

Harris Williams & Co.
middle market*

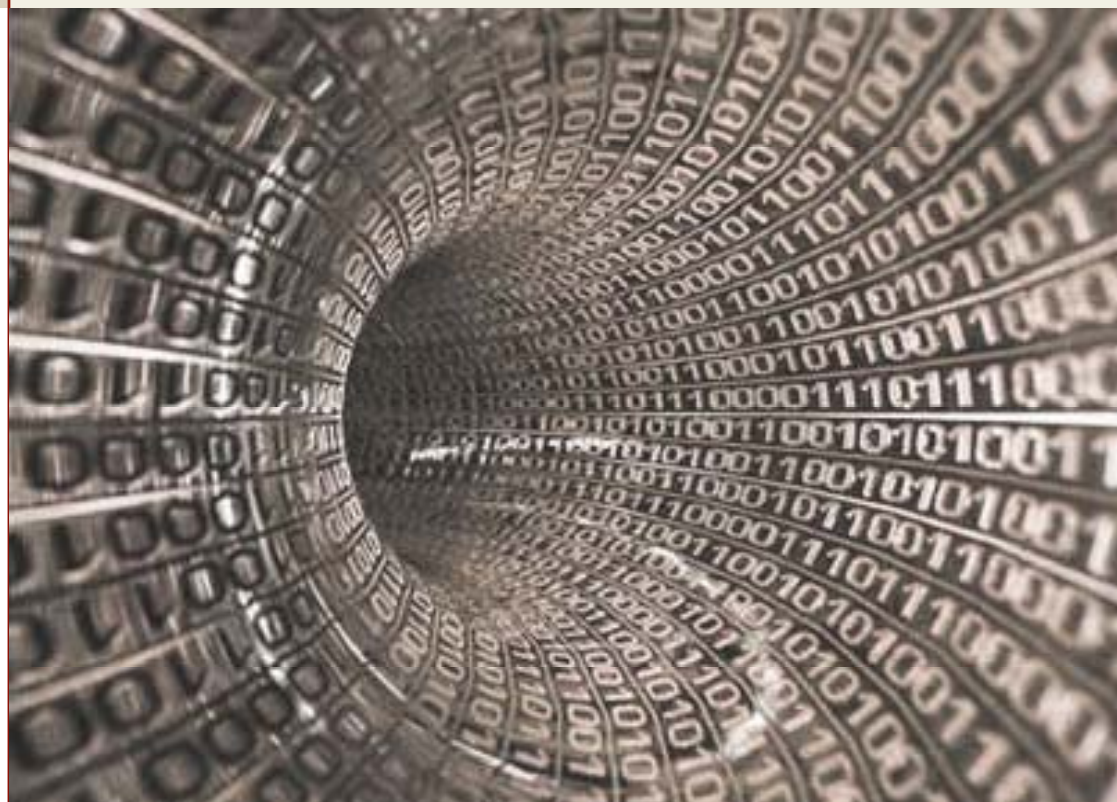
European Technology Update

October 13, 2010

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Company
Specific
News

- Private equity firms are reportedly considering financing a combination of **AOL** and **Yahoo!**¹
- AOL has made 4 acquisitions in the past 2 weeks: web-based social content sharing software company **Thing Labs**; technology news blog **TechCrunch**; online video distribution platform **5min**; and web link tool provider **bit.ly**
- Online private sales club **BuyVIP** has been acquired by Amazon for approximately €70 million
- Spanish and Latin American online private sales club **Privalia** has raised €70 million from General Atlantic, Index Ventures and Highland Capital Partners
- Amadeus is expected to divest its online travel business **Opodo**
- French travel site **Easyvoyage** has engaged advisors to evaluate acquisitions across Western Europe
- U.S. casino operator Harrah's is reported to be preparing a bid for online gambling group **888 Holdings**²
- Zynga has agreed to acquire U.S. social gaming company **Bonfire Studios** in its eighth acquisition of 2010
- SunGard has acquired **Mindwell**, a Swedish capital markets technology consultant
- Temenos has agreed to acquire wealth management software provider **Odyssey Group** for €78 million
- KANA Software has agreed to acquire Northern Ireland-based government-to-citizen software company **Lagan Technologies**
- Mobile data technology provider **Acision** has raised \$100 million from existing shareholders led by Len Blavatnik primarily for capital expenditures and acquisitions
- **Microsoft** expects that tablet PCs using the Windows operating system will be on sale before the end of the year
- U.K. telecom reseller Bluebell Telecom has acquired inbound telephony provider **Callstream**, financed by £4 million investment by Octopus and YFM
- **Face.com**, an Israeli developer of facial recognition technology, raised \$4.3 million from Yandex and Rhodium
- Educational software company **Revolution Prep** has raised \$15 million in a round led by Kennet Partners
- **eSellerPro**, an online sales process platform, has raised £2 million from Notion Capital
- Swedish semiconductor company **Glo** has raised SKr170 million from Wellington Partners
- Finnish conductor film developer **Canatu** has raised €4.7 million from Inventure Oy, Infosto and Tekes
- U.K.-based interactive projector developer **Light Blue Optics** raised £8.1 million from a consortium of venture capital firms
- Online gaming company **Betfair** has set the preliminary price range for its upcoming LSE IPO at £11-14 per share, valuing the company at up to £1.5 billion
- Digital Sky Technologies has confirmed that **Mail.ru Group**, the Russian internet holding company seeking a London listing, will control 2.4% of Facebook, 5% of Groupon and 1.5% of Zynga
- European online payment provider **Moneybookers** has announced its intention to float on the LSE
- Online video service **Hulu** is expected to go public in the first half of 2011 and raise \$200-300 million

Industry
Trends

- **Smartphones** operating on Google's Android platform have exceeded both Blackberry and iPhone sales in the U.S. since July, capturing 32% of new device sales in August compared to 26% for RIM and 25% for Apple
- Inside Networks estimated that the **U.S. virtual goods market** will reach \$2.1 billion in 2011, nearly doubling from \$1.1 billion in 2009 mainly due to growth of social gaming
- Even as the proportion of adults who are members of social network sites continues to rise, the share of the **population creating social content** has fallen slightly in the U.S., Europe and China
- Revenue from **mobile content and app sales** in the U.S. is expected to reach \$4 billion in 2010 and \$10 billion in 2015, with the global market sized at \$32 billion in 2015, according to Juniper Research
- The CTIA wireless association estimated that **U.S. mobile data revenue** reached nearly \$25 billion in the first half of 2010, up 27% from 2009 and accounting for more than 25% of total revenue for mobile service providers
- A study by TNS concluded that the populations of Egypt, Saudi Arabia and China are the **most engaged online audiences** globally

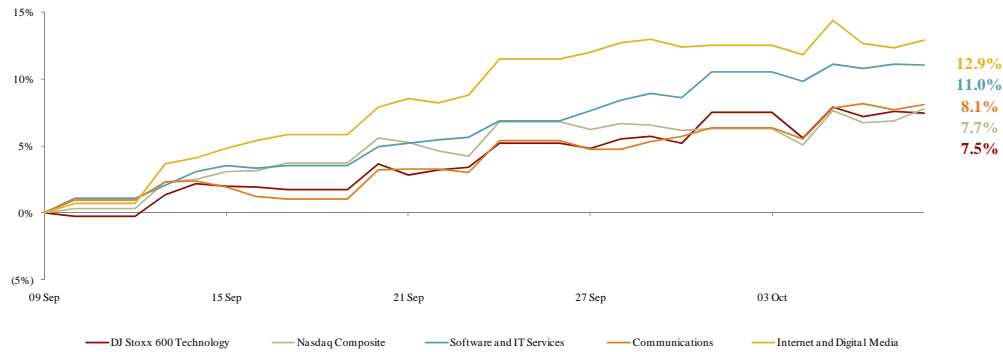
Source: Industry news sources.

(1) Source: MergerMarket.

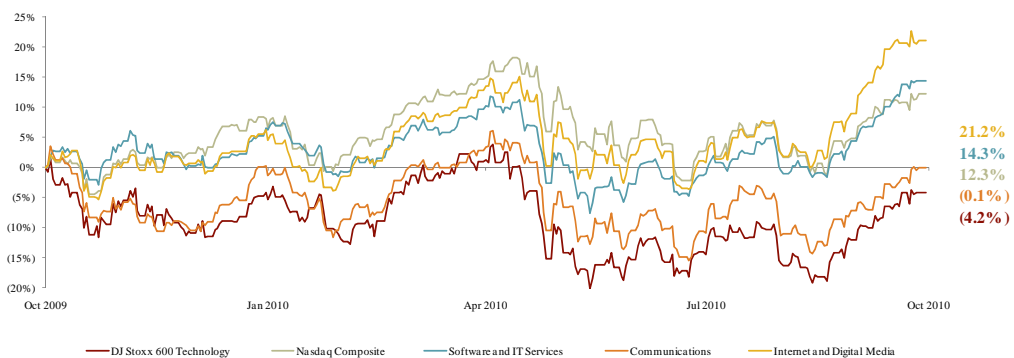
(2) Source: The Evening Standard.

Stock Performance

Last 30 Days



Last Twelve Months

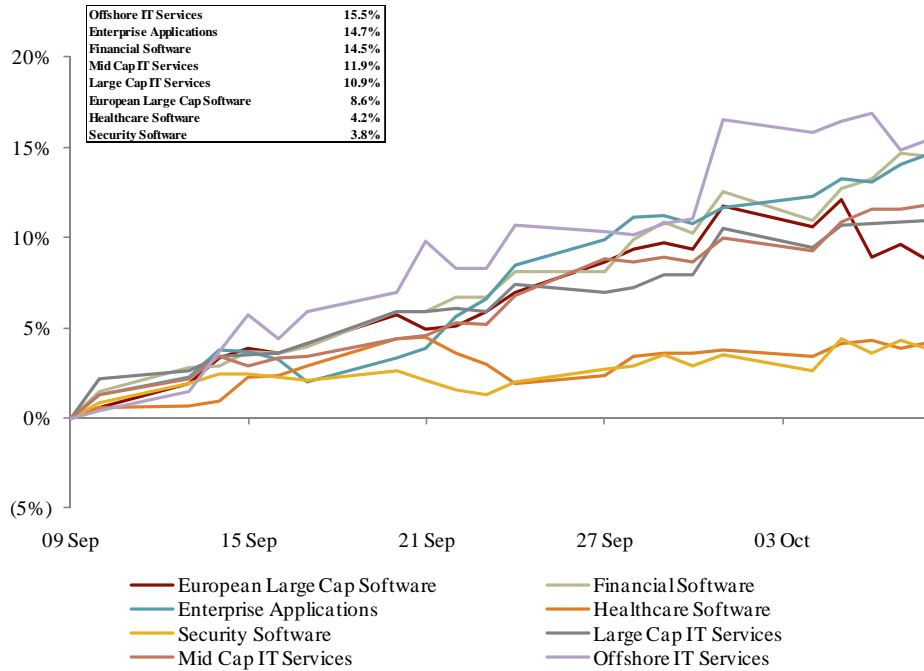


Sources: Capital IQ, 11 October 2010; Brokers' reports.

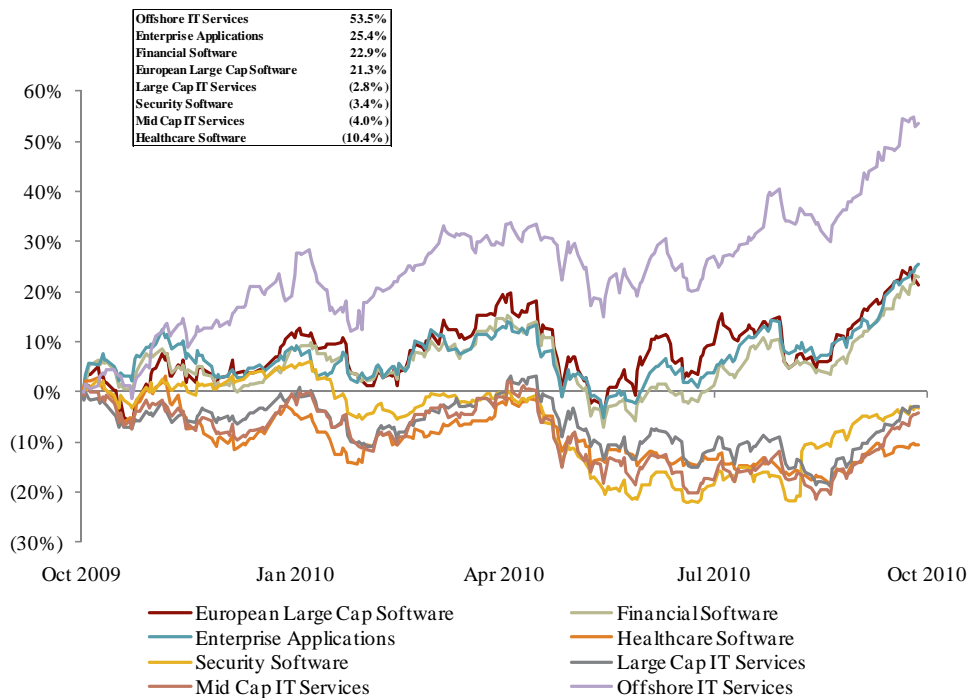
Comparable Trading Summary

	CY2010E		EV / Revenue		EV / EBITDA		P / E	
	EBITDA Margin	Growth	CY2010E	CY2011E	CY2010E	CY2011E	CY2010E	CY2011E
<u>Software and IT Services</u>								
Enterprise Applications	19.4%	6.0%	1.6x	1.6x	8.3x	7.4x	15.6x	13.4x
European Large Cap Software	32.2%	13.7%	3.7x	3.6x	11.6x	10.3x	18.8x	16.4x
Financial Software	23.3%	11.3%	2.3x	2.2x	9.6x	8.1x	18.5x	15.2x
Healthcare Software	20.4%	33.6%	2.0x	1.8x	9.6x	8.0x	19.6x	19.0x
Large Cap IT Services	13.2%	1.1%	1.0x	0.9x	7.0x	6.3x	14.9x	12.7x
Mid Cap IT Services	11.1%	0.0%	0.7x	0.7x	6.4x	6.0x	11.6x	10.0x
Offshore IT Services	24.8%	25.3%	4.2x	3.8x	16.6x	14.0x	24.2x	20.2x
Security Software	34.2%	7.5%	3.2x	3.1x	9.3x	8.3x	17.7x	15.7x
<u>Communications</u>								
Digital Broadband	13.1%	9.0%	0.8x	0.8x	5.7x	5.2x	16.1x	10.5x
Diversified Communication Equipment	12.4%	22.5%	1.3x	1.2x	8.1x	9.0x	19.2x	16.3x
Mobile Content / Solutions Providers	15.9%	30.6%	2.2x	1.9x	13.6x	8.3x	25.1x	17.3x
Mobile Infrastructure Software	23.8%	7.5%	2.5x	2.4x	12.2x	9.1x	18.9x	18.3x
<u>Internet and Digital Media</u>								
Chinese Internet Leaders	40.7%	33.4%	9.3x	8.0x	16.6x	15.3x	26.2x	23.8x
Online Classifieds	38.5%	19.1%	6.0x	5.5x	15.4x	12.2x	30.5x	25.1x
Content Providers / Communities	21.2%	11.2%	2.5x	2.3x	12.5x	9.8x	28.9x	24.9x
Ecommerce	15.7%	22.7%	3.5x	3.1x	20.2x	14.8x	35.2x	31.9x
Global Internet Leaders	33.4%	25.3%	6.8x	5.8x	14.0x	13.9x	23.4x	24.4x
Interactive Entertainment	16.0%	26.6%	0.9x	1.0x	5.9x	5.3x	22.7x	18.6x
Intermediation and Comparison	27.5%	8.7%	2.2x	2.0x	8.1x	7.3x	19.1x	17.0x
Online Gambling	31.2%	(5.5%)	3.2x	3.1x	9.2x	8.2x	13.5x	12.0x
Online Marketing	13.4%	12.5%	1.4x	1.5x	12.4x	8.6x	24.5x	19.7x
Online Travel	27.6%	19.8%	5.0x	4.6x	18.2x	14.6x	30.4x	23.9x

Last 30 Days Performance



Last Twelve Months Performance



Source: Capital IQ, 11 October 2010.

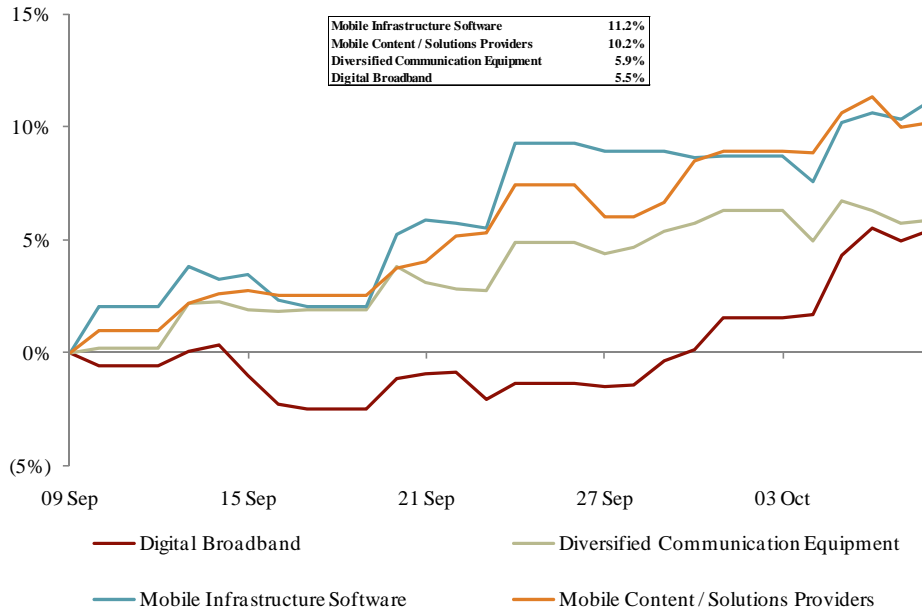
	Market Cap (\$m)	Enterprise Value (\$m)	CY2010E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2010E	CY2011E	CY2010E	CY2011E	CY2010E	CY2011E
European Large Cap Software										
SAP	61,276	58,818	33.3%	9.0%	3.5x	3.4x	10.6x	9.2x	17.5x	15.0x
Dassault Systemes	8,628	7,634	28.4%	18.3%	3.6x	3.3x	12.7x	10.7x	22.1x	18.9x
Autonomy	5,851	5,678	50.9%	17.0%	6.6x	6.1x	12.9x	11.0x	21.8x	17.6x
Sage	5,654	6,108	25.9%	(0.6%)	2.7x	2.6x	10.3x	9.9x	15.0x	14.2x
Software	3,658	4,066	27.3%	26.1%	2.7x	2.6x	9.8x	9.0x	15.5x	13.7x
Misys	2,451	2,688	21.4%	(5.0%)	2.2x	2.3x	10.4x	10.2x	21.0x	18.3x
Temenos	1,892	2,046	29.0%	20.9%	4.6x	4.2x	15.8x	12.6x	20.8x	17.7x
Aveva	1,516	1,277	34.5%	3.4%	5.1x	5.0x	14.7x	13.1x	25.5x	22.6x
Micro Focus	1,204	1,275	38.8%	34.2%	2.8x	2.8x	7.3x	6.9x	10.3x	9.5x
<i>Mean</i>			32.2%	13.7%	3.7x	3.6x	11.6x	10.3x	18.8x	16.4x
<i>Median</i>			29.0%	17.0%	3.5x	3.3x	10.6x	10.2x	20.8x	17.6x
Financial Software										
Intuit	14,553	13,929	36.4%	10.0%	3.9x	3.7x	10.7x	9.7x	21.3x	18.5x
Misys	2,451	2,688	21.4%	(5.0%)	2.2x	2.3x	10.4x	10.2x	21.0x	18.3x
Temenos	1,892	2,046	29.0%	20.9%	4.6x	4.2x	15.8x	12.6x	20.8x	17.7x
Fidessa	860	797	22.0%	10.0%	1.9x	1.8x	8.6x	7.7x	21.7x	19.9x
SimCorp	706	658	24.2%	6.7%	2.4x	2.3x	9.8x	8.4x	16.6x	13.2x
ORC	434	401	20.9%	56.0%	2.6x	2.2x	12.6x	7.6x	21.9x	15.0x
Innovation	198	167	10.6%	3.1%	0.6x	0.6x	6.1x	4.7x	18.9x	12.3x
Linedata	164	166	16.8%	(2.5%)	0.8x	0.8x	4.9x	4.5x	11.5x	9.6x
Microgen	139	102	25.7%	11.1%	2.0x	2.0x	7.7x	7.1x	17.6x	14.7x
StatPro	120	130	26.1%	3.1%	2.5x	2.4x	9.5x	8.7x	14.1x	12.5x
<i>Mean</i>			23.3%	11.3%	2.3x	2.2x	9.6x	8.1x	18.5x	15.2x
<i>Median</i>			23.1%	8.3%	2.3x	2.2x	9.7x	8.0x	19.9x	14.8x
Enterprise Applications										
Unit 4	819	916	20.4%	8.9%	1.5x	1.5x	7.6x	6.6x	22.1x	15.5x
SDL	733	644	19.5%	9.6%	2.1x	2.0x	10.9x	9.4x	18.6x	16.9x
Exact	601	535	22.4%	(3.5%)	1.7x	1.6x	7.4x	7.0x	14.1x	13.3x
F-Secure	478	437	20.3%	1.3%	2.4x	2.3x	11.8x	9.7x	20.3x	16.1x
IFS	377	326	16.5%	9.2%	0.8x	0.8x	5.0x	4.5x	12.0x	10.6x
Kofax	359	309	9.5%	13.2%	0.9x	0.9x	9.1x	8.7x	17.3x	14.4x
Cegid	262	363	24.2%	(1.3%)	1.0x	1.0x	4.3x	4.0x	9.3x	8.3x
Alterian	196	178	24.1%	11.7%	2.7x	2.6x	11.0x	9.8x	16.3x	15.5x
Kewill	150	123	17.5%	5.2%	1.3x	1.3x	7.5x	7.0x	10.4x	9.9x
<i>Mean</i>			19.4%	6.0%	1.6x	1.6x	8.3x	7.4x	15.6x	13.4x
<i>Median</i>			20.3%	8.9%	1.5x	1.5x	7.6x	7.0x	16.3x	14.4x
Healthcare Software										
McKesson	15,891	14,904	2.3%	2.5%	0.1x	0.1x	5.9x	5.5x	12.9x	11.8x
Cerner	7,113	6,597	30.2%	13.2%	3.6x	3.4x	11.8x	10.0x	29.9x	24.8x
Allscripts-Misys	3,444	3,303	16.6%	73.6%	2.9x	2.3x	17.4x	11.2x	26.3x	20.8x
Cegedim	874	1,506	19.4%	2.6%	1.2x	1.1x	6.1x	5.5x	11.0x	8.6x
CompuGroup	672	829	21.4%	4.7%	1.8x	1.7x	8.6x	7.3x	18.0x	14.2x
Advanced Computer Software	168	232	32.5%	105.0%	2.6x	2.3x	8.1x	8.5x	NM	33.9x
<i>Mean</i>			20.4%	33.6%	2.0x	1.8x	9.6x	8.0x	19.6x	19.0x
<i>Median</i>			20.4%	8.9%	2.2x	2.0x	8.3x	7.9x	18.0x	17.5x

Sources: Capital IQ, 11 October 2010; Brokers' reports.

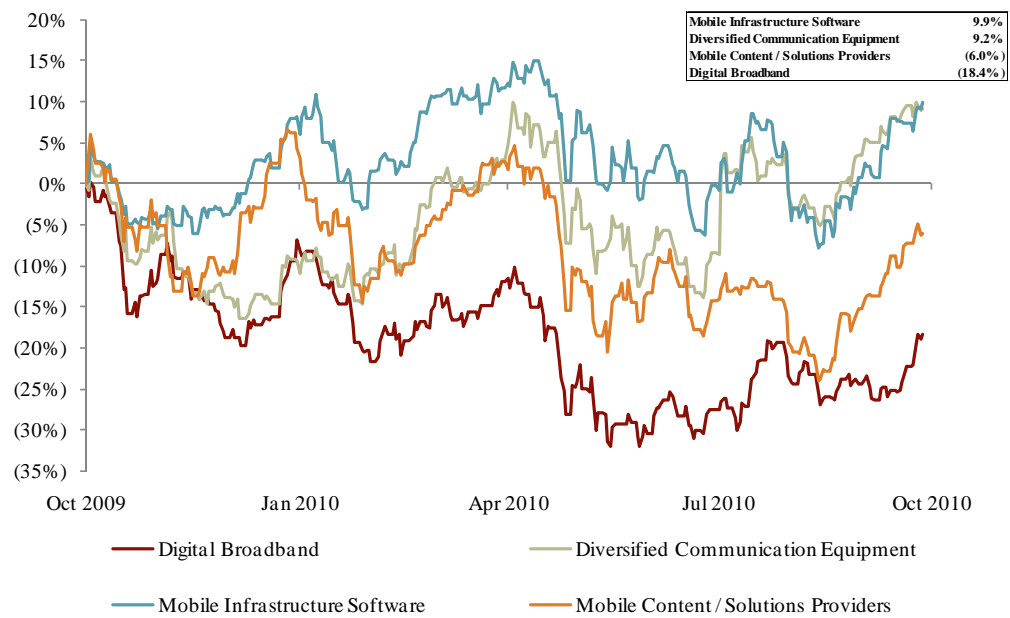
	Market Cap (\$m)	Enterprise Value (\$m)	CY2010E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2010E	CY2011E	CY2010E	CY2011E	CY2010E	CY2011E
Security Software										
Symantec	11,848	11,006	32.5%	1.0%	1.8x	1.8x	5.7x	5.0x	11.1x	10.4x
Check Point	7,838	6,854	58.5%	14.9%	6.5x	6.2x	11.0x	10.3x	16.1x	14.7x
McAfee	7,262	6,473	31.4%	7.0%	3.1x	3.0x	10.0x	9.5x	18.6x	16.7x
Trend Micro	4,095	2,601	28.2%	13.3%	2.2x	2.2x	7.9x	7.1x	22.2x	20.5x
F-Secure	478	437	20.3%	1.3%	2.4x	2.3x	11.8x	9.7x	20.3x	16.1x
<i>Mean</i>			34.2%	7.5%	3.2x	3.1x	9.3x	8.3x	17.7x	15.7x
<i>Median</i>			31.4%	7.0%	2.4x	2.3x	10.0x	9.5x	18.6x	16.1x
Large Cap IT Services										
Accenture	29,174	24,774	15.8%	4.5%	1.1x	1.1x	7.2x	6.7x	16.7x	14.7x
Cap Gemini	8,028	6,924	8.5%	(1.1%)	0.6x	0.6x	6.9x	5.7x	18.5x	14.7x
Capita Group	7,663	9,263	16.3%	4.2%	2.0x	2.0x	12.6x	11.6x	18.2x	16.3x
Computer Sciences	7,159	8,596	15.0%	2.3%	0.5x	0.5x	3.5x	3.4x	8.9x	8.3x
Atos Origin	3,158	3,328	10.3%	(4.4%)	0.5x	0.5x	4.6x	4.2x	12.5x	10.2x
<i>Mean</i>			13.2%	1.1%	1.0x	0.9x	7.0x	6.3x	14.9x	12.7x
<i>Median</i>			15.0%	2.3%	0.6x	0.6x	6.9x	5.7x	16.7x	13.9x
Mid Cap IT Services										
CGI	4,286	4,303	18.8%	9.4%	1.1x	1.0x	5.9x	5.8x	13.0x	11.7x
Logica	3,314	3,925	8.9%	(1.9%)	0.7x	0.7x	7.6x	7.1x	10.8x	10.2x
Indra Sistemas	3,039	3,404	12.9%	(3.0%)	1.0x	0.9x	7.4x	7.1x	10.9x	10.6x
Tieto	1,444	1,581	10.5%	(3.1%)	0.7x	0.6x	6.4x	5.6x	15.4x	10.9x
Sopra	930	1,106	10.1%	1.3%	0.7x	0.7x	6.9x	6.2x	11.9x	10.1x
Groupe Steria	892	1,194	9.4%	0.1%	0.5x	0.5x	5.4x	5.0x	10.7x	9.2x
GFI Informatique	217	378	7.2%	(2.4%)	0.4x	0.4x	5.6x	4.9x	8.9x	7.1x
<i>Mean</i>			11.1%	0.0%	0.7x	0.7x	6.4x	6.0x	11.6x	10.0x
<i>Median</i>			10.1%	(1.9%)	0.7x	0.7x	6.4x	5.8x	10.9x	10.2x
Offshore IT Services										
Tata	41,563	39,871	29.3%	20.6%	5.2x	4.7x	17.8x	15.1x	23.3x	20.8x
Infosys	39,593	35,980	32.9%	25.4%	6.2x	5.6x	18.8x	16.1x	26.4x	21.9x
Wipro	25,451	24,361	22.2%	18.1%	3.6x	3.3x	16.2x	14.2x	21.5x	18.8x
Cognizant	19,082	17,430	21.1%	36.5%	3.9x	3.5x	18.5x	15.1x	28.2x	24.6x
HCL	6,611	6,750	18.7%	25.7%	2.2x	2.0x	11.7x	9.4x	21.5x	14.7x
<i>Mean</i>			24.8%	25.3%	4.2x	3.8x	16.6x	14.0x	24.2x	20.2x
<i>Median</i>			22.2%	25.4%	3.9x	3.5x	17.8x	15.1x	23.3x	20.8x

Sources: Capital IQ, 11 October 2010; Brokers' reports.

Last 30 Days Performance



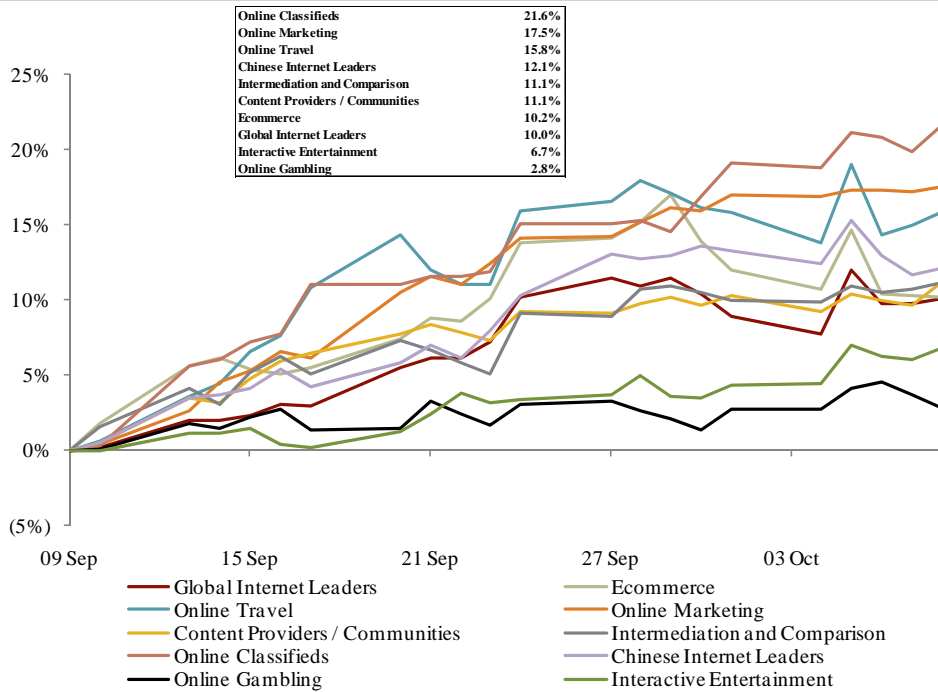
Last Twelve Months Performance



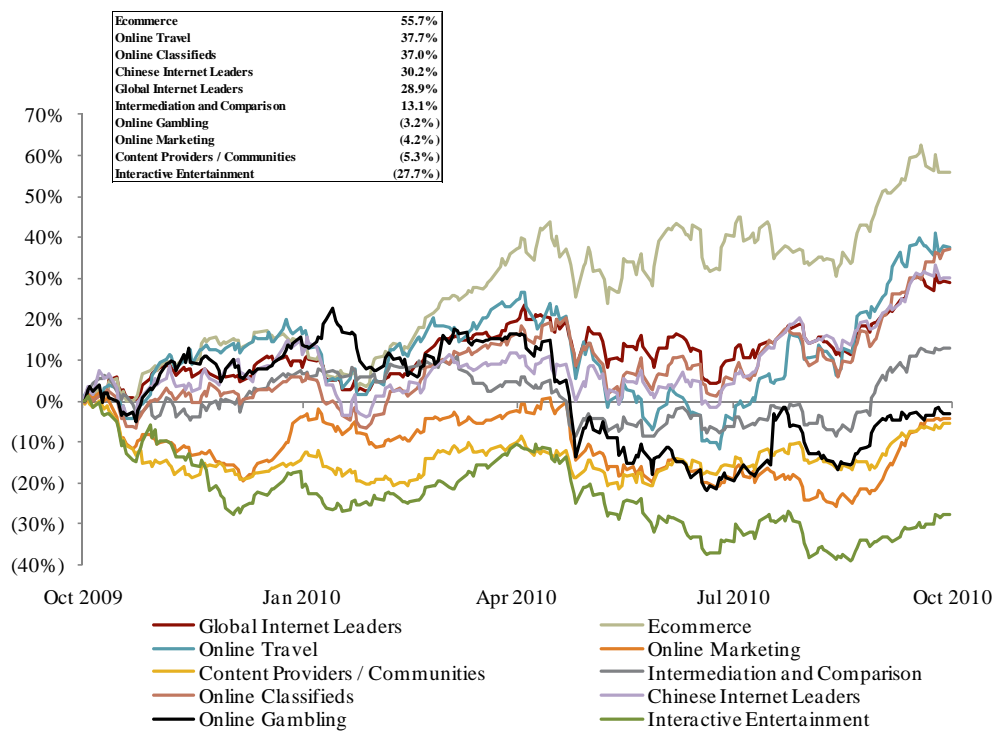
Source: Capital IQ, 11 October 2010.

	Market Cap (\$m)	Enterprise Value (\$m)	CY2010E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2010E	CY2011E	CY2010E	CY2011E	CY2010E	CY2011E
Digital Broadband										
Logitech	3,086	2,731	10.8%	25.1%	1.2x	1.1x	109x	9.6x	NM	NM
TomTom	1,864	2,435	19.7%	(3.4%)	1.2x	1.2x	60x	6.0x	9.6x	9.3x
Kudelski	1,454	1,729	16.1%	15.7%	1.5x	1.4x	9.2x	8.0x	16.4x	12.7x
Pace	921	771	10.2%	10.6%	0.4x	0.4x	3.7x	3.1x	8.6x	7.4x
Technicolor	460	2,241	14.1%	(8.4%)	0.5x	0.5x	3.4x	3.3x	36.5x	10.7x
Parrot	266	147	11.3%	15.7%	0.5x	0.5x	4.7x	4.3x	16.7x	15.7x
Advanced Digital Broadcast	135	86	9.4%	7.8%	0.2x	0.2x	2.2x	2.0x	9.1x	7.3x
<i>Mean</i>			13.1%	9.0%	0.8x	0.8x	5.7x	5.2x	16.1x	10.5x
<i>Median</i>			11.3%	10.6%	0.5x	0.5x	4.7x	4.3x	13.0x	10.0x
Diversified Communication Equipment										
Nokia	40,048	36,329	9.5%	(1.6%)	0.6x	0.6x	6.6x	5.5x	20.3x	13.7x
LM Ericsson Telephone	34,287	29,464	15.3%	5.9%	1.0x	0.9x	6.3x	5.6x	17.6x	12.5x
Alcatel-Lucent	8,013	8,912	6.3%	(0.8%)	0.4x	0.4x	6.5x	4.4x	NM	15.8x
ADTRAN	2,212	2,080	26.2%	20.2%	3.6x	3.4x	13.6x	11.8x	22.4x	19.7x
CommScope	2,096	2,904	14.9%	6.0%	0.9x	0.9x	6.1x	5.3x	12.3x	9.7x
CIENA	1,445	2,149	2.6%	121.9%	1.5x	1.3x	NM	21.7x	NM	26.2x
ADC Telecommunications	1,230	1,271	11.7%	6.2%	1.1x	1.1x	9.5x	8.9x	23.2x	NM
<i>Mean</i>			12.4%	22.5%	1.3x	1.2x	8.1x	9.0x	19.2x	16.3x
<i>Median</i>			11.7%	6.0%	1.0x	0.9x	6.6x	5.6x	20.3x	14.8x
Mobile Infrastructure Software										
QUALCOMM	71,849	63,159	41.7%	5.8%	5.6x	5.4x	13.5x	12.5x	19.0x	17.1x
Amdocs	5,957	4,667	22.0%	7.1%	1.5x	1.5x	7.0x	6.6x	13.6x	12.5x
VeriSign	5,570	4,861	49.6%	(25.9%)	6.4x	6.6x	12.9x	11.6x	28.1x	21.6x
Syniverse	1,568	1,941	41.1%	30.7%	3.1x	3.0x	7.5x	6.8x	11.9x	10.8x
Sonus Networks	1,002	649	7.7%	7.5%	2.7x	2.6x	34.3x	28.2x	NM	45.3x
Tekelec	894	668	20.1%	(6.1%)	1.5x	1.5x	7.5x	7.3x	16.1x	13.6x
Synchronoss Technologies	576	491	27.2%	27.8%	3.0x	2.6x	11.0x	8.1x	30.1x	21.5x
Intec Telecom Systems	363	256	12.5%	(8.7%)	1.1x	1.1x	8.6x	7.1x	15.8x	18.3x
Smith Micro Software	352	297	35.1%	19.5%	2.3x	2.2x	6.6x	5.9x	13.2x	11.9x
TeleCommunication Systems	274	361	17.5%	35.5%	0.9x	0.8x	5.1x	4.2x	13.6x	10.7x
Openwave Systems	149	43	1.4%	(13.8%)	0.3x	0.3x	18.6x	3.5x	NM	NM
Redknee Solutions	87	68	9.3%	10.2%	1.3x	1.1x	13.6x	6.8x	27.6x	NM
<i>Mean</i>			23.8%	7.5%	2.5x	2.4x	12.2x	9.1x	18.9x	18.3x
<i>Median</i>			21.0%	7.3%	1.9x	1.9x	9.8x	7.0x	15.9x	15.4x
Mobile Content / Solutions Providers										
Art Technology	662	517	21.2%	11.2%	2.6x	2.4x	12.2x	9.7x	21.2x	17.2x
Opera Software	535	444	15.8%	11.6%	3.8x	3.3x	23.8x	12.2x	41.1x	21.7x
GameLoft	409	373	17.1%	2.2%	2.0x	1.9x	11.7x	9.5x	26.2x	19.6x
Danal	219	200	16.8%	25.3%	2.2x	2.2x	13.2x	10.2x	NM	NM
Buongiorno	160	251	13.0%	1.7%	0.7x	0.6x	5.1x	5.2x	12.0x	10.6x
Synchronica	27	26	11.4%	132.0%	1.8x	0.9x	15.7x	3.0x	NM	NM
<i>Mean</i>			15.9%	30.6%	2.2x	1.9x	13.6x	8.3x	25.1x	17.3x
<i>Median</i>			16.3%	11.4%	2.1x	2.1x	12.7x	9.6x	23.7x	18.4x

Last 30 Days Performance



Last Twelve Months Performance



Source: Capital IQ, 11 October 2010.

Internet and Digital Media (Continued)

	Market Cap (\$m)	Enterprise Value (\$m)	CY2010E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2010E	CY2011E	CY2010E	CY2011E	CY2010E	CY2011E
Global Internet Leaders										
Apple	268,651	244,363	29.6%	50.3%	3.5x	3.1x	11.7x	9.5x	18.5x	15.9x
Microsoft	211,365	180,778	42.7%	11.4%	2.8x	2.7x	6.5x	5.9x	11.2x	9.8x
Google	171,118	141,059	44.6%	19.6%	5.0x	4.7x	11.2x	9.7x	19.7x	17.2x
Amazon	69,659	64,683	7.6%	35.3%	2.0x	1.8x	25.7x	20.1x	NM	42.6x
Baidu	34,320	33,448	55.8%	75.8%	29.2x	23.1x	NM	33.3x	NM	45.5x
eBay	32,292	27,394	35.7%	3.0%	3.0x	2.9x	8.5x	7.8x	15.1x	13.9x
Yahoo!	19,537	16,947	35.2%	(27.9%)	3.6x	3.6x	10.3x	9.2x	21.6x	19.3x
Alibaba	9,976	8,778	33.6%	42.8%	11.0x	9.6x	32.7x	24.4x	44.8x	33.9x
IAC	2,746	1,435	15.6%	16.9%	0.9x	0.9x	5.7x	5.0x	33.1x	21.6x
<i>Mean</i>			33.4%	25.3%	6.8x	5.8x	14.0x	13.9x	23.4x	24.4x
<i>Median</i>			35.2%	19.6%	3.5x	3.1x	10.8x	9.5x	19.7x	19.3x
Ecommerce										
Amazon	69,659	64,683	7.6%	35.3%	2.0x	1.8x	25.7x	20.1x	NM	42.6x
eBay	32,292	27,394	35.7%	3.0%	3.0x	2.9x	8.5x	7.8x	15.1x	13.9x
Netflix	7,835	7,793	15.7%	29.3%	3.6x	3.1x	22.9x	18.1x	NM	40.2x
Mercadolibre	2,886	2,843	37.6%	31.6%	12.5x	10.7x	33.2x	24.3x	NM	43.3x
Vistaprint	1,610	1,443	19.8%	17.9%	2.0x	1.9x	10.2x	8.2x	19.5x	16.1x
GSI Commerce	1,601	1,692	10.3%	34.1%	1.3x	1.2x	12.2x	9.9x	NM	44.5x
OpenTable	1,431	1,349	32.6%	35.0%	14.6x	12.2x	44.6x	28.8x	NM	NM
Digital River	1,401	1,061	17.0%	(13.8%)	3.0x	3.0x	17.9x	11.7x	46.0x	27.6x
Asos	1,349	1,324	10.4%	41.1%	2.9x	2.7x	27.6x	21.1x	48.5x	37.9x
Ocado	827	992	3.9%	27.4%	1.3x	1.0x	32.0x	16.1x	NM	NM
Shutterfly	703	544	19.9%	16.6%	1.9x	1.8x	9.5x	8.1x	NM	38.3x
Blue Nile	608	562	9.3%	10.1%	1.7x	1.6x	18.2x	16.2x	44.6x	36.2x
YOOX	547	532	9.5%	34.1%	1.8x	1.6x	19.2x	13.8x	46.9x	31.5x
Overstock	374	349	2.9%	26.4%	0.3x	0.3x	10.8x	8.9x	25.6x	18.1x
Drugstore	207	189	3.7%	12.2%	0.4x	0.4x	10.9x	8.3x	NM	24.4x
<i>Mean</i>			15.7%	22.7%	3.5x	3.1x	20.2x	14.8x	35.2x	31.9x
<i>Median</i>			10.4%	27.4%	2.0x	1.8x	18.2x	13.8x	44.6x	36.2x
Online Travel										
Priceline	16,495	15,826	27.3%	29.8%	5.3x	4.8x	19.3x	15.3x	28.8x	23.0x
Expedia	8,048	7,877	28.9%	10.3%	2.4x	2.3x	8.3x	7.4x	17.2x	14.6x
Ctrip	6,535	6,167	40.0%	53.6%	14.5x	12.8x	36.3x	26.8x	45.6x	35.2x
Wotif	1,028	925	57.8%	19.4%	6.6x	6.4x	11.5x	10.4x	18.9x	17.1x
Orbitz	661	1,013	20.4%	2.6%	1.3x	1.3x	6.6x	6.0x	NM	25.6x
Travelzoo	419	387	13.1%	13.1%	3.6x	3.3x	27.6x	25.6x	40.0x	32.0x
hotel.de	66	53	5.9%	9.8%	1.0x	1.0x	17.8x	10.6x	32.0x	20.2x
<i>Mean</i>			27.6%	19.8%	5.0x	4.6x	18.2x	14.6x	30.4x	23.9x
<i>Median</i>			27.3%	13.1%	3.6x	3.3x	17.8x	10.6x	30.4x	23.0x
Online Marketing										
ValueClick	1,061	889	28.2%	(1.2%)	2.1x	2.0x	7.5x	6.8x	20.5x	18.6x
Constant Contact	609	493	12.7%	34.5%	2.8x	2.5x	22.3x	14.6x	NM	32.0x
InfoSpace	310	86	12.9%	23.2%	0.3x	0.3x	2.6x	2.6x	47.3x	32.3x
TradeDoubler	215	197	4.3%	0.7%	0.5x	0.4x	10.9x	8.1x	19.2x	14.1x
Hi-Media	205	258	8.3%	28.5%	0.8x	0.8x	9.8x	7.7x	16.0x	11.4x
Marchex	198	165	7.5%	1.3%	1.7x	1.6x	23.2x	10.5x	NM	NM
1000mercis	156	140	35.3%	30.1%	3.1x	3.1x	8.9x	7.7x	15.3x	13.8x
AdLink Internet Media	149	144	7.9%	(10.2%)	0.8x	0.8x	10.5x	8.4x	25.9x	15.4x
ad pepper media	61	41	3.6%	5.9%	0.6x	NA	16.2x	9.2x	27.7x	19.8x
<i>Mean</i>			13.4%	12.5%	1.4x	1.5x	12.4x	8.6x	24.5x	19.7x
<i>Median</i>			8.3%	5.9%	0.8x	1.2x	10.5x	8.3x	20.5x	17.0x
Content Providers / Communities										
WebMD Health	2,900	2,478	30.5%	17.7%	4.8x	4.5x	15.7x	12.3x	NM	40.9x
Meetic	716	660	23.7%	19.7%	2.4x	2.4x	10.3x	8.9x	17.8x	15.2x
Move	358	316	10.9%	(7.7%)	1.6x	1.6x	14.9x	11.2x	48.3x	30.7x
The Knot	307	183	10.4%	6.3%	1.6x	1.6x	15.6x	12.1x	NM	NM
XING	220	144	30.5%	20.3%	1.9x	1.7x	6.2x	4.6x	20.5x	12.9x
<i>Mean</i>			21.2%	11.2%	2.5x	2.3x	12.5x	9.8x	28.9x	24.9x
<i>Median</i>			23.7%	17.7%	1.9x	1.7x	14.9x	11.2x	20.5x	22.9x

Sources: Capital IQ, 11 October 2010; Brokers' reports.

Internet and Digital Media (Continued)

	Market Cap (\$m)	Enterprise Value (\$m)	CY2010E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2010E	CY2011E	CY2010E	CY2011E	CY2010E	CY2011E
Intermediation and Comparison										
Moneysupermarket	649	604	27.4%	0.2%	2.7x	2.6x	10.0x	9.1x	13.8x	12.4x
Liquidity Services	440	370	12.8%	17.2%	1.3x	1.2x	10.0x	8.4x	27.1x	21.6x
eHealth	309	168	21.5%	12.8%	1.1x	1.1x	5.2x	5.4x	22.6x	22.9x
Gruppo MutuiOnline	274	254	48.4%	4.8%	3.5x	3.1x	7.2x	6.4x	13.0x	11.3x
<i>Mean</i>			27.5%	8.7%	2.2x	2.0x	8.1x	7.3x	19.1x	17.0x
<i>Median</i>			24.4%	8.8%	2.0x	1.9x	8.6x	7.4x	18.2x	17.0x
Online Classifieds										
SEEK	2,529	2,588	43.9%	50.4%	8.3x	7.5x	18.9x	14.9x	25.6x	19.4x
Monster	1,692	1,444	10.8%	0.6%	1.6x	1.5x	14.7x	9.0x	NM	37.8x
Rightmove	1,391	1,354	66.1%	17.6%	10.3x	9.6x	15.5x	13.3x	21.2x	18.2x
Carsales.au	1,157	1,143	53.4%	37.5%	8.6x	7.9x	16.1x	13.4x	24.4x	20.2x
51job	1,051	844	27.1%	31.3%	5.7x	5.1x	20.9x	15.8x	32.3x	24.9x
Seloger	867	873	52.7%	10.6%	7.5x	7.1x	14.3x	12.4x	24.3x	20.2x
Dice	578	567	38.6%	12.1%	4.6x	3.9x	11.9x	9.1x	35.3x	21.3x
LoopNet	487	387	36.6%	0.8%	5.0x	4.8x	13.7x	11.4x	45.6x	38.5x
Adenclassifieds	259	183	17.4%	11.1%	2.2x	2.0x	12.3x	10.6x	35.5x	25.8x
<i>Mean</i>			38.5%	19.1%	6.0x	5.5x	15.4x	12.2x	30.5x	25.1x
<i>Median</i>			38.6%	12.1%	5.7x	5.1x	14.7x	12.4x	28.9x	21.3x
Chinese Internet Leaders										
Tencent	41,614	39,970	54.6%	57.9%	13.9x	12.4x	25.5x	19.4x	34.5x	26.1x
Baidu	34,320	33,448	55.8%	75.8%	29.2x	23.1x	NM	33.3x	NM	45.5x
Alibaba	9,976	8,778	33.6%	42.8%	11.0x	9.6x	32.7x	24.4x	44.8x	33.9x
Netease	5,028	3,805	52.7%	45.0%	4.8x	4.3x	9.1x	7.3x	15.8x	12.7x
Focus Media	3,425	2,853	30.7%	12.1%	5.0x	5.1x	16.4x	12.2x	23.2x	18.3x
Sina	3,111	2,383	29.1%	11.0%	6.0x	5.6x	20.6x	16.7x	30.4x	24.9x
Sohu	2,238	1,737	42.2%	15.8%	2.9x	2.7x	6.9x	5.7x	16.1x	13.5x
Shanda Interactive	2,237	1,103	27.2%	6.9%	1.3x	1.3x	4.9x	3.6x	18.6x	15.5x
<i>Mean</i>			40.7%	33.4%	9.3x	8.0x	16.6x	15.3x	26.2x	23.8x
<i>Median</i>			37.9%	29.3%	5.5x	5.3x	16.4x	14.5x	23.2x	21.6x
Online Gambling										
bwin Interactive	1,900	1,676	23.6%	28.6%	2.5x	2.4x	10.4x	8.6x	18.8x	14.1x
PartyGaming	1,830	1,638	28.5%	11.5%	3.3x	3.2x	11.6x	10.8x	16.9x	15.6x
Playtech	1,670	1,591	66.9%	19.8%	8.1x	7.6x	12.1x	10.7x	11.6x	11.2x
Sportingbet	606	522	22.6%	(88.2%)	1.6x	1.5x	6.9x	6.3x	11.8x	10.6x
888	249	179	14.4%	1.0%	0.7x	0.7x	5.0x	4.9x	8.7x	8.6x
<i>Mean</i>			31.2%	(5.5%)	3.2x	3.1x	9.2x	8.2x	13.5x	12.0x
<i>Median</i>			23.6%	11.5%	2.5x	2.4x	10.4x	8.6x	11.8x	11.2x
Interactive Entertainment										
Activision	13,603	10,757	34.4%	4.4%	2.4x	2.4x	7.0x	6.8x	15.2x	13.8x
Electronic Arts	5,830	4,100	9.3%	3.3%	1.1x	1.0x	12.1x	6.8x	41.2x	21.2x
Ubisoft Entertainment	1,079	977	22.0%	(16.2%)	0.8x	0.7x	3.8x	1.9x	NM	33.9x
Take-Two Interactive Software	895	765	11.9%	17.7%	0.7x	0.8x	5.6x	5.4x	11.8x	11.5x
THQ	280	164	(2.3%)	(16.0%)	0.2x	0.2x	NM	5.4x	NM	12.6x
Atari	116	129	20.7%	166.3%	0.3x	NA	1.3x	NA	NM	NM
<i>Mean</i>			16.0%	26.6%	0.9x	1.0x	5.9x	5.3x	22.7x	18.6x
<i>Median</i>			16.3%	3.8%	0.7x	0.8x	5.6x	5.4x	15.2x	13.8x

Sources: Capital IQ, 11 October 2010; Brokers' reports.

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