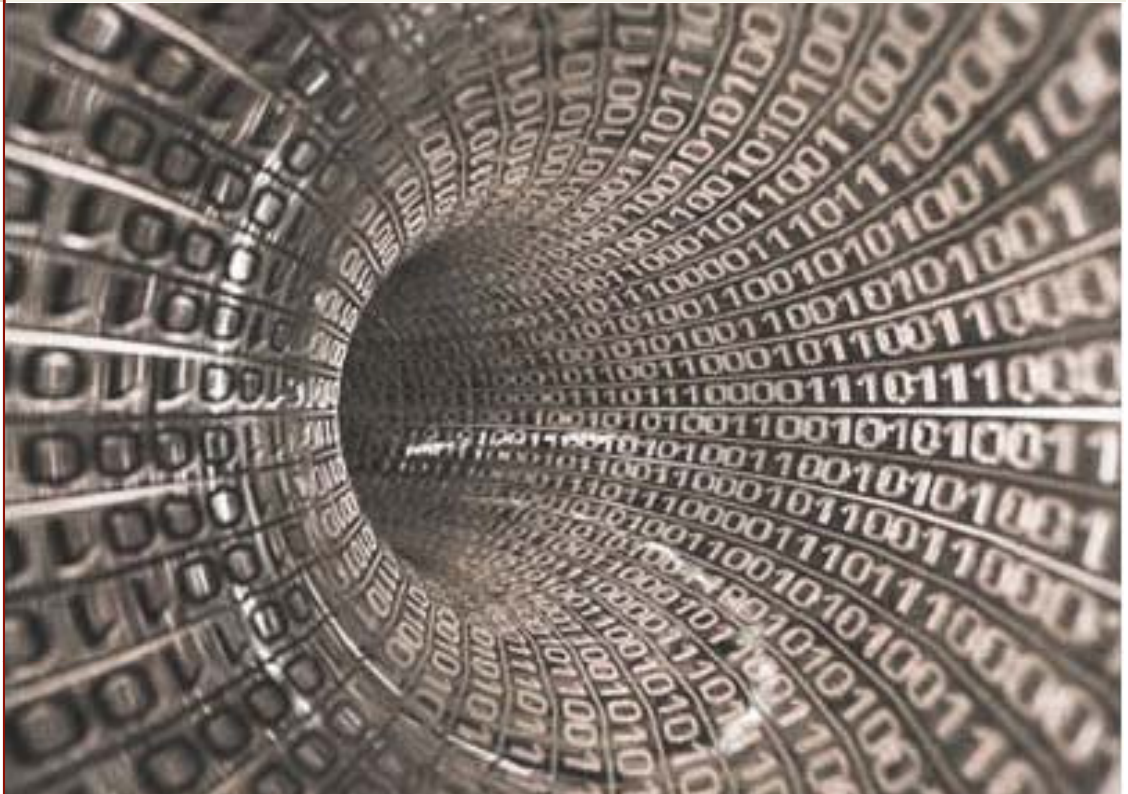
European Technology Update

July 19, 2010

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Company Specific News

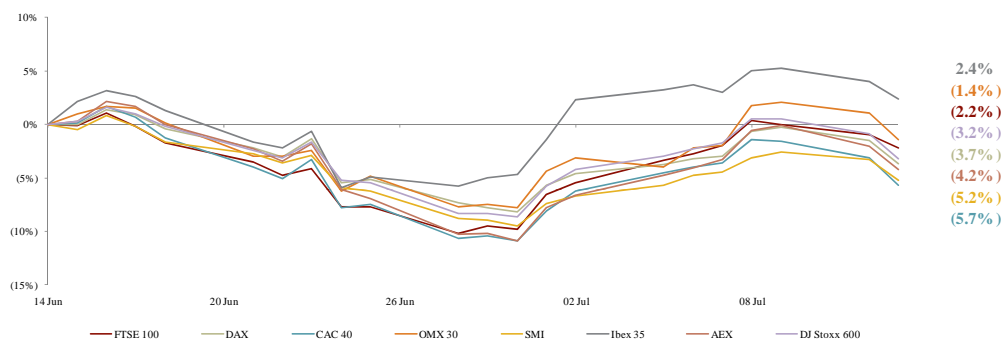
- **Google** reported Q2 earnings of \$1.8 billion, which came in below analyst expectations and compounded concerns surrounding R&D and acquisition spending
- **Intel** reported its “best quarter in the company’s 42-year history,” according to the CEO, with revenue gaining 34% year-over-year and quarterly profit of \$2.9 billion
- **Infosys** reported a 2.4% fall in quarterly profit, including a 12% decline in European revenue
- Business intelligence provider
- **QlikTech** priced its Nasdaq IPO at \$10, which was above the estimated range of \$8.50-\$9.50
- **Ocado** is targeting July 29th for its IPO on the LSE with a proposed price range of 200-275p, or an implied valuation of £800-1,100 million
- Electric car maker **Tesla Motors** raised \$226.1 million in its Nasdaq IPO
- Broadband communications company **ADC** has agreed to be acquired by Tyco Electronics for \$1.25 billion
- Nokia Siemens Networks acquired certain **wireless network infrastructure assets of Motorola** for \$1.2 billion
- **Digital Sky Technologies** has sold a 28.7% stake to Naspers for \$338 million in cash and its 39.3% stake in Mail.ru; DST is planning an IPO of its Russian division in the US in Q3
- Mobile content transfer and synchronization technology provider **FusionOne** has agreed to be acquired by Synchronoss Technologies for \$75 million
- LVMH acquired a 70% stake in Brazilian online cosmetics retailer **Sack’s**
- Google invested \$100 million into online social gaming site **Zynga**
- Online fashion retailers **My-wardrobe.com** and **Farfetch.com** have raised \$9 million from Balderton Capital and \$4.5 million from Advent Venture Partners, respectively
- Internet voting company **Scytl** raised \$9.2 million from Balderton Capital
- Viola Private Equity invested \$17 million in Israeli online advertising services company **Adsmarket** at a valuation of \$80 million
- Mobile network software company **Aepona** has raised \$10 million from SAP Ventures and return backers including Amadeus Capital Partners
- Social networking platform **MySpace** is currently in negotiations to replace its \$900 million ad partnership with Google that expires in August

Industry Trends

- eMarketer projected **global online ad spend** to grow at a 12% CAGR to reach nearly \$100 billion by 2014, increasing the internet’s share of total ad spend to 17.2% from 11.9% in 2009
- According to the IPA, 20% of UK firms reduced their **advertising budgets** in Q2 2010 while only 15% increased them due to fears of a double-dip recession; internet advertising remains the only medium that more marketers reported increasing than decreasing
- Dow Jones reported that **US venture capital fundraising** increased by 13.5% year-over-year in H1 2010
- **US venture capital funds** invested \$6.5 billion into 906 deals in Q2, which was a 34% capital increase over Q1
- **Pension funds ABP and OMERS** launched a €200 million venture capital fund focused on Dutch and Canadian opportunities

Source: Industry news sources.

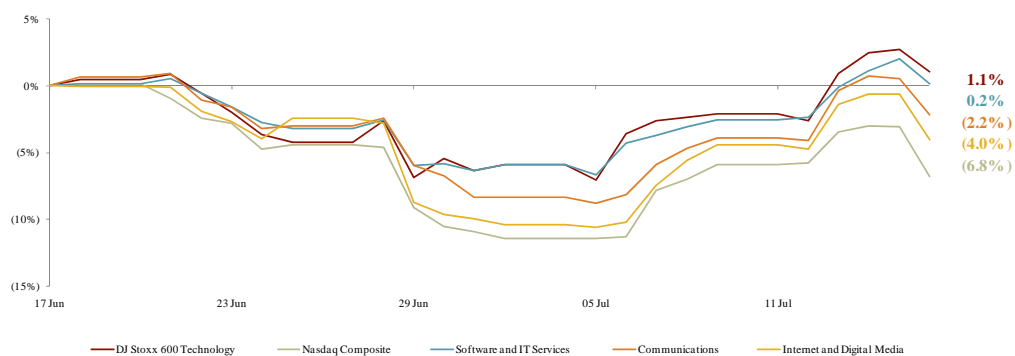
Equity Capital Markets Performance
Major European Equity Indices – Last 30 Days



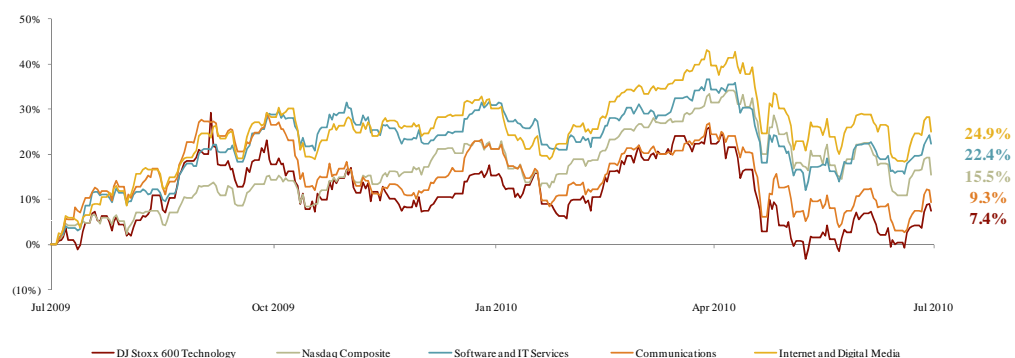
Source: Capital IQ, 17 July 2010.

Stock Performance

Last 30 Days



Last Twelve Months



Sources: Capital IQ, 17 July 2010; Brokers' reports.

Comparable Trading Summary

	CY2010E		EV / Revenue		EV / EBITDA		P / E	
	EBITDA Margin	Growth	CY2010E	CY2011E	CY2010E	CY2011E	CY2010E	CY2011E
<u>Software and IT Services</u>								
Enterprise Applications	18.9%	(1.3%)	1.5x	1.4x	7.7x	6.8x	13.8x	11.9x
European Large Cap Software	32.6%	10.8%	3.7x	3.6x	11.1x	9.8x	18.2x	15.9x
Financial Software	23.5%	8.1%	2.1x	2.0x	8.5x	7.2x	16.4x	13.6x
Healthcare Software	21.7%	14.6%	2.2x	2.6x	9.5x	7.8x	17.4x	19.7x
Large Cap IT Services	12.7%	(2.6%)	0.9x	0.9x	6.7x	5.9x	14.6x	12.2x
Mid Cap IT Services	10.9%	(6.7%)	0.7x	0.7x	6.2x	5.7x	10.9x	9.3x
Offshore IT Services	25.1%	16.3%	3.8x	3.5x	14.7x	12.5x	21.0x	18.3x
Security Software	36.1%	5.9%	2.7x	2.7x	7.4x	6.7x	14.6x	13.0x
<u>Communications</u>								
Digital Broadband	13.3%	2.5%	0.8x	0.8x	5.6x	5.1x	10.3x	9.0x
Diversified Communication Equipment	12.2%	20.3%	1.2x	1.1x	7.4x	8.6x	17.6x	14.2x
Mobile Content / Solutions Providers	18.9%	40.2%	1.9x	1.8x	12.0x	7.7x	23.8x	14.0x
Mobile Infrastructure Software	24.9%	9.6%	2.2x	2.1x	8.4x	7.2x	16.8x	16.9x
<u>Internet and Digital Media</u>								
Chinese Internet Leaders	40.6%	31.7%	7.6x	7.1x	18.0x	13.0x	18.9x	20.4x
Online Classifieds	37.8%	12.1%	4.9x	5.0x	12.5x	10.0x	22.4x	22.5x
Content Providers / Communities	21.2%	7.6%	2.1x	2.1x	10.4x	8.2x	25.4x	24.0x
Ecommerce	16.5%	22.0%	3.0x	2.8x	16.6x	12.8x	34.7x	28.1x
Global Internet Leaders	33.0%	22.1%	6.0x	5.5x	16.4x	12.5x	21.7x	21.8x
Interactive Entertainment	12.0%	30.0%	0.5x	0.6x	12.1x	4.0x	28.2x	18.1x
Intermediation and Comparison	27.4%	7.5%	1.7x	1.6x	6.2x	4.7x	16.1x	13.1x
Online Gambling	32.6%	(6.2%)	3.0x	3.0x	7.7x	6.8x	11.1x	9.8x
Online Marketing	13.5%	6.7%	1.2x	1.1x	9.6x	6.4x	16.0x	13.6x
Online Travel	27.0%	16.1%	3.9x	3.8x	13.8x	10.9x	27.9x	20.3x

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