

Harris Williams & Co.
middle market*

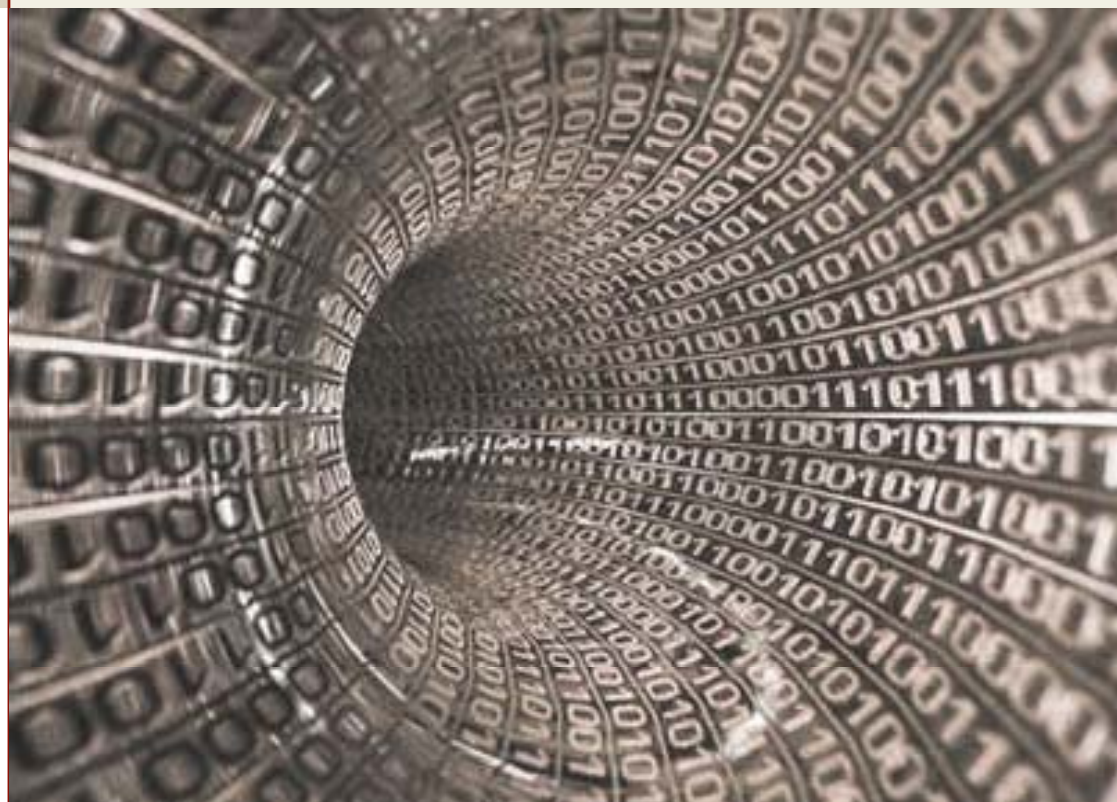
European Technology Update

March 2, 2011

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Company
Specific
News

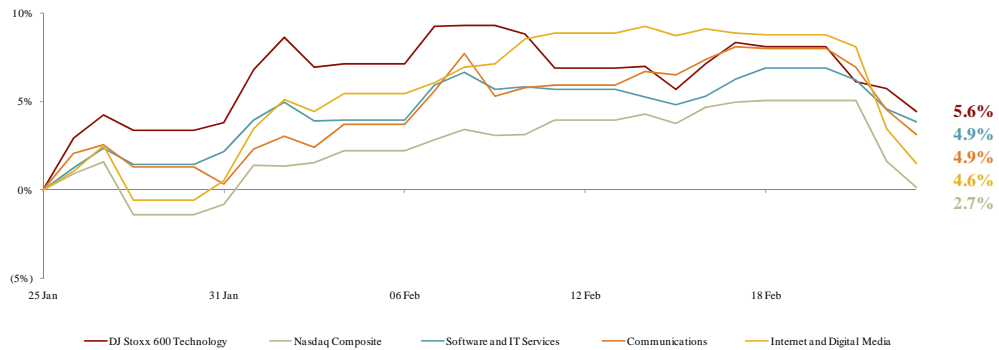
- UK-based chipmaker CSR has agreed to acquire imaging and video technology company **Zoran** for \$679 million
- **Independent Media Distribution**, a UK-based digital content distribution company, has agreed to be acquired by Vitruvian Partners for £32 million
- **TweetDeck**, a UK-based provider of social media management software, is in discussions to be acquired by UberMedia for £19 million
- Portuguese call centre CRM software provider **Altitude Software** has been acquired by IBI and BBVA
- HIG Capital has acquired UK-based optical fibre manufacturer **Fibercore** from Cisco Systems
- Department store chain Nordstrom has agreed to acquire online flash sales site **HauteLook.com** for \$180 million
- Phoenix equity invested £18 million to back an MBO of UK-based technology consultancy **ERA**
- UK-based video delivery platform provider **Saffron Digital** has been acquired by HTC for £30 million
- Intel has acquired semiconductor IP supplier **Silicon Hive**
- Network assurance solutions provider **Tollgrade** has been acquired by Golden Gate Capital for \$137 million
- **Twitter** is in discussions with JPMorgan's new social media fund regarding a \$450 million investment at a \$4.5 billion valuation
- **Zynga** is negotiating with several investors to raise \$500 million at a \$10 billion valuation
- Anglo-Swedish digital music service **Spotify** is raising a new round of financing at a \$1 billion valuation
- **Wonga**, a UK-based internet short-term lender, has raised £73 million in a round led by Oak Investment Partners, Meritech Capital and the Wellcome Trust
- **AppSense**, a UK-based provider of mobile virtualisation services, has raised \$70 million from Goldman Sachs
- Social media management software provider **Virtrue** has raised \$17 million from Scale Venture Partners and Advent Venture Partners
- Wi-fi network operator **Fon** has raised €10 million from Atomico Ventures
- Unified communications provider **Voss Solutions** has raised \$10 million from Intel Capital
- Social gaming company **Digital Chocolate** has raised €8.7 million from Intel Capital, DN Capital, Sutter Hill Ventures and Bridgescale Partners
- Home improvement tradesman information site **Rated People** has raised £3 million from Frog Capital
- French online optician **Happyview.fr** has raised €3 million
- Scottish Equity Partners led a multi-million pound round in hotel management software developer **Hetras**
- Intel Capital has invested \$26 million in six mobile hardware, software and ecosystem startups: **CloudMade**, **QuantumFilm**, **InVisage**, **Kaltura**, **SecureKey Technologies** and **VisionOSS Solutions**
- Octopus Ventures has invested £1.6 million in commerce content management company **Curlet**
- Swedish educational technology company **Brainglass** has raised SEK 16.9 million from STING Capital
- Mobile phone comparison service **CInergy** has raised a round of financing from Beringea and YFM
- **Acunu**, a UK-based data storage provider, has raised £2.2 million from Eden Ventures, Oxford Technology Management and Pentech Ventures
- Warburg Pincus has acquired a 5.3% stake in ISP and web hosting company **United Internet**
- Chinese social networking company **Oak Pacific Interactive** has filed for a \$500 million Nasdaq IPO
- **Pandora**, a US music streaming service that is still unprofitable, filed for a \$100 million Nasdaq IPO
- US fitness and outdoor website operator **Active Network**, which is also unprofitable, filed for a \$150 million Nasdaq IPO
- Russian internet search engine **Yandex** is planning to file for a \$1 billion Nasdaq IPO
- **Apple** is preparing to launch the second generation iPad with an improved display and a camera
- **Virgin** is planning to launch a daily deal website to compete with Groupon and other providers
- **Amazon** has announced intentions to launch a film subscription service to compete with Netflix
- **Facebook** is rumoured to be in discussions with Baidu on a partnership to enter mainland China¹
- **Dell** reported fourth quarter earnings of \$927 million, up from \$334 million last year, on strong sales to large enterprise customers

Industry
Trends

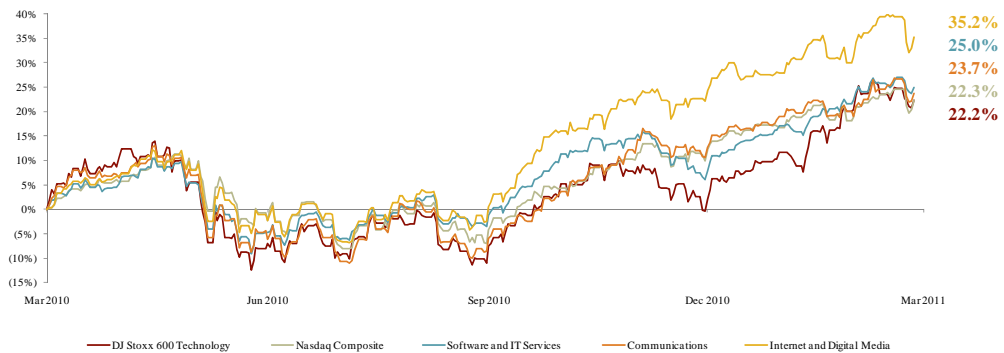
- The UK and Netherlands lead **European internet engagement** with approximately 25% greater internet use than the average European of 24.3 hours per month
- The mobile microprocessor market grew by 26.2% in 2010, representing 54.2% of the total market compared to 50.2% in 2009, according to IDC
- According to Juniper Research, **global mobile music revenue** reached \$3.1 billion in 2010 and is expected to expand to \$5.5 billion in 2015
- The Recording Industry Association of America reported that **US digital music** subscription revenue declined in 2008 and 2009 from a \$240 million peak in 2007, likely due to the growth of streaming services
- According to Adobe, 62% of smartphone users have made **physical good purchases on mobile devices**

Stock Performance

Last 30 Days



Last Twelve Months

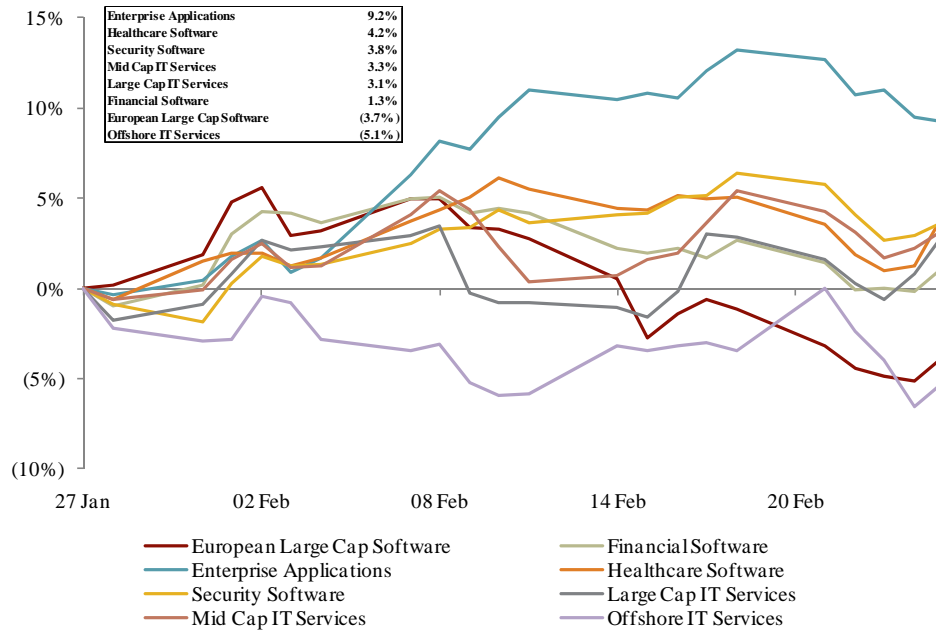


Sources: Capital IQ, 28 February 2011; Brokers' reports.

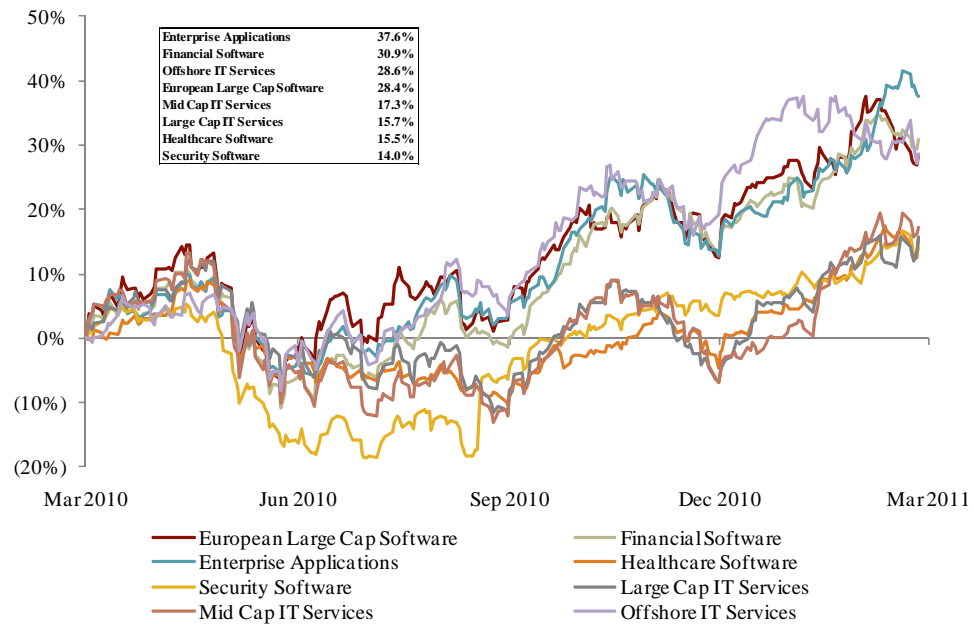
Comparable Trading Summary

	CY2011E		EV / Revenue		EV / EBITDA		P / E		
	EBITDA Margin	Growth	CY2011E	CY2012E	CY2011E	CY2012E	CY2011E	CY2012E	
<u>Software and IT Services</u>									
Enterprise Applications	20.6%	7.9%	1.7x	1.6x	8.5x	7.4x	16.0x	13.3x	
European Large Cap Software	33.2%	8.0%	3.6x	3.3x	10.4x	9.3x	17.9x	15.6x	
Financial Software	24.2%	9.0%	2.2x	2.0x	8.6x	7.6x	17.5x	15.0x	
Healthcare Software	21.8%	29.9%	2.1x	1.8x	9.0x	7.8x	22.3x	18.0x	
Large Cap IT Services	13.5%	13.1%	0.9x	0.9x	6.7x	6.1x	13.9x	12.1x	
Mid Cap IT Services	11.3%	7.1%	0.8x	0.7x	6.6x	6.1x	10.9x	9.9x	
Offshore IT Services	24.4%	22.6%	3.6x	3.0x	14.4x	12.2x	21.1x	18.0x	
Security Software	35.5%	8.2%	3.4x	3.2x	9.2x	8.1x	17.7x	15.6x	
<u>Communications</u>									
Digital Broadband	13.1%	14.8%	0.8x	0.7x	5.9x	5.0x	12.2x	12.1x	
Diversified Communication Equipment	14.7%	14.4%	1.5x	1.4x	9.4x	8.0x	18.0x	16.7x	
Mobile Content / Solutions Providers	19.2%	33.0%	1.5x	1.3x	7.3x	5.9x	20.8x	15.0x	
Mobile Infrastructure Software	18.9%	10.9%	2.4x	2.3x	13.9x	8.5x	25.5x	17.8x	
<u>Internet and Digital Media</u>									
Chinese Internet Leaders	42.0%	26.9%	7.7x	6.0x	17.5x	13.8x	26.4x	20.7x	
Online Classifieds	42.6%	19.1%	6.1x	5.3x	14.5x	11.9x	25.1x	20.7x	
Content Providers / Communities	23.2%	12.6%	2.4x	2.2x	10.6x	8.7x	26.8x	24.4x	
Ecommerce	16.4%	26.8%	3.3x	2.7x	19.1x	14.3x	32.5x	29.0x	
Global Internet Leaders	35.3%	25.7%	6.5x	5.1x	17.0x	13.2x	25.6x	21.8x	
Interactive Entertainment	19.2%	30.2%	1.2x	1.0x	7.6x	6.0x	22.1x	17.3x	
Intermediation and Comparison	26.1%	9.8%	1.9x	1.7x	7.4x	6.6x	20.3x	18.1x	
Online Gambling	28.1%	10.7%	2.1x	1.9x	6.7x	5.9x	11.5x	10.3x	
Online Marketing	15.2%	15.9%	1.5x	1.3x	9.8x	8.1x	21.6x	16.5x	
Online Travel	29.9%	16.4%	4.2x	3.6x	13.1x	10.3x	25.6x	17.7x	

Last 30 Days Performance



Last Twelve Months Performance



Source: Capital IQ, 28 February 2011.

Software and IT Services
(Continued)

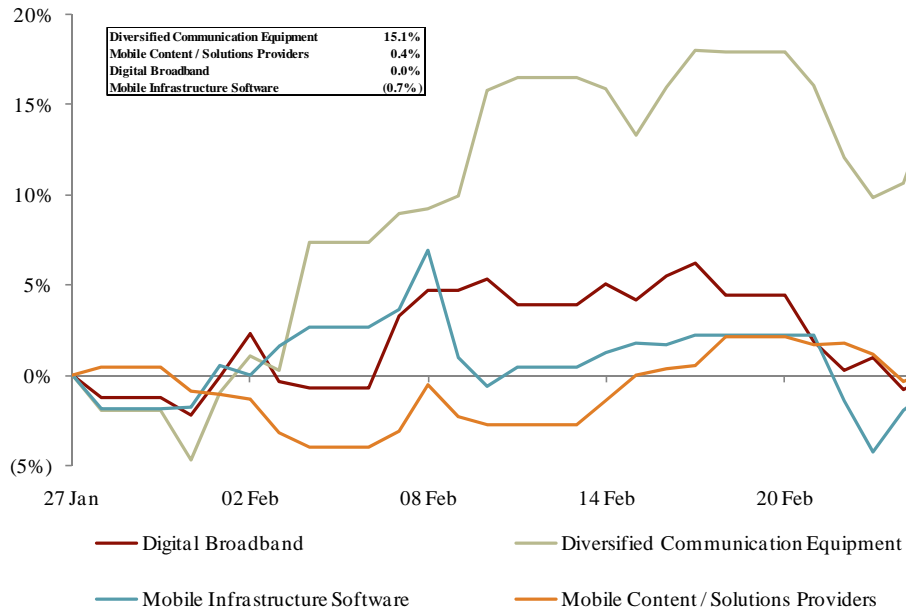
	Market Cap (\$m)	Enterprise Value (\$m)	CY2011E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2011E	CY2012E	CY2011E	CY2012E	CY2011E	CY2012E
European Large Cap Software										
SAP	70,798	72,079	34.5%	15.6%	3.8x	3.5x	11.0x	10.0x	16.3x	14.6x
Dassault Systemes	9,256	8,095	30.8%	15.4%	3.4x	3.1x	11.0x	9.9x	19.5x	17.6x
Autonomy	6,449	6,208	51.4%	11.1%	6.4x	5.8x	12.5x	11.1x	21.9x	18.4x
Sage	5,991	6,284	26.7%	7.0%	2.6x	2.5x	9.7x	9.1x	14.2x	13.2x
Software	4,600	4,831	28.6%	9.7%	3.0x	2.8x	10.4x	9.6x	16.0x	14.5x
Temenos	2,686	2,709	30.0%	23.2%	4.8x	4.3x	16.0x	13.4x	21.7x	18.6x
Aveva	1,776	1,551	35.5%	14.1%	5.4x	4.9x	15.2x	13.0x	25.6x	21.5x
Misys	1,687	302	24.7%	(27.0%)	0.5x	0.4x	1.9x	1.5x	17.6x	13.3x
Micro Focus	956	996	36.8%	3.0%	2.2x	2.2x	6.1x	5.9x	8.5x	8.3x
<i>Mean</i>			33.2%	8.0%	3.6x	3.3x	10.4x	9.3x	17.9x	15.6x
<i>Median</i>			30.8%	11.1%	3.4x	3.1x	11.0x	9.9x	17.6x	14.6x
Financial Software										
Intuit	16,276	16,382	37.3%	12.2%	4.1x	3.8x	11.0x	10.3x	20.0x	18.2x
Temenos	2,686	2,709	30.0%	23.2%	4.8x	4.3x	16.0x	13.4x	21.7x	18.6x
Misys	1,687	302	24.7%	(27.0%)	0.5x	0.4x	1.9x	1.5x	17.6x	13.3x
Fidessa	960	859	22.1%	13.5%	1.8x	1.6x	8.3x	7.8x	21.4x	19.5x
SimCorp	715	661	24.0%	11.4%	2.4x	2.1x	9.9x	8.2x	15.7x	13.0x
ORC	399	361	25.3%	20.9%	2.1x	1.9x	8.2x	6.3x	17.3x	12.7x
Innovation	234	193	13.1%	10.8%	0.7x	0.6x	5.1x	4.6x	14.8x	12.9x
Linedata	189	192	18.4%	5.4%	1.0x	0.9x	5.2x	4.8x	10.7x	9.7x
Microgen	182	144	24.9%	14.3%	2.5x	2.2x	9.9x	8.9x	19.0x	16.9x
StatPro	120	130	22.0%	5.4%	2.4x	2.3x	10.9x	9.8x	17.0x	15.2x
<i>Mean</i>			24.2%	9.0%	2.2x	2.0x	8.6x	7.6x	17.5x	15.0x
<i>Median</i>			24.3%	11.8%	2.2x	2.0x	9.1x	8.0x	17.4x	14.3x
Enterprise Applications										
Unit 4	971	1,163	21.4%	12.6%	1.8x	1.7x	8.5x	7.6x	23.1x	16.6x
SDL	800	711	20.2%	10.8%	2.1x	2.0x	10.3x	9.6x	18.6x	17.3x
Exact	707	629	23.2%	3.6%	2.0x	1.9x	8.5x	8.1x	15.7x	14.7x
Kofax	689	619	18.5%	(9.8%)	2.3x	2.1x	12.4x	10.4x	23.8x	18.7x
F-Secure	486	440	20.8%	12.6%	2.2x	2.0x	10.8x	8.9x	18.4x	14.9x
IFS	418	369	17.0%	8.7%	0.9x	0.8x	5.1x	4.4x	11.9x	10.2x
Cegid	262	362	24.9%	7.3%	1.0x	1.0x	4.0x	3.8x	8.9x	8.0x
Alterian	176	163	25.3%	16.5%	2.1x	1.9x	8.4x	7.2x	12.8x	10.7x
Kewill	132	112	14.0%	8.5%	1.1x	1.1x	8.0x	6.4x	10.8x	8.3x
<i>Mean</i>			20.6%	7.9%	1.7x	1.6x	8.5x	7.4x	16.0x	13.3x
<i>Median</i>			20.8%	8.7%	2.0x	1.9x	8.5x	7.6x	15.7x	14.7x
Healthcare Software										
McKesson	20,140	20,989	2.6%	5.6%	0.2x	0.2x	7.0x	6.8x	14.6x	13.1x
Cerner	8,404	7,926	31.9%	12.4%	3.8x	3.4x	11.9x	10.2x	28.4x	23.8x
Allscripts-Misys	4,000	4,361	23.7%	14.4%	3.0x	2.7x	12.8x	10.6x	24.9x	21.2x
Cegedim	916	1,539	19.9%	6.9%	1.2x	1.1x	5.8x	5.4x	9.6x	8.4x
CompuGroup	810	1,049	22.2%	29.6%	1.9x	1.7x	8.5x	7.3x	21.6x	14.6x
Advanced Computer Software	197	250	30.5%	110.4%	2.3x	1.6x	7.7x	6.4x	34.8x	27.2x
<i>Mean</i>			21.8%	29.9%	2.1x	1.8x	9.0x	7.8x	22.3x	18.0x
<i>Median</i>			23.0%	13.4%	2.1x	1.6x	8.1x	7.0x	23.2x	17.9x

Sources: Capital IQ, 28 February 2011; Brokers' reports.

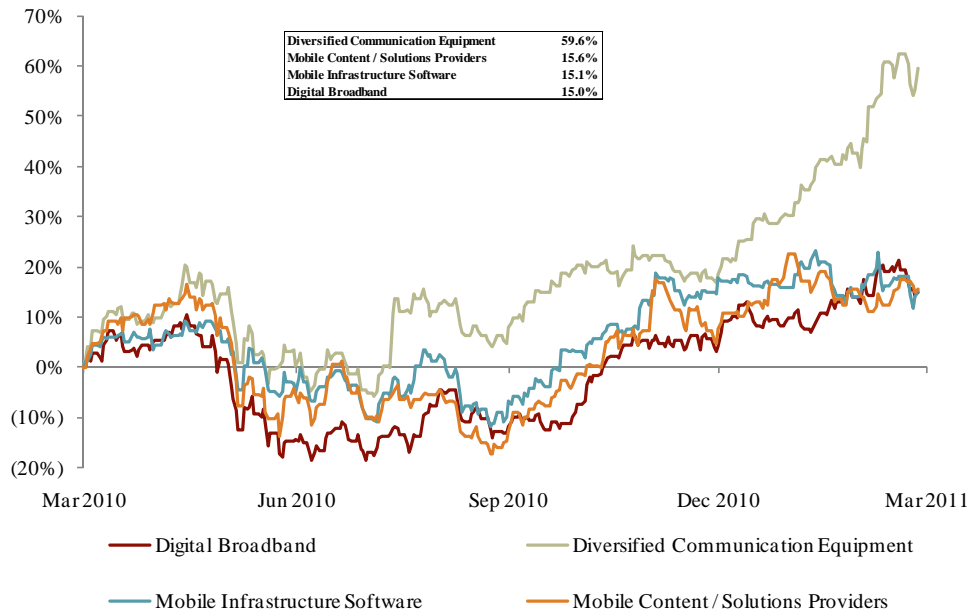
	Market Cap (\$m)	Enterprise Value (\$m)	CY2011E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2011E	CY2012E	CY2011E	CY2012E	CY2011E	CY2012E
Security Software										
Symantec	13,853	14,048	34.7%	6.5%	2.2x	2.1x	6.3x	5.3x	12.1x	10.4x
Check Point	10,480	9,391	58.9%	12.1%	7.7x	7.0x	13.1x	12.0x	18.5x	16.6x
McAfee	7,396	6,212	33.0%	8.2%	2.8x	2.6x	8.4x	7.4x	17.0x	15.7x
Trend Micro	4,139	2,711	30.1%	1.5%	2.3x	2.2x	7.6x	7.0x	22.7x	20.7x
F-Secure	486	440	20.8%	12.6%	2.2x	2.0x	10.8x	8.9x	18.4x	14.9x
<i>Mean</i>			35.5%	8.2%	3.4x	3.2x	9.2x	8.1x	17.7x	15.6x
<i>Median</i>			33.0%	8.2%	2.3x	2.2x	8.4x	7.4x	18.4x	15.7x
Large Cap IT Services										
Accenture	33,428	29,666	15.8%	10.2%	1.2x	1.1x	7.8x	7.4x	16.2x	14.8x
Cap Gemini	9,026	7,937	9.4%	13.2%	0.6x	0.6x	6.5x	5.8x	16.2x	13.7x
Computer Sciences	7,536	8,776	14.8%	1.7%	0.5x	0.5x	3.6x	3.3x	9.2x	8.3x
Capita Group	7,201	9,028	17.0%	11.1%	1.9x	1.7x	11.0x	10.4x	15.4x	13.8x
Atos Origin	3,968	4,166	10.6%	29.4%	0.5x	0.4x	4.5x	3.6x	12.6x	10.1x
<i>Mean</i>			13.5%	13.1%	0.9x	0.9x	6.7x	6.1x	13.9x	12.1x
<i>Median</i>			14.8%	11.1%	0.6x	0.6x	6.5x	5.8x	15.4x	13.7x
Mid Cap IT Services										
CGI	5,324	6,350	18.4%	17.0%	1.4x	1.3x	7.4x	7.0x	12.8x	11.4x
Logica	3,574	4,024	9.3%	6.0%	0.7x	0.6x	7.1x	6.6x	10.5x	9.5x
Indra Sistemas	3,132	3,619	12.5%	4.8%	1.0x	1.0x	8.0x	7.6x	11.5x	10.9x
Tieto	1,361	1,442	10.9%	7.1%	0.6x	0.6x	5.4x	5.0x	11.7x	10.2x
Sopra	1,176	1,254	11.0%	8.4%	0.8x	0.7x	6.8x	6.2x	11.8x	10.7x
Groupe Steria	901	1,200	9.5%	1.4%	0.5x	0.5x	5.5x	5.1x	10.3x	9.1x
GFI Informatique	248	407	7.4%	5.3%	0.4x	0.4x	5.9x	5.6x	8.0x	7.2x
<i>Mean</i>			11.3%	7.1%	0.8x	0.7x	6.6x	6.1x	10.9x	9.9x
<i>Median</i>			10.9%	6.0%	0.7x	0.6x	6.8x	6.2x	11.5x	10.2x
Offshore IT Services										
Tata	48,010	46,725	29.3%	23.9%	4.8x	3.8x	16.5x	13.4x	22.6x	19.1x
Infosys	37,938	34,428	32.2%	20.3%	4.9x	4.2x	15.3x	13.0x	21.5x	17.8x
Wipro	23,318	22,242	21.6%	15.1%	2.9x	2.6x	13.4x	12.0x	18.0x	16.5x
Cognizant	23,275	21,049	21.0%	28.3%	3.6x	2.9x	17.1x	14.2x	28.2x	23.4x
HCL	6,728	6,836	18.0%	25.4%	1.8x	1.4x	9.7x	8.2x	15.4x	13.3x
<i>Mean</i>			24.4%	22.6%	3.6x	3.0x	14.4x	12.2x	21.1x	18.0x
<i>Median</i>			21.6%	23.9%	3.6x	2.9x	15.3x	13.0x	21.5x	17.8x

Sources: Capital IQ, 28 February 2011; Brokers' reports.

Last 30 Days Performance



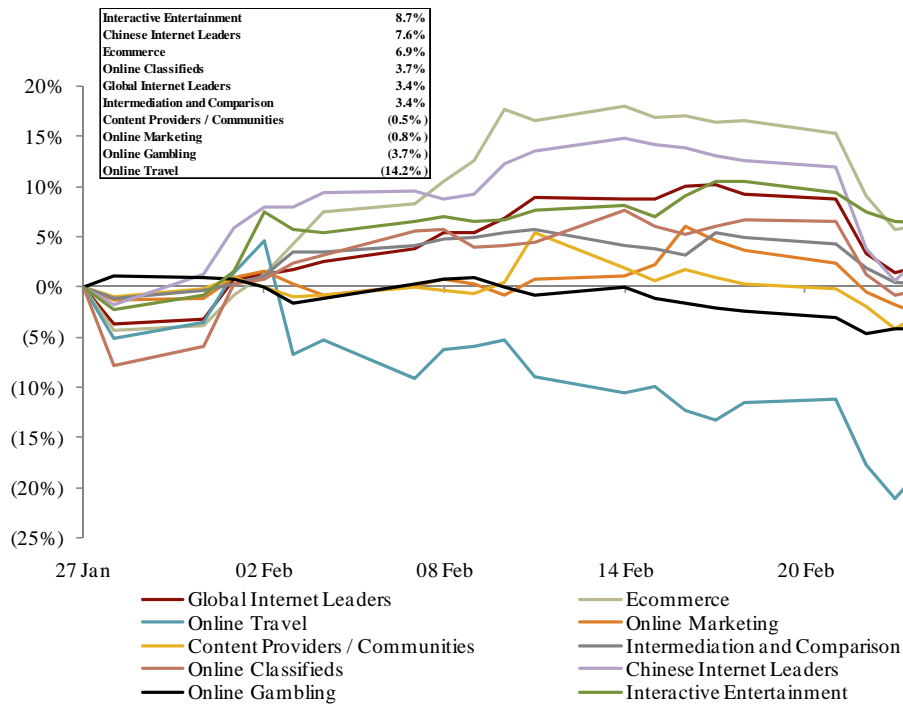
Last Twelve Months Performance



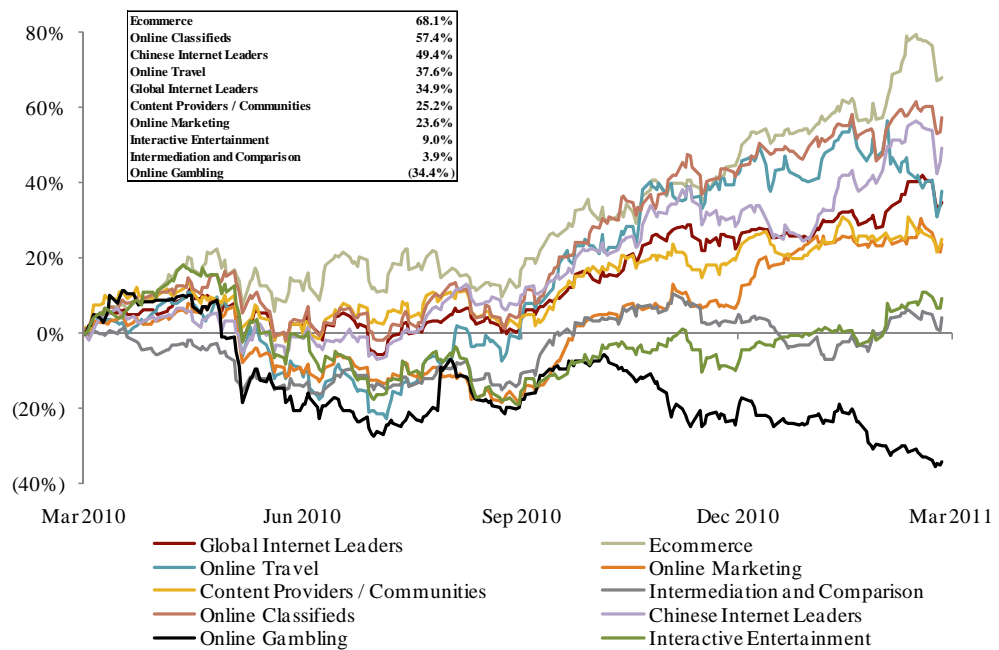
Source: Capital IQ, 28 February 2011.

	Market Cap (\$m)	Enterprise Value (\$m)	CY2011E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2011E	CY2012E	CY2011E	CY2012E	CY2011E	CY2012E
Digital Broadband										
Logitech	3,389	2,925	11.5%	11.2%	1.1x	1.0x	9.9x	7.8x	16.6x	28.6x
TomTom	1,928	2,316	18.1%	3.5%	1.1x	1.1x	6.2x	5.8x	9.1x	8.3x
Technicolor	1,251	3,009	14.4%	7.6%	0.6x	0.6x	4.3x	4.1x	13.7x	10.7x
Pace	1,052	900	9.9%	25.0%	0.4x	0.3x	3.6x	3.3x	8.1x	6.8x
Kudelski	1,051	1,336	13.8%	(2.6%)	1.2x	1.1x	8.4x	6.8x	13.1x	9.7x
Parrot	430	306	15.7%	15.0%	0.8x	0.8x	5.2x	4.6x	14.6x	12.7x
Advanced Digital Broadcast	195	144	8.0%	43.9%	0.3x	0.3x	3.4x	2.9x	10.3x	7.6x
<i>Mean</i>			13.1%	14.8%	0.8x	0.7x	5.9x	5.0x	12.2x	12.1x
<i>Median</i>			13.8%	11.2%	0.8x	0.8x	5.2x	4.6x	13.1x	9.7x
Diversified Communication Equipment										
LM Ericsson Telephone	39,536	31,034	15.7%	12.0%	0.9x	0.9x	5.9x	5.5x	14.9x	13.3x
Nokia	32,042	24,441	8.9%	5.9%	0.4x	0.4x	4.6x	4.2x	17.1x	13.1x
Alcatel-Lucent	10,904	11,384	9.1%	9.3%	0.5x	0.5x	5.4x	4.6x	17.8x	12.1x
ADTRAN	2,964	2,822	29.5%	17.4%	4.0x	3.7x	13.7x	12.8x	22.3x	20.4x
CIENA	2,617	3,371	10.2%	27.4%	1.8x	1.6x	17.4x	12.7x	NM	24.3x
<i>Mean</i>			14.7%	14.4%	1.5x	1.4x	9.4x	8.0x	18.0x	16.7x
<i>Median</i>			10.2%	12.0%	0.9x	0.9x	5.9x	5.5x	17.4x	13.3x
Mobile Infrastructure Software										
QUALCOMM	97,014	87,811	42.3%	24.9%	6.1x	5.7x	14.4x	13.6x	19.4x	17.6x
VeriSign	6,241	4,762	52.5%	4.5%	6.2x	5.5x	11.7x	10.4x	24.4x	19.1x
Amdocs	5,589	4,337	21.2%	5.4%	1.4x	1.3x	6.4x	6.0x	12.9x	13.1x
Converse Technology	1,500	1,564	6.3%	31.7%	0.8x	NA	12.5x	NA	NM	NA
Synchronoss Technologies	1,245	1,072	27.5%	30.6%	4.9x	4.2x	17.9x	14.1x	44.4x	33.6x
Sonus Networks	846	517	8.2%	10.4%	2.0x	1.9x	24.2x	13.7x	NM	NM
Tekelec	526	305	13.2%	(9.8%)	0.8x	0.8x	6.1x	5.4x	32.4x	NA
Smith Micro Software	329	256	10.9%	(17.6%)	2.4x	1.8x	21.8x	6.2x	34.0x	12.8x
TeleCommunication Systems	241	319	14.7%	15.0%	0.7x	0.6x	4.8x	4.0x	15.4x	12.0x
Openwave Systems	187	87	2.7%	(1.0%)	0.5x	0.5x	19.4x	4.1x	NM	21.0x
Redknee Solutions	85	78	8.6%	26.2%	1.2x	1.0x	13.8x	7.9x	21.1x	13.5x
<i>Mean</i>			18.9%	10.9%	2.4x	2.3x	13.9x	8.5x	25.5x	17.8x
<i>Median</i>			13.2%	10.4%	1.4x	1.5x	13.8x	7.1x	22.8x	15.6x
Mobile Content / Solutions Providers										
Opera Software	572	482	25.5%	30.6%	3.1x	2.6x	12.2x	8.9x	21.8x	15.7x
GameLoft	461	426	21.6%	15.0%	2.0x	1.8x	9.2x	7.6x	22.1x	18.7x
Buongiorno	187	257	12.1%	6.6%	0.7x	0.6x	5.6x	5.6x	10.6x	11.8x
Danal	141	119	17.7%	23.0%	0.8x	0.7x	4.7x	3.6x	15.0x	11.0x
Dada	91	158	12.0%	6.6%	0.7x	0.7x	5.8x	5.2x	37.7x	27.2x
Synchronica	43	39	26.4%	116.2%	1.7x	1.5x	6.5x	4.4x	17.3x	5.7x
<i>Mean</i>			19.2%	33.0%	1.5x	1.3x	7.3x	5.9x	20.8x	15.0x
<i>Median</i>			19.6%	19.0%	1.3x	1.1x	6.2x	5.4x	19.5x	13.8x

Last 30 Days Performance



Last Twelve Months Performance



Source: Capital IQ, 28 February 2011.

Internet and Digital Media (Continued)

	Market Cap (\$m)	Enterprise Value (\$m)	CY2011E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2011E	CY2012E	CY2011E	CY2012E	CY2011E	CY2012E
Global Internet Leaders										
Apple	320,752	293,775	30.3%	35.0%	2.9x	2.5x	9.7x	8.5x	15.2x	13.4x
Microsoft	223,083	192,784	42.3%	9.0%	2.7x	2.5x	6.3x	5.7x	10.1x	9.1x
Google	196,141	166,992	44.1%	23.3%	4.7x	4.1x	10.7x	9.1x	17.7x	15.3x
Amazon	79,936	71,821	6.8%	31.7%	1.6x	1.3x	23.6x	18.0x	NM	38.4x
eBay	43,664	38,856	35.5%	14.4%	3.7x	3.3x	10.5x	9.4x	17.5x	15.7x
Baidu	42,025	40,801	57.9%	64.6%	21.2x	14.7x	36.6x	25.5x	47.3x	32.8x
Yahoo!	21,508	18,805	37.4%	(1.2%)	4.2x	3.9x	11.1x	10.1x	21.1x	17.5x
Alibaba	9,406	8,201	36.3%	25.4%	7.8x	6.3x	21.5x	17.0x	32.3x	24.8x
Mail.ru	6,939	6,769	45.7%	43.0%	15.7x	11.9x	34.2x	24.3x	48.9x	33.7x
IAC	2,791	1,641	16.7%	11.4%	0.9x	0.8x	5.4x	4.7x	20.3x	16.8x
<i>Mean</i>			35.3%	25.7%	6.5x	5.1x	17.0x	13.2x	25.6x	21.8x
<i>Median</i>			36.8%	24.4%	3.9x	3.6x	10.9x	9.8x	20.3x	17.2x
Ecommerce										
Amazon	79,936	71,821	6.8%	31.7%	1.6x	1.3x	23.6x	18.0x	NM	38.4x
eBay	43,664	38,856	35.5%	14.4%	3.7x	3.3x	10.5x	9.4x	17.5x	15.7x
Netflix	11,236	11,122	15.5%	45.4%	3.5x	2.7x	22.8x	16.2x	48.7x	33.8x
Mercadolibre	2,924	2,862	36.6%	29.9%	10.3x	8.0x	28.2x	21.4x	43.4x	31.7x
Asos	2,244	2,237	9.9%	45.9%	3.2x	2.4x	32.3x	24.4x	NM	43.2x
Vistaprint	2,206	2,029	20.8%	19.2%	2.3x	2.0x	11.3x	9.3x	21.3x	16.6x
OpenTable	2,067	2,025	37.5%	49.4%	13.7x	10.5x	36.7x	25.5x	NM	NM
Ocado	1,660	1,827	6.3%	23.2%	1.9x	1.5x	29.3x	18.1x	NM	36.1x
GSI Commerce	1,382	1,307	10.4%	31.6%	0.7x	0.6x	7.0x	5.6x	NM	23.2x
Digital River	1,308	934	22.1%	11.6%	2.3x	2.0x	10.5x	8.1x	29.5x	22.1x
Shutterfly	1,192	940	21.7%	26.9%	2.5x	2.1x	11.6x	9.5x	37.0x	30.4x
Blue Nile	800	688	8.7%	12.3%	1.9x	1.7x	21.4x	19.2x	NM	44.0x
YOOX	675	648	9.8%	32.8%	1.7x	1.4x	17.5x	12.2x	41.4x	28.4x
Overstock	322	296	2.3%	11.3%	0.2x	0.2x	10.5x	9.4x	20.9x	22.5x
Drugstore	212	193	2.6%	16.8%	0.4x	0.3x	14.1x	8.9x	NM	20.0x
<i>Mean</i>			16.4%	26.8%	3.3x	2.7x	19.1x	14.3x	32.5x	29.0x
<i>Median</i>			10.4%	26.9%	2.3x	2.0x	17.5x	12.2x	33.3x	29.4x
Online Travel										
Priceline	22,611	21,471	30.5%	26.9%	5.5x	4.6x	18.0x	14.2x	26.6x	20.9x
Ctrip	5,647	5,155	41.6%	29.2%	9.3x	7.3x	22.4x	17.4x	25.4x	20.1x
Expedia	5,520	5,999	26.9%	11.3%	1.6x	1.5x	6.0x	5.5x	11.2x	9.8x
Wotif	1,116	994	57.1%	7.6%	6.5x	5.7x	11.4x	9.9x	18.2x	15.7x
Travelzoo	677	636	24.2%	18.7%	4.7x	4.1x	19.7x	13.8x	37.7x	27.9x
Orbitz	370	765	18.0%	2.3%	1.0x	0.9x	5.5x	4.9x	43.7x	19.1x
hotel.de	72	57	10.8%	19.1%	1.0x	0.8x	9.0x	6.4x	16.8x	10.0x
<i>Mean</i>			29.9%	16.4%	4.2x	3.6x	13.1x	10.3x	25.6x	17.7x
<i>Median</i>			26.9%	18.7%	4.7x	4.1x	11.4x	9.9x	25.4x	19.1x
Online Marketing										
ValueClick	1,222	1,025	30.1%	13.2%	2.1x	2.0x	7.0x	6.4x	18.1x	15.9x
Constant Contact	846	722	16.0%	25.3%	3.3x	2.7x	20.7x	15.1x	45.3x	32.4x
LBI	362	354	17.3%	20.6%	1.3x	1.2x	7.6x	6.7x	14.5x	11.7x
Marchex	313	276	14.6%	20.8%	2.4x	2.1x	16.2x	12.1x	NM	NM
InfoSpace	291	37	9.1%	2.9%	0.1x	0.1x	1.6x	1.5x	35.0x	20.3x
TradeDoubler	275	243	5.3%	14.1%	0.5x	0.5x	9.5x	8.2x	16.1x	13.8x
Hi-Media	244	296	9.4%	13.1%	0.9x	0.8x	9.2x	7.9x	14.6x	12.6x
1000mercis	188	169	34.5%	15.4%	3.3x	2.9x	9.7x	8.5x	16.0x	13.7x
Sedo	160	155	9.1%	14.4%	0.9x	0.8x	9.7x	9.1x	19.4x	16.7x
ad pepper media	52	33	6.4%	19.4%	0.4x	0.4x	6.8x	5.1x	15.1x	11.7x
<i>Mean</i>			15.2%	15.9%	1.5x	1.3x	9.8x	8.1x	21.6x	16.5x
<i>Median</i>			12.0%	14.9%	1.1x	1.0x	9.3x	8.1x	16.1x	13.8x
Content Providers / Communities										
WebMD Health	3,417	3,017	34.4%	17.9%	4.8x	4.0x	14.0x	11.3x	40.5x	31.1x
Meetic	514	490	22.5%	9.4%	1.8x	1.7x	8.0x	7.0x	12.7x	11.5x
The Knot	353	213	14.0%	7.8%	1.8x	1.6x	12.5x	9.0x	NM	41.9x
Move	349	307	13.3%	2.3%	1.5x	1.4x	11.4x	10.1x	33.2x	20.8x
XING	288	211	31.9%	25.4%	2.3x	2.0x	7.3x	6.1x	20.9x	16.7x
<i>Mean</i>			23.2%	12.6%	2.4x	2.2x	10.6x	8.7x	26.8x	24.4x
<i>Median</i>			22.5%	9.4%	1.8x	1.7x	11.4x	9.0x	27.1x	20.8x

Sources: Capital IQ, 28 February 2011; Brokers' reports.

Internet and Digital Media (Continued)

	Market Cap (\$m)	Enterprise Value (\$m)	CY2011E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2011E	CY2012E	CY2011E	CY2012E	CY2011E	CY2012E
Intermediation and Comparison										
Moneysupermarket	719	673	27.9%	11.6%	2.6x	2.5x	9.4x	8.5x	16.2x	14.8x
Liquidity Services	437	356	14.2%	12.1%	1.1x	1.0x	7.7x	6.5x	22.2x	17.0x
eHealth	281	153	17.1%	(6.3%)	1.1x	1.0x	6.2x	5.8x	31.6x	31.5x
Gruppo MutuiOnline	250	226	45.0%	21.8%	2.9x	2.5x	6.4x	5.5x	11.1x	9.2x
<i>Mean</i>			26.1%	9.8%	1.9x	1.7x	7.4x	6.6x	20.3x	18.1x
<i>Median</i>			22.5%	11.8%	1.9x	1.7x	7.0x	6.2x	19.2x	15.9x
Online Classifieds										
Monster	2,272	2,233	17.1%	19.2%	2.0x	1.8x	11.6x	8.8x	39.6x	22.1x
SEEK	2,234	2,469	45.4%	17.5%	6.6x	5.9x	14.5x	12.6x	18.3x	15.1x
51job	1,688	1,462	30.9%	24.0%	7.4x	6.0x	23.9x	18.1x	35.5x	26.4x
Rightmove	1,530	1,493	68.1%	17.3%	9.9x	8.7x	14.5x	12.6x	21.0x	17.7x
SouFun	1,465	1,239	41.4%	13.2%	5.3x	4.5x	12.9x	10.7x	16.3x	13.3x
Carsales.au	1,195	1,175	55.1%	16.3%	7.3x	6.5x	13.2x	11.6x	19.3x	17.0x
Dice	920	916	39.9%	39.2%	5.1x	4.5x	12.9x	10.9x	30.0x	23.1x
Seloger	865	871	54.2%	15.0%	6.8x	6.1x	12.6x	10.9x	20.5x	17.1x
LoopNet	473	381	31.6%	10.0%	4.4x	3.9x	14.1x	10.9x	NM	34.9x
<i>Mean</i>			42.6%	19.1%	6.1x	5.3x	14.5x	11.9x	25.1x	20.7x
<i>Median</i>			41.4%	17.3%	6.6x	5.9x	13.2x	10.9x	20.7x	17.7x
Chinese Internet Leaders										
Tencent	48,553	46,543	54.9%	34.3%	11.7x	9.0x	21.4x	16.5x	28.0x	21.8x
Baidu	42,025	40,801	57.9%	64.6%	21.2x	14.7x	36.6x	25.5x	47.3x	32.8x
Alibaba	9,406	8,201	36.3%	25.4%	7.8x	6.3x	21.5x	17.0x	32.3x	24.8x
Netease	5,993	4,552	50.0%	26.5%	4.5x	3.9x	9.0x	7.7x	14.3x	12.7x
Sina	4,983	4,226	29.1%	23.3%	8.7x	6.9x	29.7x	24.4x	39.6x	30.6x
Focus Media	3,614	3,116	41.2%	11.1%	5.2x	4.5x	12.6x	10.3x	20.9x	17.5x
Sohu	3,128	2,553	40.9%	25.9%	3.3x	2.9x	8.2x	7.0x	17.4x	15.0x
Shanda Interactive	2,449	1,551	26.2%	17.4%	1.6x	1.4x	6.1x	5.1x	21.3x	18.0x
SouFun	1,465	1,239	41.4%	13.2%	5.3x	4.5x	12.9x	10.7x	16.3x	13.3x
<i>Mean</i>			42.0%	26.9%	7.7x	6.0x	17.5x	13.8x	26.4x	20.7x
<i>Median</i>			41.2%	25.4%	5.3x	4.5x	12.9x	10.7x	21.3x	18.0x
Online Gambling										
Betfair	1,491	1,211	19.9%	NA	1.8x	1.6x	9.1x	6.9x	21.5x	14.7x
Playtech	1,427	1,348	65.1%	15.9%	6.0x	5.3x	9.2x	8.3x	10.3x	9.2x
bwin Interactive	1,229	1,010	23.9%	10.5%	1.4x	1.4x	6.0x	5.6x	12.0x	10.7x
PartyGaming	1,151	958	25.2%	17.0%	1.7x	1.5x	6.6x	6.4x	10.4x	10.0x
Sportingbet	382	307	23.2%	6.4%	0.9x	0.8x	3.7x	3.3x	6.9x	6.0x
888	242	171	11.4%	3.4%	0.6x	0.6x	5.7x	5.0x	7.9x	11.1x
<i>Mean</i>			28.1%	10.7%	2.1x	1.9x	6.7x	5.9x	11.5x	10.3x
<i>Median</i>			23.6%	10.5%	1.5x	1.5x	6.3x	6.0x	10.4x	10.3x
Interactive Entertainment										
Activision	13,399	9,891	38.4%	(13.0%)	2.5x	2.2x	6.5x	5.7x	15.5x	12.8x
Electronic Arts	6,412	4,441	14.8%	7.1%	1.1x	1.1x	7.6x	7.9x	22.7x	17.0x
Take-Two Interactive Software	1,389	1,197	8.5%	2.0%	1.1x	0.8x	12.4x	8.1x	19.5x	14.0x
Ubisoft Entertainment	1,032	1,108	27.8%	5.4%	0.7x	0.7x	2.7x	1.9x	22.2x	18.8x
THQ	398	389	4.7%	26.2%	0.4x	0.4x	8.8x	6.6x	30.8x	24.2x
<i>Mean</i>			19.2%	30.2%	1.2x	1.0x	7.6x	6.0x	22.1x	17.3x
<i>Median</i>			17.8%	6.3%	1.1x	0.8x	7.6x	6.6x	22.2x	17.0x

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