

Harris Williams & Co.
middle market*

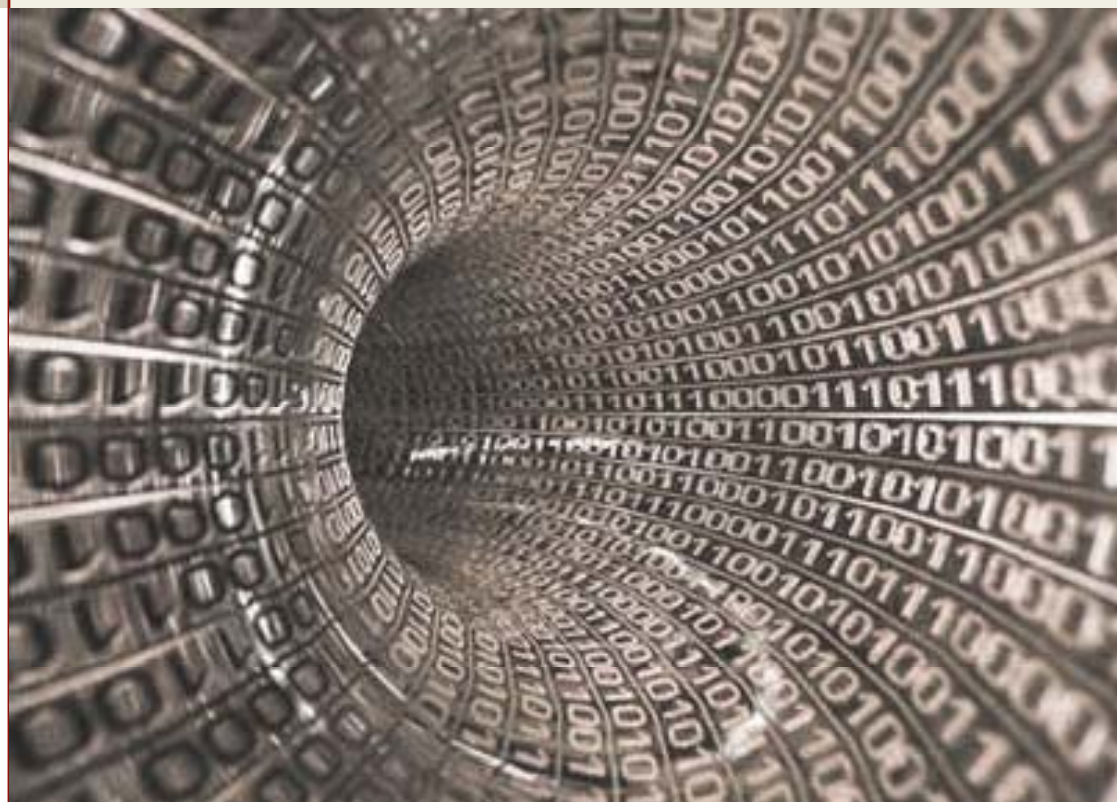
European Technology Update

November 24, 2010

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Company
Specific
News

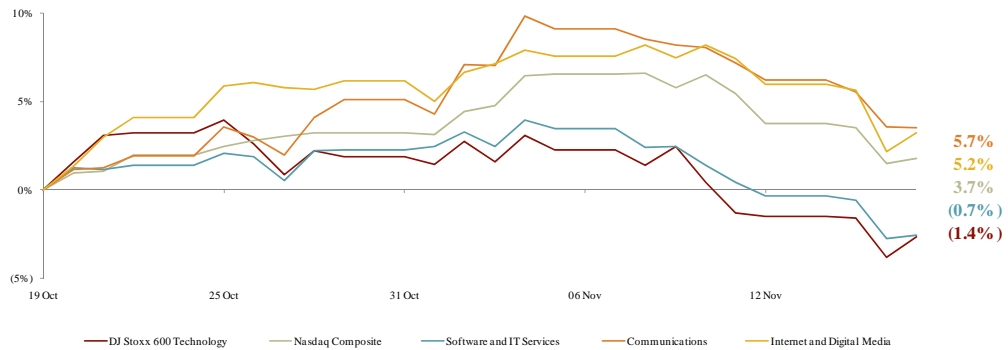
- EMC has agreed to acquire data store provider **Isilon Systems** for \$2.25 billion
- Capital markets software provider **Sophis** has agreed to be acquired by Misys for €35 million
- **Yahoo** has held discussions with private equity groups including KKR, Blackstone and Silver Lake regarding a potential buyout while **Alibaba** is also in discussions with private equity groups to acquire the 40% stake owned by Yahoo
- French online dating company **Meetic** is currently in discussions with strategic and financial buyers
- Daisy Group has agreed to acquire AIM-listed communications provider **SpiriTel** for £27 million
- Balderton Capital-backed The Hut Group has acquired **Lookfantastic**, a health and beauty ecommerce company, for £14.9 million
- Live Nation Entertainment has acquired **Ticketnet**, the second largest ticket retailer in France
- Russian online ad publisher **Avito.ru** has raised \$26 million from Kinnevik and Northzone Ventures
- **Talend**, a French provider of open source data solutions, has raised \$34 million in a round led by Silver Lake Sumeru and existing investors Balderton Capital and IdInvest Partners
- Russian online shoe retailer **Sapato.ru** has raised \$5 million from eVenture Capital Partners, Kinnevik and Fast Lane Ventures
- Augmented reality specialist **Layar** has raised €10 million from Intel Capital
- Blogging services provider **Zemata** has raised \$3 million from existing investors Union Square Ventures and Eden Ventures
- Italian mobile entertainment company **X2TV** has raised €3.5 million from Quantica
- Danish telecom provider **TDC** owned by Permira, Blackstone, KKR, Providence and Apax is targeting a €2.1 billion IPO in December
- Hong Kong-based **First Eastern Investment Group** has launched a \$500 million fund focused on investing in UK SMEs seeking growth capital for expansion into China
- The **Irish government** has launched an €85 million venture capital fund in partnership with Enterprise Ireland and Atlantic Bridge Partners
- **Apple** is expected to launch its iAd advertising platform in Europe in December
- **Facebook** has launched email and instant messaging services through the social network
- **Google** is planning to include near-field communications in the next generation Android phones to enable the phones to be used to make payments
- **Cisco** announced an 8% rise in net income for the first fiscal quarter, but its shares fell more than 10% on margin results and management's pessimistic sales outlook
- **HP** reported a 5% increase in profit for the fourth fiscal quarter, which was above consensus estimates

Industry
Trends

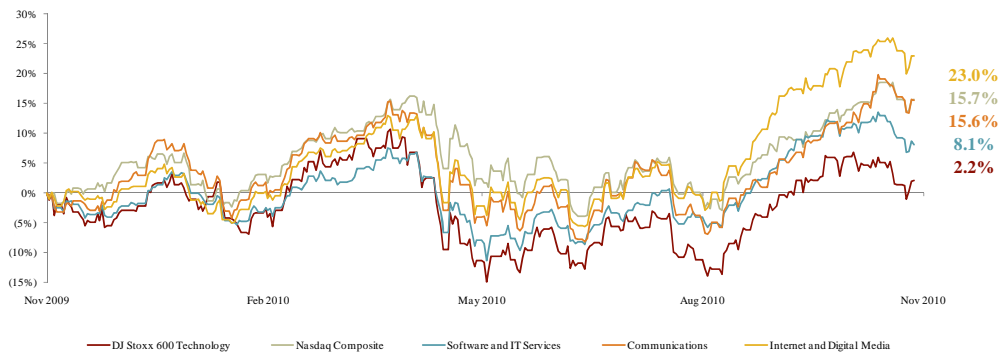
- Internet users viewed 221 billion **display ads in the UK** in the third quarter, a 34% increase from the third quarter of 2009, according to comScore
- Zenith Optimedia estimates that **global digital ad spend** will reach \$61.5 billion in 2010, representing 13.9% of the total \$443 billion advertising market, and rise to 16.5% by 2012
- **Broadband penetration in the UK** has risen from 63% in 2009 to 70% in 2010, according to eMarketer
- The Office for National Statistics reported that 31% of internet users accessed **mobile web in the UK** in 2010, up from 23% in 2009
- According to Forrester, **ebooks** currently represent a \$1 billion market in the US and will grow to \$3 billion by 2015
- comScore announced that Facebook now accounts for 23% of US **online display ads** and 31% in the UK, beating Yahoo, Microsoft and Google combined, but trailing Yahoo by revenue
- Gartner reported that global **smartphone sales** rose 93% year-over-year in the third quarter to reach 80.5 million units, accounting for 19.3% of global mobile phone sales
- **Social networking** will become the most popular form of mobile communication, surpassing voice calling and text messaging, by 2015, according to Airwide
- eMarketer expects **US online holiday shopping spend** to reach \$35.5 billion this season, a 14.3% increase over 2009
- According to comScore, Americans watched more than 4.6 billion **online video ads** in October, with Hulu delivering 1.1 billion
- **US online ad revenue** hit a record \$6.4 billion in the third quarter, up 17% from 2009, according to IAB and PricewaterhouseCoopers

Stock Performance

Last 30 Days



Last Twelve Months

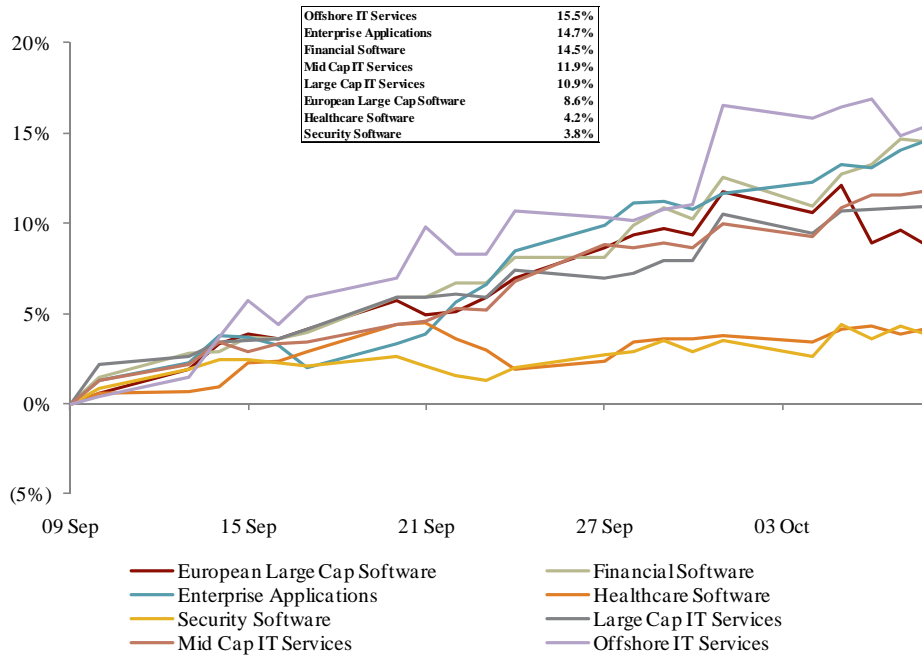


Sources: Capital IQ, 21 November 2010; Brokers' reports.

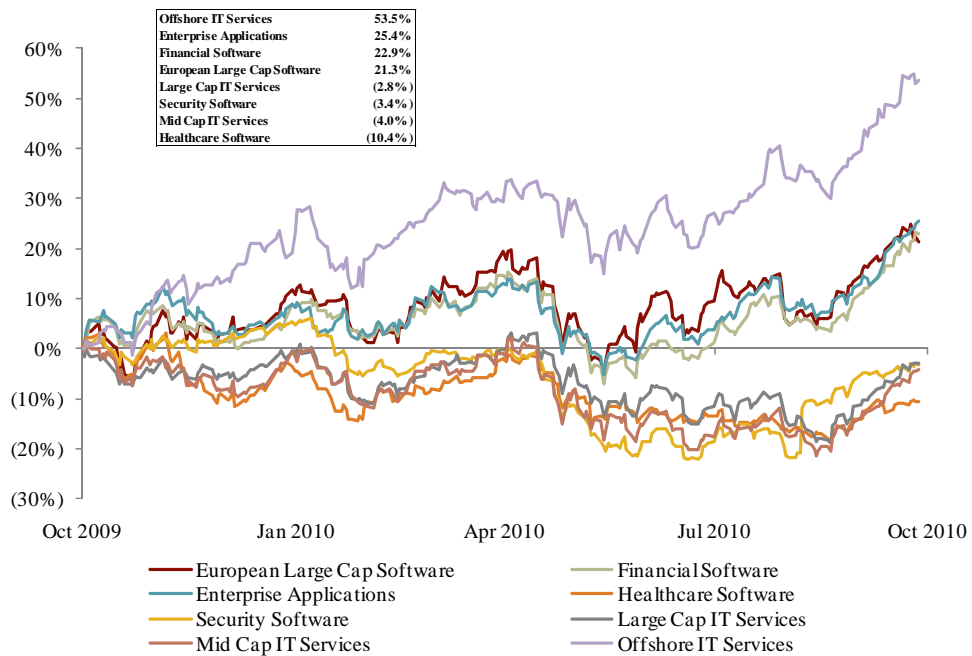
Comparable Trading Summary

	CY2010E		EV / Revenue		EV / EBITDA		P / E	
	EBITDA Margin	Growth	CY2010E	CY2011E	CY2010E	CY2011E	CY2010E	CY2011E
<u>Software and IT Services</u>								
Enterprise Applications	19.0%	(3.7%)	1.6x	1.5x	8.4x	7.4x	15.9x	13.4x
European Large Cap Software	32.0%	8.4%	3.9x	3.7x	12.2x	10.8x	19.3x	16.9x
Financial Software	23.1%	10.5%	2.4x	2.3x	10.0x	8.4x	19.8x	15.8x
Healthcare Software	21.0%	25.4%	2.1x	1.9x	9.6x	8.5x	19.7x	19.1x
Large Cap IT Services	13.2%	1.6%	0.9x	0.8x	6.4x	5.8x	13.8x	11.8x
Mid Cap IT Services	11.0%	(0.2%)	0.7x	0.7x	6.5x	5.9x	11.7x	9.7x
Offshore IT Services	24.7%	25.8%	4.1x	3.5x	16.1x	13.4x	21.6x	19.3x
Security Software	34.0%	8.5%	3.5x	3.3x	10.0x	8.7x	18.8x	16.4x
<u>Communications</u>								
Digital Broadband	13.3%	10.1%	0.8x	0.8x	6.3x	5.5x	11.9x	9.8x
Diversified Communication Equipment	12.4%	23.1%	1.2x	1.2x	7.8x	8.9x	18.5x	15.6x
Mobile Content / Solutions Providers	16.4%	42.0%	2.4x	2.0x	14.1x	8.7x	29.5x	20.0x
Mobile Infrastructure Software	22.1%	10.2%	2.5x	2.3x	11.7x	8.8x	21.7x	19.8x
<u>Internet and Digital Media</u>								
Chinese Internet Leaders	40.6%	39.3%	9.4x	7.5x	17.2x	15.6x	27.0x	23.7x
Online Classifieds	38.2%	25.0%	6.3x	5.6x	17.4x	13.1x	30.0x	25.2x
Content Providers / Communities	20.8%	10.6%	2.5x	2.3x	12.8x	10.3x	29.6x	25.0x
Ecommerce	16.0%	21.1%	3.7x	3.0x	20.6x	15.3x	34.1x	32.8x
Global Internet Leaders	33.7%	29.4%	7.1x	5.6x	14.3x	14.2x	23.1x	24.7x
Interactive Entertainment	15.8%	24.9%	0.9x	1.0x	5.5x	6.9x	19.3x	16.2x
Intermediation and Comparison	26.8%	23.6%	1.9x	1.4x	7.2x	6.3x	19.3x	17.0x
Online Gambling	29.4%	(3.6%)	2.8x	2.6x	8.3x	7.1x	11.6x	9.5x
Online Marketing	13.4%	6.4%	1.6x	1.4x	12.5x	8.5x	23.4x	20.6x
Online Travel	29.1%	22.8%	5.2x	4.6x	17.8x	13.8x	30.4x	24.9x

Last 30 Days Performance



Last Twelve Months Performance



Source: Capital IQ, 21 November 2010.

Software and IT Services
(Continued)

	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	37,075	38,535	33.3%	8.6%	3.8x	3.5x	11.3x	9.8x	17.2x	14.8x
Dassault Systemes	5,536	4,941	29.7%	18.5%	3.8x	3.5x	12.6x	10.8x	22.6x	19.3x
Sage	3,435	3,720	25.9%	0.7%	2.6x	2.5x	10.0x	9.6x	14.5x	13.9x
Autonomy	3,426	3,300	49.0%	18.7%	6.1x	5.5x	12.4x	10.6x	19.5x	16.7x
Software	2,396	2,610	27.7%	26.4%	2.8x	2.6x	10.0x	9.2x	15.8x	14.2x
Misys	1,556	1,705	21.6%	(11.2%)	2.5x	2.9x	11.5x	12.1x	22.4x	19.8x
Temenos	1,407	1,493	28.1%	25.2%	5.2x	4.7x	18.5x	14.0x	23.5x	19.8x
Aveva	1,062	922	34.5%	5.4%	5.8x	5.4x	16.8x	14.7x	28.6x	24.5x
Micro Focus	706	751	38.5%	(17.0%)	2.7x	2.7x	7.0x	6.6x	9.7x	9.0x
<i>Mean</i>			32.0%	8.4%	3.9x	3.7x	12.2x	10.8x	19.3x	16.9x
<i>Median</i>			29.7%	8.6%	3.8x	3.5x	11.5x	10.6x	19.5x	16.7x
Financial Software										
Intuit	8,832	8,722	34.9%	11.1%	3.9x	3.6x	11.1x	9.4x	21.3x	18.1x
Misys	1,556	1,705	21.6%	(11.2%)	2.5x	2.9x	11.5x	12.1x	22.4x	19.8x
Temenos	1,407	1,493	28.1%	25.2%	5.2x	4.7x	18.5x	14.0x	23.5x	19.8x
Fidessa	531	491	23.5%	11.3%	1.9x	1.8x	7.9x	7.1x	21.1x	19.0x
SimCorp	446	416	23.1%	2.7%	2.5x	2.4x	11.0x	9.5x	19.0x	14.9x
ORC	236	211	19.4%	48.1%	2.4x	2.0x	12.2x	7.1x	24.4x	15.0x
Innovation	124	105	10.5%	5.4%	0.6x	0.6x	6.1x	4.7x	18.9x	12.5x
Linedata	104	106	17.8%	(5.0%)	0.9x	0.9x	4.9x	4.5x	9.7x	9.0x
Microgen	88	65	25.7%	12.6%	2.0x	2.0x	7.7x	7.1x	17.6x	14.7x
StatPro	73	79	26.1%	4.6%	2.4x	2.3x	9.2x	8.4x	NM	NM
<i>Mean</i>			23.1%	10.5%	2.4x	2.3x	10.0x	8.4x	19.8x	15.8x
<i>Median</i>			23.3%	8.2%	2.4x	2.2x	10.1x	7.8x	21.1x	15.0x
Enterprise Applications										
Unit 4	524	583	20.4%	7.5%	1.6x	1.5x	7.9x	6.8x	23.2x	16.2x
SDL	441	385	19.5%	10.8%	2.0x	1.9x	10.4x	9.0x	18.0x	16.4x
Exact	388	348	22.3%	(4.8%)	1.8x	1.7x	7.9x	7.5x	15.0x	14.1x
F-Secure	273	249	17.3%	(0.2%)	2.2x	2.2x	13.0x	9.7x	22.0x	16.3x
Kofax	238	207	9.7%	12.6%	0.9x	1.0x	9.7x	9.3x	19.3x	16.7x
IFS	224	195	16.0%	6.4%	0.8x	0.8x	5.1x	4.5x	12.7x	10.7x
Cegid	171	233	24.9%	(1.2%)	1.1x	1.0x	4.3x	4.0x	9.4x	8.7x
Alterian	113	105	23.4%	(29.9%)	2.5x	2.4x	10.7x	9.4x	14.5x	13.1x
Kewill	81	69	17.2%	(34.2%)	1.2x	1.1x	6.8x	6.5x	9.0x	8.7x
<i>Mean</i>			19.0%	(3.7%)	1.6x	1.5x	8.4x	7.4x	15.9x	13.4x
<i>Median</i>			19.5%	(0.2%)	1.6x	1.5x	7.9x	7.5x	15.0x	14.1x
Healthcare Software										
McKesson	10,470	9,986	2.3%	2.9%	0.1x	0.1x	6.3x	5.6x	14.0x	12.5x
Cerner	4,512	4,232	29.9%	14.4%	3.6x	3.3x	12.2x	10.4x	29.9x	24.8x
Allscripts-Misys	2,088	2,345	17.9%	102.4%	2.9x	2.6x	16.0x	13.5x	24.5x	20.1x
Cegedim	532	919	19.3%	1.5%	1.2x	1.1x	6.0x	5.5x	10.8x	8.6x
CompuGroup	451	547	21.4%	2.8%	2.0x	1.8x	9.4x	7.9x	19.4x	15.5x
Advanced Computer Software	117	150	35.1%	28.7%	2.7x	2.4x	7.7x	8.2x	NM	33.3x
<i>Mean</i>			21.0%	25.4%	2.1x	1.9x	9.6x	8.5x	19.7x	19.1x
<i>Median</i>			20.3%	8.7%	2.4x	2.1x	8.5x	8.1x	19.4x	17.8x

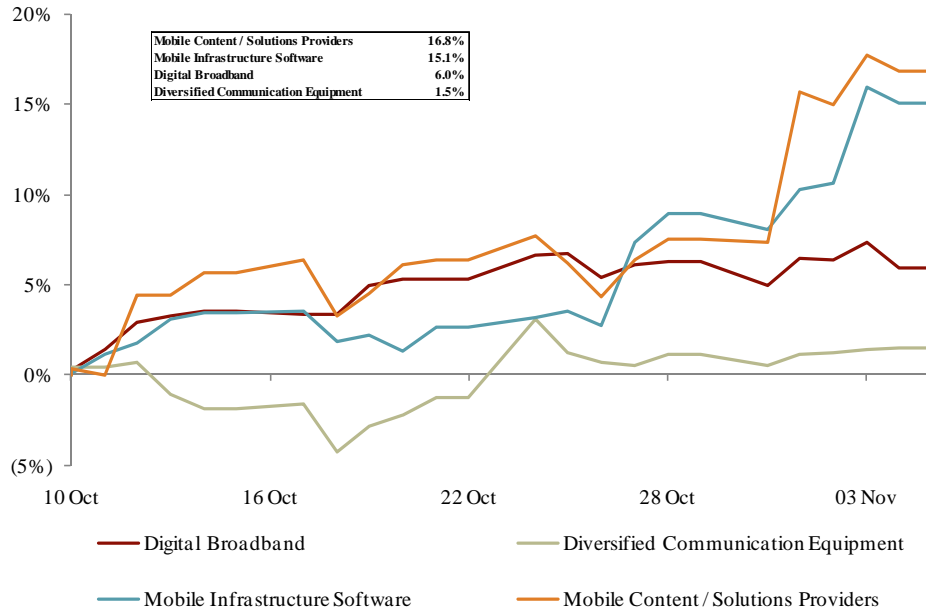
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Software and IT Services
(Continued)

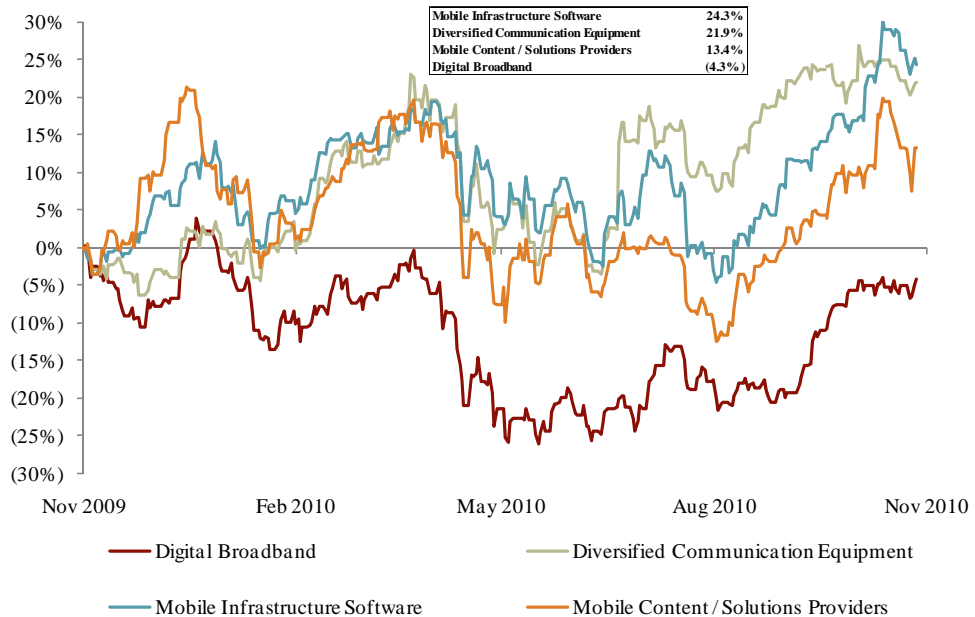
	Market Cap (\$m)	Enterprise Value (\$m)	CY2010E		EV / Revenue		EV / EBITDA		P / E	
			EBITDA Margin	Growth	CY2010E	CY2011E	CY2010E	CY2011E	CY2010E	CY2011E
Security Software										
Symantec	8,384	8,610	33.6%	3.2%	2.3x	2.2x	6.8x	6.4x	12.1x	11.6x
Check Point	5,707	5,109	58.9%	18.8%	7.5x	7.0x	12.7x	11.6x	18.2x	16.4x
McAfee	4,540	3,905	32.8%	8.5%	3.0x	2.8x	9.2x	8.7x	18.1x	16.5x
Trend Micro	2,519	1,631	27.5%	12.1%	2.3x	2.3x	8.2x	7.3x	23.5x	21.3x
F-Secure	273	249	17.3%	(0.2%)	2.2x	2.2x	13.0x	9.7x	22.0x	16.3x
<i>Mean</i>			34.0%	8.5%	3.5x	3.3x	10.0x	8.7x	18.8x	16.4x
<i>Median</i>			32.8%	8.5%	2.3x	2.3x	9.2x	8.7x	18.2x	16.4x
Large Cap IT Services										
Accenture	17,568	14,809	15.7%	7.5%	1.1x	1.0x	6.9x	6.4x	16.2x	14.2x
Cap Gemini	4,476	3,799	8.5%	(1.5%)	0.5x	0.5x	6.1x	5.1x	16.4x	12.7x
Computer Sciences	4,455	5,303	14.7%	3.2%	0.5x	0.5x	3.5x	3.3x	8.8x	8.2x
Capita Group	4,121	5,125	16.4%	4.4%	1.8x	1.8x	11.1x	10.3x	15.7x	14.1x
Atos Origin	1,866	1,970	10.5%	(5.6%)	0.5x	0.4x	4.4x	4.0x	11.8x	9.8x
<i>Mean</i>			13.2%	1.6%	0.9x	0.8x	6.4x	5.8x	13.8x	11.8x
<i>Median</i>			14.7%	3.2%	0.5x	0.5x	6.1x	5.1x	15.7x	12.7x
Mid Cap IT Services										
CGI	2,737	2,748	19.0%	10.2%	1.1x	1.0x	5.9x	5.3x	13.0x	11.3x
Logica	1,956	2,339	8.8%	(0.2%)	0.6x	0.6x	7.2x	6.7x	10.1x	9.5x
Indra Sistemas	1,819	2,122	12.7%	(3.9%)	1.0x	0.9x	7.6x	7.4x	10.7x	10.5x
Tieto	871	961	10.0%	(4.1%)	0.7x	0.6x	6.6x	5.7x	17.3x	11.1x
Sopra	585	693	10.0%	0.8%	0.7x	0.7x	7.1x	6.4x	12.2x	10.3x
Groupe Steria	453	639	9.0%	(0.5%)	0.4x	0.4x	5.0x	4.6x	9.6x	8.2x
GFI Informatique	136	235	7.2%	(4.1%)	0.4x	0.4x	5.8x	5.5x	9.0x	7.2x
<i>Mean</i>			11.0%	(0.2%)	0.7x	0.7x	6.5x	5.9x	11.7x	9.7x
<i>Median</i>			10.0%	(0.5%)	0.7x	0.6x	6.6x	5.7x	10.7x	10.3x
Offshore IT Services										
Tata	27,563	27,148	29.7%	22.1%	5.7x	4.8x	19.1x	15.8x	24.3x	21.5x
Infosys	23,437	21,025	33.1%	24.0%	5.9x	5.1x	17.9x	15.2x	25.9x	20.8x
Wipro	13,541	12,938	21.8%	16.2%	3.1x	2.8x	14.4x	12.5x	19.0x	16.8x
Cognizant	12,411	11,202	21.0%	40.8%	3.9x	3.3x	18.7x	15.0x	27.5x	24.4x
HCL	3,560	3,620	18.1%	25.9%	1.9x	1.6x	10.4x	8.3x	11.2x	13.2x
<i>Mean</i>			24.7%	25.8%	4.1x	3.5x	16.1x	13.4x	21.6x	19.3x
<i>Median</i>			21.8%	24.0%	3.9x	3.3x	17.9x	15.0x	24.3x	20.8x

Sources: Capital IQ, 21 November 2010; Brokers' reports.

Last 30 Days Performance



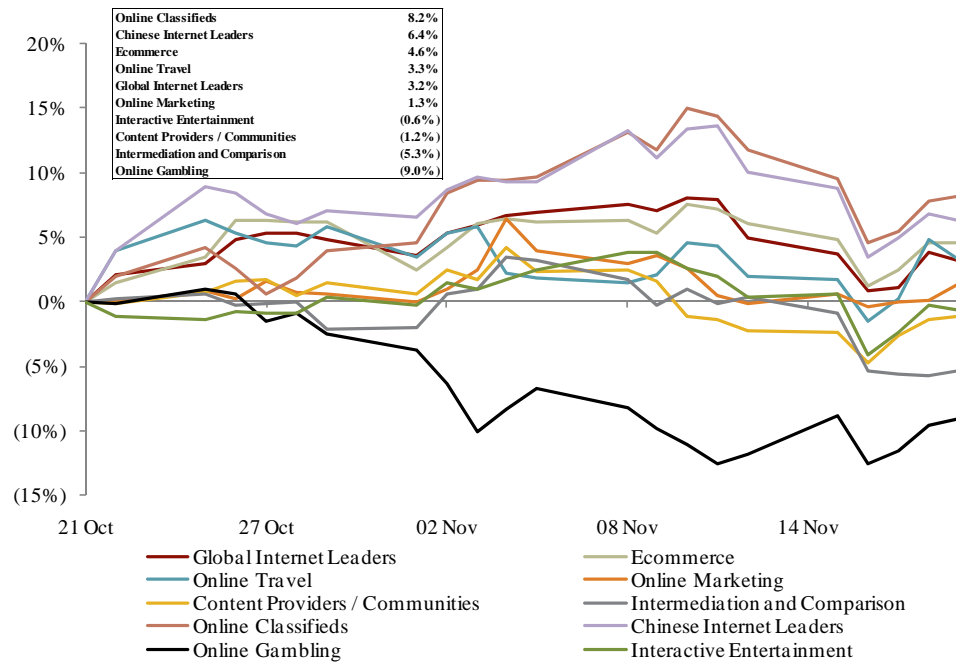
Last Twelve Months Performance



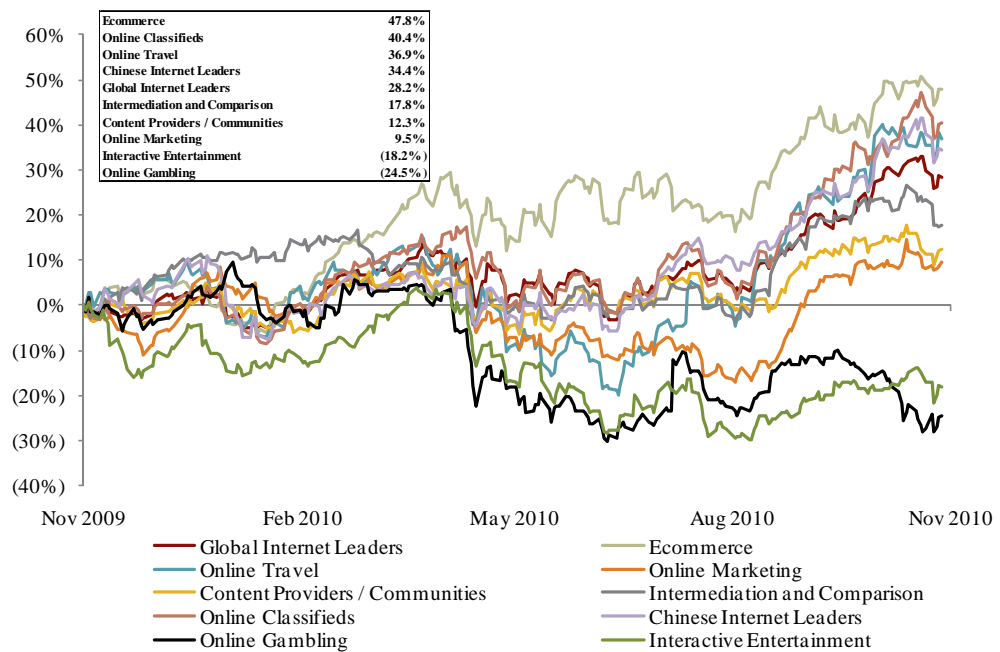
Source: Capital IQ, 21 November 2010.

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			EBITDA Margin	Growth	CY2010E	CY2011E	CY2010E	CY2011E	CY2010E	CY2011E
Digital Broadband										
Logitech	2,253	2,063	10.9%	26.5%	1.4x	1.3x	13.1x	10.5x	NM	NM
TomTom	1,342	1,685	19.7%	(2.4%)	1.3x	1.3x	6.7x	6.7x	10.8x	10.1x
Kudelski	823	989	16.0%	12.5%	1.4x	1.4x	8.7x	7.7x	15.5x	12.4x
Pace	581	487	9.2%	14.4%	0.4x	0.3x	4.1x	3.2x	8.6x	7.1x
Technicolor	291	1,385	13.8%	(8.2%)	0.5x	0.5x	3.5x	3.3x	NM	8.8x
Parrot	198	125	14.5%	29.8%	0.6x	0.6x	4.5x	4.0x	13.5x	12.6x
Advanced Digital Broadcast	101	71	8.8%	(1.5%)	0.3x	0.3x	3.5x	2.9x	10.9x	7.9x
<i>Mean</i>			13.3%	10.1%	0.8x	0.8x	6.3x	5.5x	11.9x	9.8x
<i>Median</i>			13.8%	12.5%	0.6x	0.6x	4.5x	4.0x	10.9x	9.5x
Diversified Communication Equipment										
Nokia	23,478	20,727	9.5%	(1.3%)	0.6x	0.5x	6.1x	5.1x	17.2x	12.8x
LM Ericsson Telephone	20,961	17,121	15.3%	2.9%	0.9x	0.9x	6.1x	5.4x	18.5x	13.1x
Alcatel-Lucent	4,158	4,710	6.1%	(0.1%)	0.4x	0.3x	5.8x	3.9x	NM	13.6x
CommScope	1,907	2,346	14.8%	5.5%	1.2x	1.2x	8.0x	7.1x	17.7x	14.3x
ADTRAN	1,257	1,172	27.3%	24.5%	3.1x	2.9x	11.5x	10.2x	18.9x	16.9x
CIENA	858	1,300	2.3%	122.7%	1.4x	1.2x	NM	21.3x	NM	24.0x
ADC Telecommunications	772	798	11.7%	7.7%	1.1x	1.1x	9.5x	8.9x	20.4x	14.8x
<i>Mean</i>			12.4%	23.1%	1.2x	1.2x	7.8x	8.9x	18.5x	15.6x
<i>Median</i>			11.7%	5.5%	1.1x	1.1x	7.1x	7.1x	18.5x	14.3x
Mobile Infrastructure Software										
QUALCOMM	48,634	43,012	43.6%	9.1%	6.0x	5.4x	13.7x	12.8x	18.8x	17.0x
VeriSign	3,757	2,522	48.6%	(27.6%)	5.5x	5.4x	11.2x	9.7x	31.7x	23.1x
Amdocs	3,275	2,502	22.1%	8.3%	1.3x	1.3x	6.0x	5.9x	13.2x	11.3x
Syniverse	1,349	1,569	41.2%	33.1%	3.9x	3.7x	9.6x	8.7x	16.7x	15.1x
Converse	953	872	0.4%	(34.2%)	0.9x	0.8x	NM	NM	21.7x	NM
Synchronoss Technologies	559	524	24.1%	30.9%	5.0x	4.2x	20.8x	14.6x	40.8x	31.3x
Tekelec	549	409	25.8%	(5.9%)	1.5x	1.5x	5.8x	5.7x	16.8x	14.4x
Sonus Networks	468	262	7.7%	73.7%	1.1x	1.0x	13.8x	11.4x	NM	45.3x
Smith Micro Software	299	263	34.0%	23.4%	3.2x	2.9x	9.4x	7.9x	16.8x	14.8x
Intec Telecom Systems	222	155	11.4%	(9.3%)	1.0x	1.0x	9.2x	7.4x	20.0x	17.8x
TeleCommunication Systems	153	203	16.6%	34.1%	0.8x	0.7x	4.9x	4.1x	15.2x	14.1x
Openwave Systems	112	46	2.0%	(12.5%)	0.4x	0.4x	22.1x	9.7x	NM	NM
Redknee Solutions	57	45	9.6%	10.1%	1.3x	1.1x	14.0x	7.4x	27.4x	13.2x
<i>Mean</i>			22.1%	10.2%	2.5x	2.3x	11.7x	8.8x	21.7x	19.8x
<i>Median</i>			22.1%	9.1%	1.3x	1.3x	10.4x	8.3x	18.8x	15.1x
Mobile Content / Solutions Providers										
Art Technology	590	495	21.2%	13.3%	3.9x	3.5x	18.5x	14.7x	29.3x	24.0x
Opera Software	365	312	17.4%	9.8%	4.3x	3.6x	24.9x	13.0x	45.2x	22.4x
GameLoft	294	273	18.4%	3.7%	2.3x	2.2x	12.7x	10.0x	31.6x	23.1x
Danal	119	108	16.8%	25.6%	1.9x	1.9x	11.5x	8.9x	NM	NM
Buongiorno	103	146	13.0%	64.2%	0.4x	0.4x	3.0x	3.0x	12.0x	10.6x
Synchronica	15	14	11.4%	135.2%	1.6x	0.5x	14.0x	2.6x	NM	NM
<i>Mean</i>			16.4%	42.0%	2.4x	2.0x	14.1x	8.7x	29.5x	20.0x
<i>Median</i>			17.1%	19.4%	2.1x	2.1x	13.3x	9.4x	30.4x	22.8x

Last 30 Days Performance



Last Twelve Months Performance



Source: Capital IQ, 21 November 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	176,374	160,314	29.1%	57.3%	3.5x	2.9x	12.0x	9.6x	18.3x	15.6x
Microsoft	137,776	117,348	43.5%	13.6%	2.8x	2.7x	6.5x	6.1x	11.3x	10.0x
Google	118,432	98,838	44.9%	23.0%	5.5x	4.9x	12.2x	10.4x	20.6x	17.8x
Amazon	46,373	42,786	7.1%	40.4%	2.0x	1.7x	28.3x	21.5x	NM	45.6x
eBay	24,763	21,421	35.6%	6.0%	3.7x	3.5x	10.5x	9.5x	18.2x	16.4x
Baidu	23,711	23,061	57.4%	81.3%	31.5x	21.7x	NM	34.2x	NM	45.5x
Yahoo!	13,539	11,880	35.6%	(28.3%)	4.1x	4.1x	11.6x	10.6x	21.9x	20.5x
Alibaba	5,637	4,878	34.2%	50.3%	9.4x	8.0x	27.4x	20.9x	39.8x	30.4x
IAC	1,727	964	15.4%	21.1%	0.9x	0.9x	6.1x	5.2x	31.4x	20.3x
<i>Mean</i>			33.7%	29.4%	7.1x	5.6x	14.3x	14.2x	23.1x	24.7x
<i>Median</i>			35.6%	23.0%	3.7x	3.5x	11.8x	10.4x	20.6x	20.3x
Ecommerce										
Amazon	46,373	42,786	7.1%	40.4%	2.0x	1.7x	28.3x	21.5x	NM	45.6x
eBay	24,763	21,421	35.6%	6.0%	3.7x	3.5x	10.5x	9.5x	18.2x	16.4x
Netflix	5,668	5,656	17.0%	31.2%	4.2x	3.3x	24.5x	19.2x	NM	45.7x
Mercadolibre	1,743	1,712	37.0%	25.2%	12.8x	10.6x	34.5x	26.6x	NM	41.0x
Vistaprint	1,111	1,003	20.1%	21.7%	2.2x	2.0x	11.0x	9.1x	20.5x	17.5x
OpenTable	979	924	35.1%	42.3%	15.3x	11.3x	43.5x	28.9x	NM	NM
Asos	936	932	10.1%	(7.9%)	3.1x	2.4x	30.7x	22.3x	NM	39.5x
Digital River	924	695	18.4%	(9.2%)	3.1x	2.9x	16.6x	11.0x	42.8x	27.8x
CSI Commerce	912	985	9.8%	36.9%	1.2x	1.1x	11.8x	9.4x	NM	37.0x
Ocado	724	889	3.9%	27.4%	1.1x	0.9x	28.7x	14.4x	NM	NM
Shutterfly	549	449	21.0%	19.9%	2.5x	2.3x	11.7x	10.0x	NM	39.5x
Blue Nile	401	371	9.1%	10.1%	1.8x	1.7x	19.7x	17.3x	46.7x	39.0x
YOOX	343	326	9.5%	33.3%	1.8x	1.6x	19.2x	13.7x	47.7x	32.0x
Overstock	200	184	2.5%	28.0%	0.3x	0.2x	10.7x	9.1x	28.9x	17.7x
Drugstore	111	99	4.3%	11.2%	0.3x	0.3x	8.2x	7.6x	NM	27.8x
<i>Mean</i>			16.0%	21.1%	3.7x	3.0x	20.6x	15.3x	34.1x	32.8x
<i>Median</i>			10.1%	25.2%	2.2x	2.0x	19.2x	13.7x	35.8x	37.0x
Online Travel										
Priceline	12,605	12,004	28.4%	34.9%	6.2x	5.3x	21.8x	16.3x	31.6x	24.4x
Expedia	4,552	4,648	28.8%	14.1%	2.2x	2.0x	7.7x	6.9x	15.4x	13.2x
Ctrip	4,217	3,953	41.1%	58.7%	14.6x	12.0x	35.4x	26.0x	44.4x	34.7x
Wotif	591	527	57.7%	18.7%	6.1x	6.0x	10.6x	9.8x	17.7x	16.3x
Travelzoo	390	368	22.1%	21.2%	5.2x	4.8x	23.6x	21.0x	NM	42.0x
Orbitz	332	556	19.9%	3.2%	1.2x	1.1x	5.9x	5.4x	39.3x	22.1x
hotel.de	43	35	5.9%	8.9%	1.1x	1.1x	19.2x	11.4x	34.0x	21.4x
<i>Mean</i>			29.1%	22.8%	5.2x	4.6x	17.8x	13.8x	30.4x	24.9x
<i>Median</i>			28.4%	18.7%	5.2x	4.8x	19.2x	11.4x	32.8x	22.1x
Online Marketing										
ValueClick	779	676	28.8%	2.0%	2.5x	2.4x	8.8x	7.8x	19.1x	20.1x
Constant Contact	410	333	13.0%	36.5%	3.1x	2.6x	23.4x	15.3x	NM	33.8x
LBI	179	174	15.0%	12.5%	1.2x	1.1x	8.1x	5.9x	NM	NM
InfoSpace	175	32	11.3%	19.1%	0.2x	0.2x	1.8x	2.1x	36.4x	35.0x
Marchex	153	133	7.9%	5.1%	2.2x	2.0x	27.6x	12.8x	NM	NM
TradeDoubler	141	128	4.5%	0.1%	0.5x	0.5x	11.0x	8.3x	20.1x	14.1x
Hi-Media	126	159	8.7%	26.4%	0.8x	0.8x	9.4x	7.6x	16.8x	12.1x
1000mercis	110	100	34.1%	(19.7%)	3.6x	3.6x	10.6x	9.2x	17.1x	15.3x
AdLink Internet Media	94	91	7.1%	(15.5%)	0.9x	0.8x	12.7x	9.7x	36.0x	19.8x
ad pepper media	31	19	4.0%	(2.4%)	0.5x	0.4x	11.7x	6.2x	18.5x	14.3x
<i>Mean</i>			13.4%	6.4%	1.6x	1.4x	12.5x	8.5x	23.4x	20.6x
<i>Median</i>			10.0%	3.6%	1.1x	1.0x	10.8x	8.1x	19.1x	17.5x
Content Providers / Communities										
WebMD Health	1,875	1,704	30.4%	19.2%	5.3x	4.6x	17.3x	13.0x	NM	38.0x
Meetic	373	339	20.7%	13.5%	2.1x	2.0x	10.3x	8.8x	17.3x	14.7x
Move	243	218	11.1%	(5.3%)	1.8x	1.7x	15.8x	13.5x	50.0x	33.6x
The Knot	194	109	11.1%	6.9%	1.5x	1.5x	14.0x	11.6x	NM	NM
XING	140	94	30.8%	18.7%	2.0x	1.7x	6.6x	4.8x	21.5x	13.4x
<i>Mean</i>			20.8%	10.6%	2.5x	2.3x	12.8x	10.3x	29.6x	25.0x
<i>Median</i>			20.7%	13.5%	2.0x	1.7x	14.0x	11.6x	21.5x	24.2x

Sources: Capital IQ, 21 November 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	400	371	27.4%	61.8%	1.7x	1.6x	6.1x	5.6x	13.8x	12.4x
Liquidity Services	257	214	12.8%	18.7%	1.2x	1.1x	9.2x	7.8x	25.3x	20.1x
eHealth	197	110	21.4%	15.1%	1.1x	1.1x	5.3x	5.3x	24.0x	24.3x
Gruppo MutuiOnline	169	157	45.5%	(1.2%)	3.7x	1.9x	8.1x	6.6x	13.9x	11.2x
<i>Mean</i>			26.8%	23.6%	1.9x	1.4x	7.2x	6.3x	19.3x	17.0x
<i>Median</i>			24.4%	16.9%	1.4x	1.3x	7.1x	6.1x	19.0x	16.3x
Online Classifieds										
Monster	1,619	1,599	10.6%	4.4%	2.7x	2.4x	25.8x	12.7x	NM	44.3x
SEEK	1,370	1,407	43.7%	50.6%	7.3x	6.6x	16.7x	13.4x	22.7x	17.8x
SouFun	1,079	989	35.1%	58.2%	8.0x	7.0x	22.6x	16.0x	28.9x	18.4x
Rightmove	873	850	66.7%	18.9%	10.3x	9.6x	15.4x	13.3x	21.1x	18.0x
51job	832	690	28.2%	39.1%	7.1x	6.0x	25.1x	18.1x	37.3x	28.1x
Carsales.au	666	658	53.5%	39.0%	7.9x	7.3x	14.8x	12.3x	22.4x	18.6x
Seloger	502	506	53.0%	9.5%	7.1x	6.5x	13.4x	11.7x	23.0x	19.1x
Dice	436	445	38.9%	17.0%	5.6x	4.5x	14.4x	10.7x	39.0x	24.1x
LoopNet	279	224	35.1%	3.0%	4.6x	4.3x	13.1x	12.1x	40.1x	38.0x
Adenclassifieds	158	111	17.4%	10.2%	2.1x	2.0x	12.3x	10.5x	35.5x	25.8x
<i>Mean</i>			38.2%	25.0%	6.3x	5.6x	17.4x	13.1x	30.0x	25.2x
<i>Median</i>			37.0%	17.9%	7.1x	6.3x	15.1x	12.5x	28.9x	21.6x
Chinese Internet Leaders										
Tencent	26,125	24,859	54.5%	63.4%	13.5x	11.0x	24.8x	18.9x	33.7x	25.3x
Baidu	23,711	23,061	57.4%	81.3%	31.5x	21.7x	NM	34.2x	NM	45.5x
Alibaba	5,637	4,878	34.2%	50.3%	9.4x	8.0x	27.4x	20.9x	39.8x	30.4x
Netease	3,162	2,338	51.5%	47.3%	4.7x	4.1x	9.0x	7.4x	15.5x	12.5x
Sina	2,286	1,812	29.1%	12.3%	7.3x	6.4x	24.9x	20.3x	35.3x	29.3x
Focus Media	2,085	1,727	33.5%	13.8%	4.9x	4.9x	14.5x	11.2x	23.4x	19.5x
Sohu	1,757	1,447	43.5%	19.3%	3.8x	3.3x	8.7x	7.3x	19.3x	15.9x
Shanda Interactive	1,452	741	26.6%	8.3%	1.4x	1.3x	5.4x	4.0x	20.0x	16.8x
<i>Mean</i>			40.6%	39.3%	9.4x	7.5x	17.2x	15.6x	27.0x	23.7x
<i>Median</i>			35.1%	47.3%	7.3x	6.4x	18.6x	16.0x	26.1x	19.5x
Online Gambling										
Playtech	995	945	64.0%	26.7%	7.3x	6.9x	11.5x	10.0x	12.7x	11.2x
bwin Interactive	981	843	19.9%	24.2%	2.1x	2.0x	10.4x	7.8x	20.7x	14.2x
PartyGaming	963	842	27.3%	15.3%	2.7x	2.5x	9.7x	8.7x	14.1x	13.1x
Sportingbet	306	254	22.6%	(88.1%)	1.2x	1.2x	5.3x	4.9x	9.7x	8.9x
888	138	94	13.3%	4.1%	0.6x	0.6x	4.5x	4.1x	0.7x	0.2x
<i>Mean</i>			29.4%	(3.6%)	2.8x	2.6x	8.3x	7.1x	11.6x	9.5x
<i>Median</i>			22.6%	15.3%	2.1x	2.0x	9.7x	7.8x	12.7x	11.2x
Interactive Entertainment										
Activision	8,828	7,042	34.5%	7.5%	2.5x	2.4x	7.2x	7.0x	15.6x	14.4x
Electronic Arts	3,193	2,154	9.6%	6.4%	0.9x	0.9x	9.6x	6.5x	30.6x	19.0x
Ubisoft Entertainment	637	574	22.0%	(20.7%)	0.7x	0.6x	3.4x	2.4x	NM	NM
Take-Two Interactive Software	590	508	11.6%	18.5%	0.7x	0.8x	6.0x	12.5x	11.9x	18.8x
THQ	204	190	(3.4%)	(14.6%)	0.4x	0.3x	NM	6.1x	NM	12.5x
Atari	55	78	20.7%	152.0%	0.2x	NA	1.2x	NA	NM	NM
<i>Mean</i>			15.8%	24.9%	0.9x	1.0x	5.5x	6.9x	19.3x	16.2x
<i>Median</i>			16.1%	7.0%	0.7x	0.8x	6.0x	6.5x	15.6x	16.6x

Sources: Capital IQ, 21 November 2010; Brokers' reports.

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