

# **SagePoint Equipment 115**

## **Q4 2010 Valuation & Performance Review**

An Analysis of Public Communications, IT and  
Consumer Electronics Equipment Companies from a  
Valuation and M&A Perspective

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# SagePoint Equipment 115 Universe

## Q4 Adds:

- Allot
- Sumavision
- TPK
- Motorola Mobility

		Market Segment											
		Tier 1 TEMs	Wireline Network	Data Storage	VoIP & IMS	Audio/Video	Wireless Network	Satellite & GPS	Wireless Handset	Servers/Computing	Consumer Electronics	Components & Subsystems	ODMs & EMS
1	AAC Acoustic											X	
2	Aastra				X								
3	Acme Packet			X									
4	ADC		X										
5	ADTRAN		X										
6	Alcatel-Lucent	X											
7	Allwin					X							
8	Anhui Sun Create					X							
9	Apple							X		X			
10	Arris Group					X							
11	Aruba					X							
12	Ascom Holding					X							
13	Axis				X								
14	Beijing BDStar						X						
15	Belden											X	
16	Blue Coat		X										
17	Brocade			X									
18	BYD Elec											X	
19	Calix		X										
20	Ceragon					X							
21	China Wireless							X					
22	China Zhenhua							X					
23	CIENA		X										
24	Cisco	X											
25	Comba Telecom											X	
26	CommScope											X	
27	Compal												X
28	Compellent			X									
29	Comtech											X	
30	Corning											X	

## Q4 Drops:

- ADC
- CommScope
- Compellent
- Isilon

		Market Segment											
		Tier 1 TEMs	Wireline Network	Data Storage	VoIP & IMS	Audio/Video	Wireless Network	Satellite & GPS	Wireless Handset	Servers/Computing	Consumer Electronics	Components & Subsystems	ODMs & EMS
31	Cray									X			
32	Cybertan												X
33	Datang Telecom						X						
34	Dell								X				
35	Digi					X							
36	D-Link										X		
37	DragonWave					X							
38	Echelon					X							
39	EMC			X									
40	Ericsson	X											
41	EVS Broadcast					X							
42	F5 Networks		X										
43	Fiberhome		X										
44	Finisar											X	
45	Flextronics												X
46	Foxconn												X
47	Fujian Star-Net				X								
48	Garmin						X						
49	Gemtek												X
50	Geovision					X							
51	GN Store Nord						X						
52	GoHigh Data				X								
53	Harmonic					X							
54	Harris					X							
55	HP									X			
56	IBM									X			
57	Infinera		X										
58	Isilon			X									
59	Jiangsu Zhongtian											X	
60	Juniper		X										

# SagePoint Equipment 115 Universe - Continued

	Market Segment											
	Tier 1 TEMs	Wireline Network	Data Storage	VoIP & IMS	Audio/Video	Wireless Network	Satellite & GPS	Wireless Handset	Servers/Computing	Consumer Electronics	Components & Subsystems	ODMs & EMS
61 JVC KENWOOD									X			
62 Lenovo								X				
63 LG								X		X		
64 Lite-On												X
65 Loral						X						
66 Melco												X
67 MiTAC												X
68 Motorola	X											
69 NEC	X											
70 Net Insight					X							
71 NetApp			X									
72 Netgear									X			
73 Ningbo Bird								X				
74 Nokia	X							X				
75 Pace					X							
76 Panasonic									X			
77 Philips Elec									X			
78 Pioneer									X			
79 Plantronics						X						
80 Polycom					X							
81 Powerwave										X		
82 Qisda												X
83 Quanta												X
84 Quantum			X									
85 Radware		X										
86 RealD					X							
87 RIM								X				
88 Riverbed		X										
89 Sandvine		X										
90 SeaChange					X							

	Market Segment											
	Tier 1 TEMs	Wireline Network	Data Storage	VoIP & IMS	Audio/Video	Wireless Network	Satellite & GPS	Wireless Handset	Servers/Computing	Consumer Electronics	Components & Subsystems	ODMs & EMS
91 Seagate			X									
92 Sharp											X	
93 ShoreTel				X								
94 Silicon Graphics									X			
95 Sonus Networks				X								
96 Sony										X		
97 Sunnada						X						
98 Sunwave						X						
99 Super Micro									X			
100 Sycamore		X										
101 TCS							X					
102 Technicolor					X							
103 Tekelec		X		X								
104 Tellabs		X										
105 TiVo					X							
106 TKH Group											X	
107 TomTom							X					
108 Trimble							X					
109 ViaSat							X					
110 Vtech										X		
111 Western Digital			X									
112 Wistron												X
113 Wuhan											X	
114 Zowee												X
115 ZTE	X											

## SagePoint's Viewpoint - Key Takeaways

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- The Equipment 115 Index rose 10% since the beginning of Q4, underperforming all of the indices
  - A/V led in gains, up 27%, after several quarters of underperforming the median
  - Data Storage also gained over 20%, buoyed by major acquisitions in the space
  - ODM/EMS was the only segment down while Tier 1 TEMs and Wireless Handsets had small gains
- Valuation multiples continue to improve, driven by a strong rally starting last September
  - Median revenue multiples remained flat as market gains kept pace with revenue growth
  - EBITDA multiples jumped from 8.9x to 10.3x, as several companies returned to profitability with high multiples off their relatively low EBITDA base
  - Median P/E of 19.8x improved from 18.4x at end of Q3 on increased earnings and net cash
- Median revenue growth of 18% in Q4 continues trend of double digit growth, improving on Q3's growth
  - Most segments showed growth of 15-22%, with only one segment at less than 10% growth
  - Double digit revenue growth is expected to continue for almost all segments with median growth of 16.6% over next twelve months
- Solid median EPS growth continues for the Equipment 115 at 33% as continued sales growth and reduced operating costs as a % of sales translate to strong earnings
  - Only one segment posted EPS contraction while all others grew in the double digits
  - Median EPS growth of 26% is projected for the Equipment 115 for the next twelve months

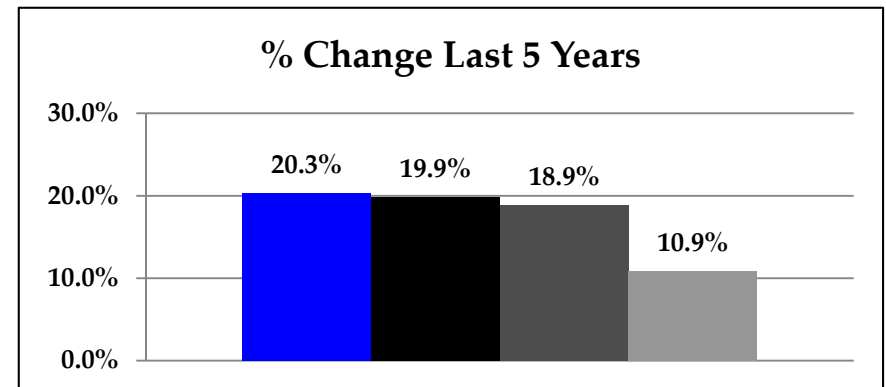
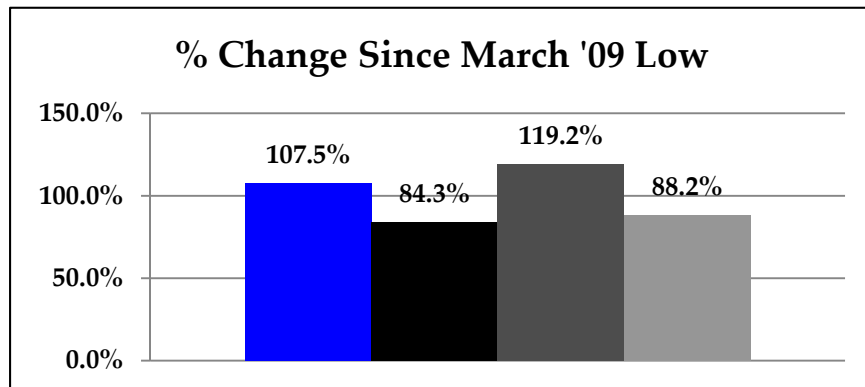
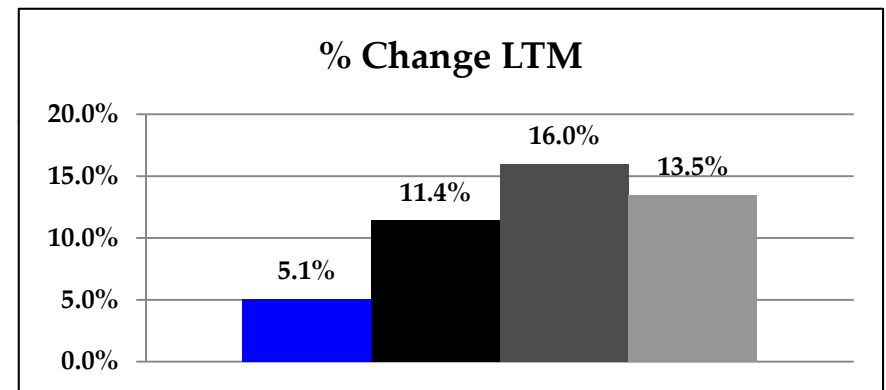
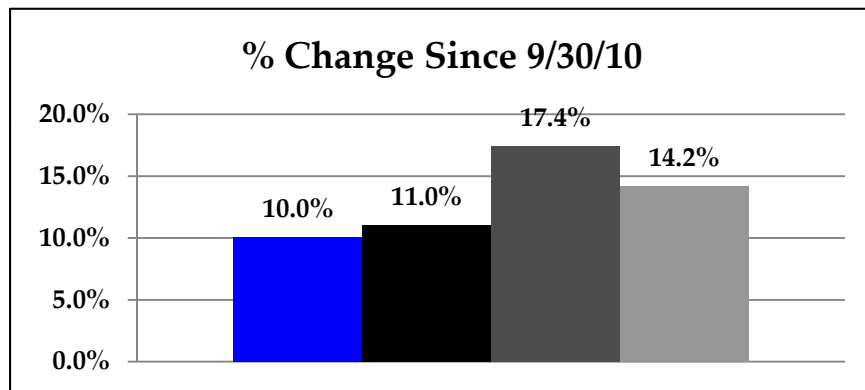
## SagePoint's Viewpoint - Key Takeaways Continued

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- Positive news continues to dominate earnings season as Equipment vendors are consistently meeting or beating revenue and EPS targets
  - 85.5% met or beat Q3 revenue targets with beats outnumbering misses nearly 3 to 1
  - 76.5% met or beat Q3 EPS targets with beats outnumbering misses 2.5 to 1 and 21% beating by 20% or more
- Equipment 115 operating models have been repaired with companies again looking to invest in R&D and SG&A to drive growth, though opex is not growing as rapidly as revenue
  - Median gross margins reached 36.2%, their third highest level in three years
  - Operating Expenses as a % of Sales reach its second lowest level in three years
  - EBITDA margins improved to 12.1%, a three year high
- M&A activity was up in Q4 for both dollar and deal volume and SagePoint expects M&A activity to remain relatively vibrant for the remainder of Q4 and through 2011
  - Notable Q4 transactions included Carlyle taking CommScope private (\$4.5B), EMC acquiring Isilon (\$2.5B), Dell acquiring Compellent (\$884M), Dover/Knowle's acquiring NXP's Sound Solutions Business (\$855M), Veritas taking CPI Intl private (\$524M) and Teledyne acquiring DALSA (\$345M)
  - OEM consolidation trend will continue in an effort to rebuild scale to drive margins
  - Balance sheet strength remains strong and several active buyers have cash war chests
  - Prior R&D spending cuts are driving more buy-vs-build decisions as buyers look to fill product gaps
  - Many buyers may look externally for growth to augment organic growth and quickly add scale

## SagePoint Equipment 115 Index Performance

- The Equipment 115 Index rose 10% since the beginning of Q4, underperforming all of the indices
- LTM performance for the Equip 115 has underperformed substantially, up just 5.1%
- Despite weaker performance in the past year, over the longer term the Equipment 115 Index has performed well, outperforming all over the past 5 years and all but the NASDAQ since hitting the March '09 low



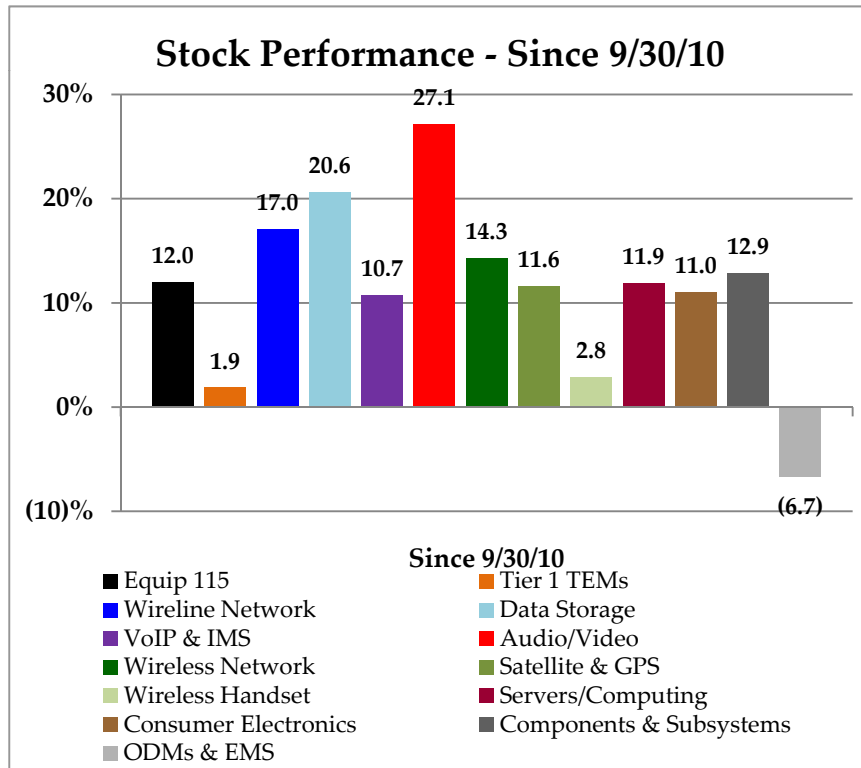
■ Equipment 115\* ■ SagePoint 400 Index\* ■ NASDAQ ■ DJIA

\* Market Value weighted index

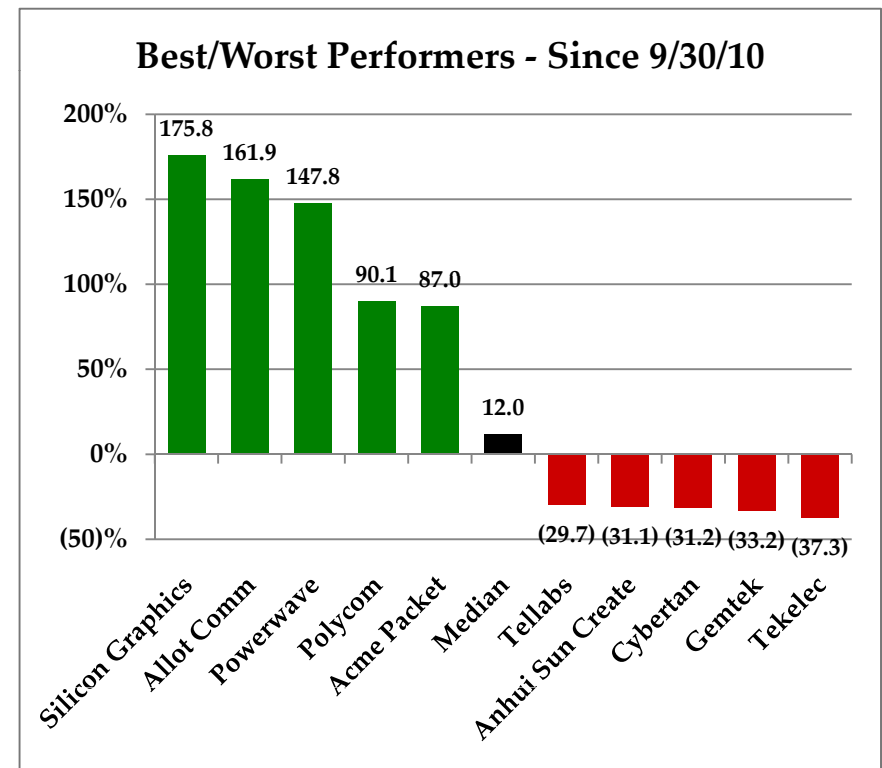
SagePoint Equipment 115 – Q4 2010

## Stock Performance Since Beginning of Q4

- The Equipment 115 continues its gains, up a median of 12%
  - A/V led in gains, up 27%, after several quarters of underperforming the median
  - Data Storage also gained over 20%, buoyed by major acquisitions in the space
  - ODM/EMS was the only segment down while Tier 1 TEMs and Wireless Handsets had small gains
- Big winners up 150-200% included Silicon Graphics who posted large Revenue and EBITDA surprises, Allot which posted 200+% EPS growth and Powerwave which posted 400+% EPS growth and is expected to benefit from 3G/4G rollouts



Source: SagePoint Advisors & Capital IQ

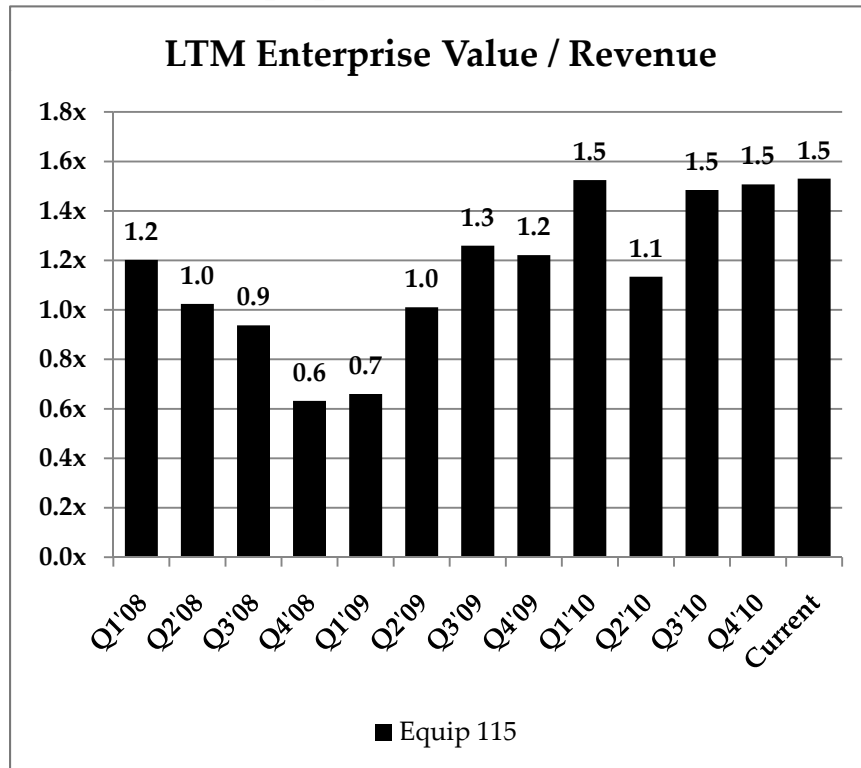


Source: SagePoint Advisors & Capital IQ

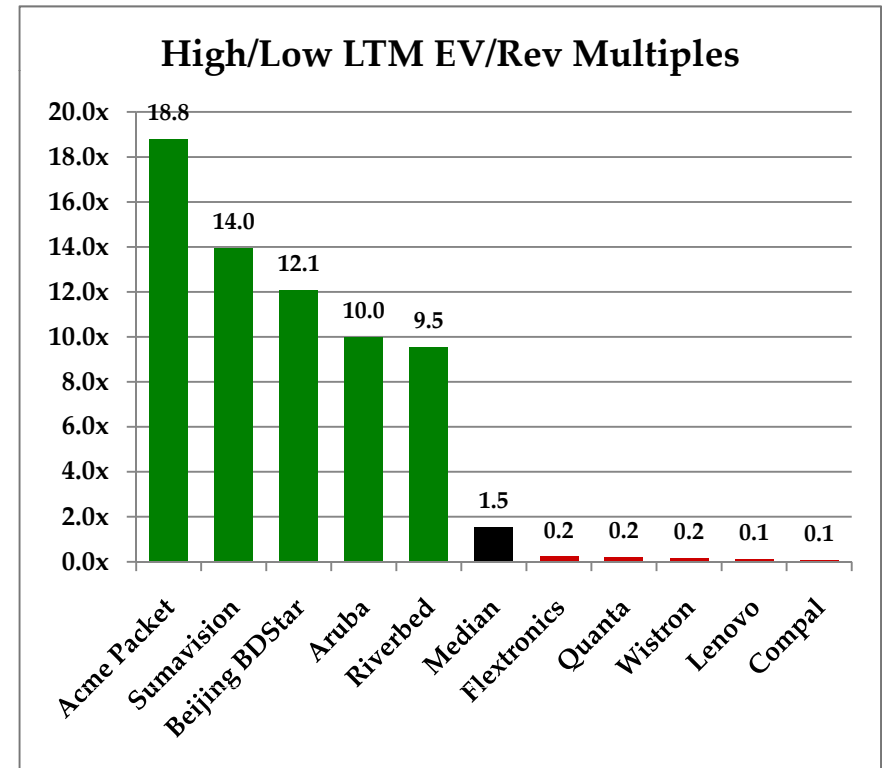


## Valuation Metrics – LTM Revenue Multiples

- Median revenue multiples remained flat as market gains kept pace with revenue growth
  - All 5 of the highest multiple companies are expected to grow at rates exceeding 30% with Beijing BDStar the highest at 45%
  - Acme Packet and Sumavision also benefit from highly profitable operating models
  - Beijing BDStar’s multiple seems high despite strong growth forecast considering GMs in the mid 30s
  - Aruba’s high multiple also driven by consistently beating expectations and improving GMs
- 28 of the Equipment 115 trade at 0.5x LTM revenues or less, 10 of which are in ODMs & EMS



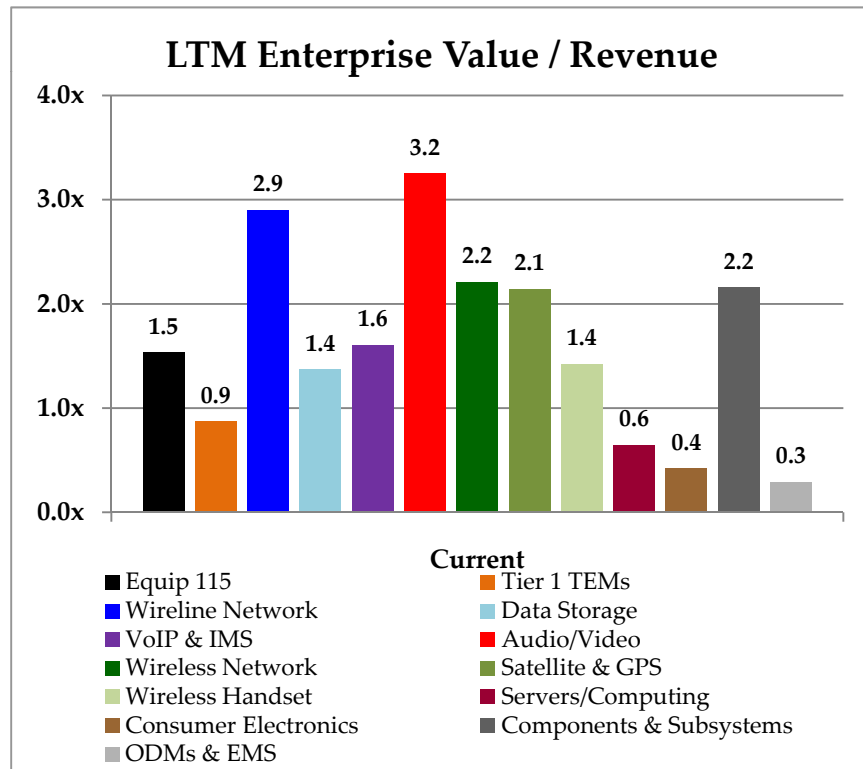
Source: SagePoint Advisors & Capital IQ



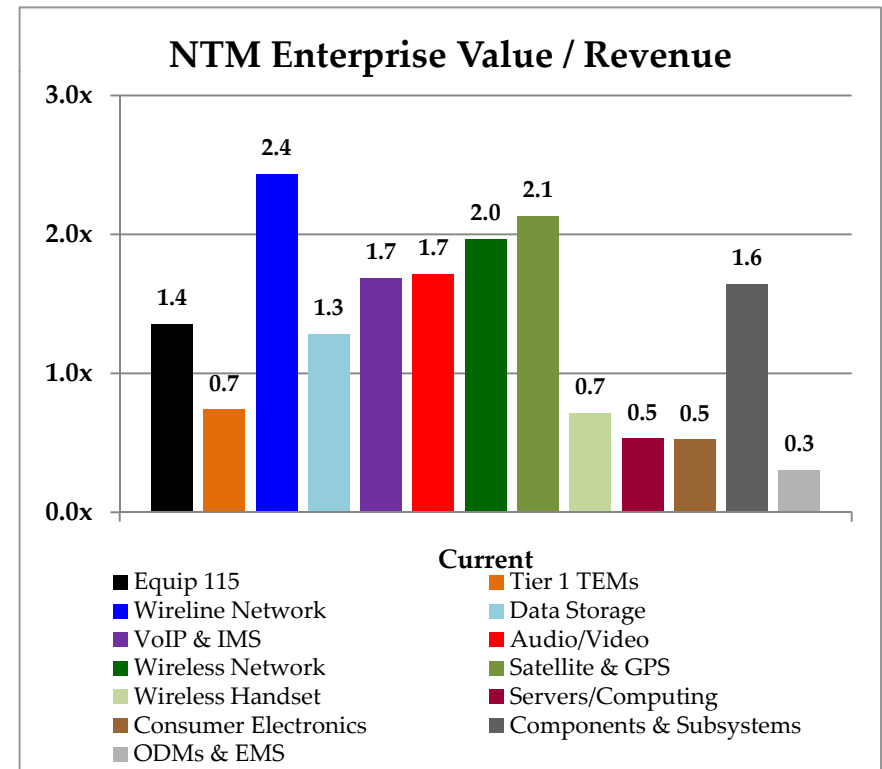
Source: SagePoint Advisors & Capital IQ

## Valuation Metrics – Revenue Multiples By Segment

- Wireline Network, Satellite & GPS and Wireless Network segments trade at premium NTM multiples of 2.0x or higher
- VoIP & IMS, Audio/Video and Components & Subsystems also outperform the median
- Trading below 1x are Tier 1 TEMs, Wireless Handset, Servers/Computing, Consumer Electronics and ODMs & EMS due to weak margins and/or below median growth expectations



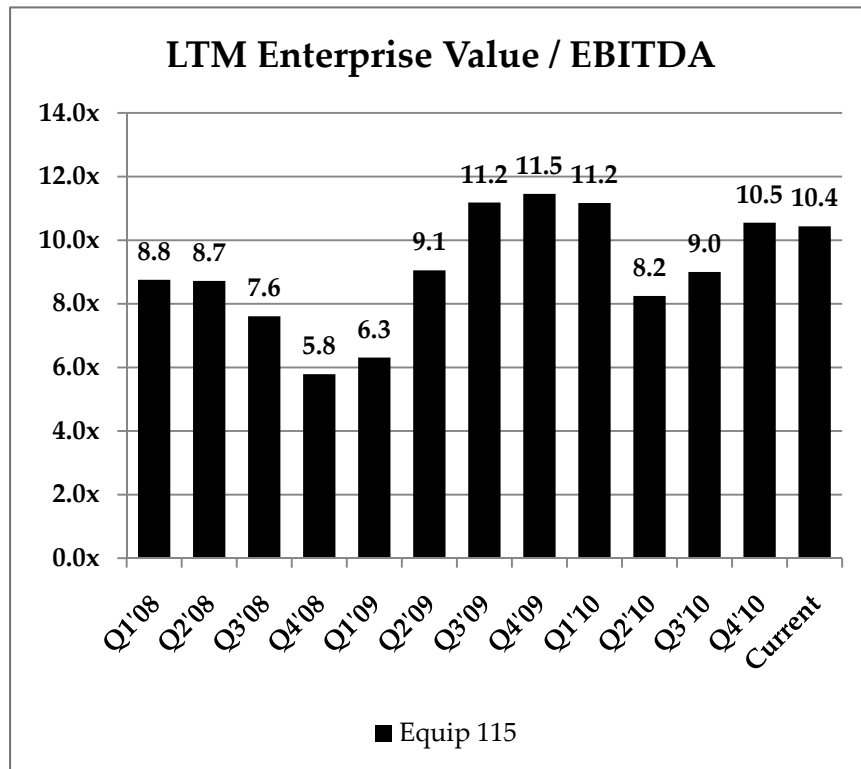
Source: SagePoint Advisors & Capital IQ



Source: SagePoint Advisors & Capital IQ

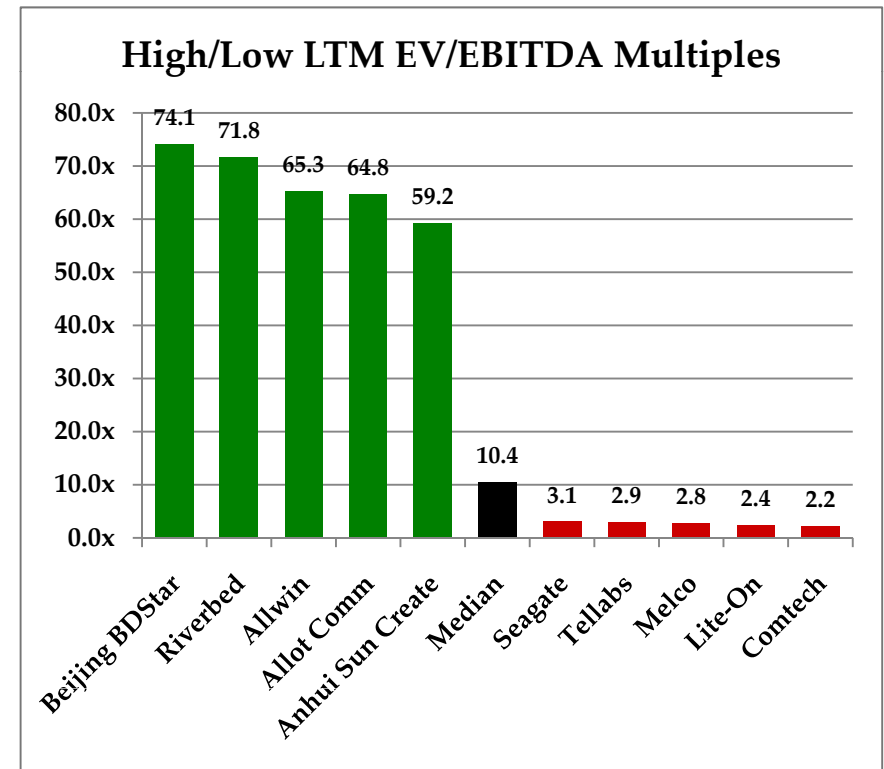
## Valuation Metrics – LTM EBITDA Multiples

- Median LTM EBITDA multiples jumped from Q3 on a strong market rally as investors paid up for improving margins and outlook
  - Beijing BDStar’s multiple seems high despite strong growth forecast considering GMs in the mid 30s
  - Investors expect Riverbed and Allot’s strong revenue growth and high GMs to drive triple digit NTM EBITDA growth
  - Allwin and Anhui Sun Create’s multiples do not seem rooted in fundamentals
- 22 companies in the Equipment 115 trade at less than 5x EBITDA



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM EBITDA margin below 5%

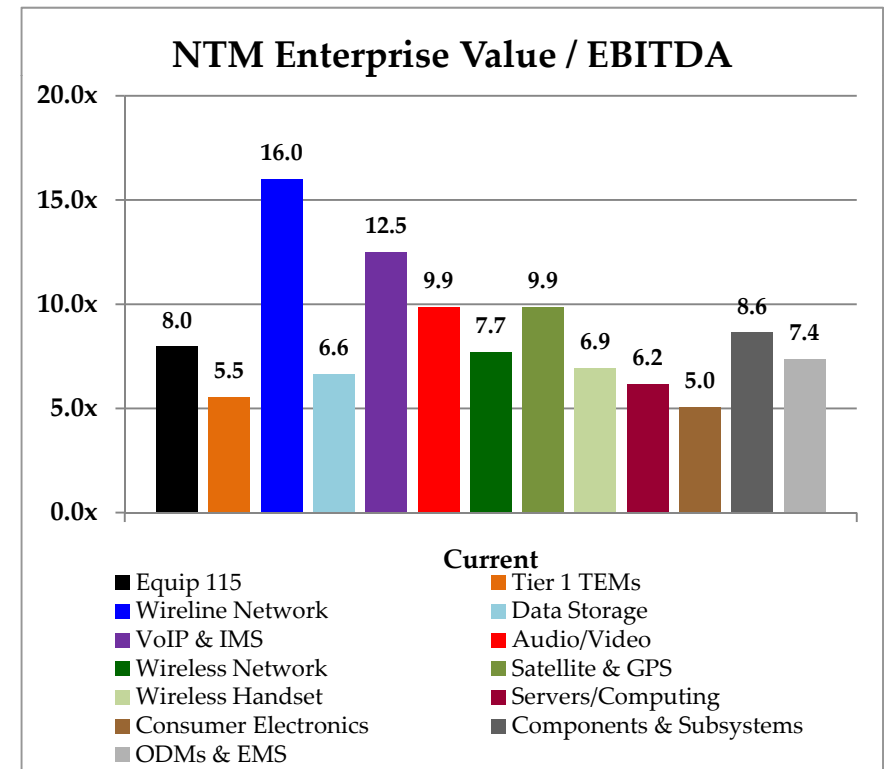
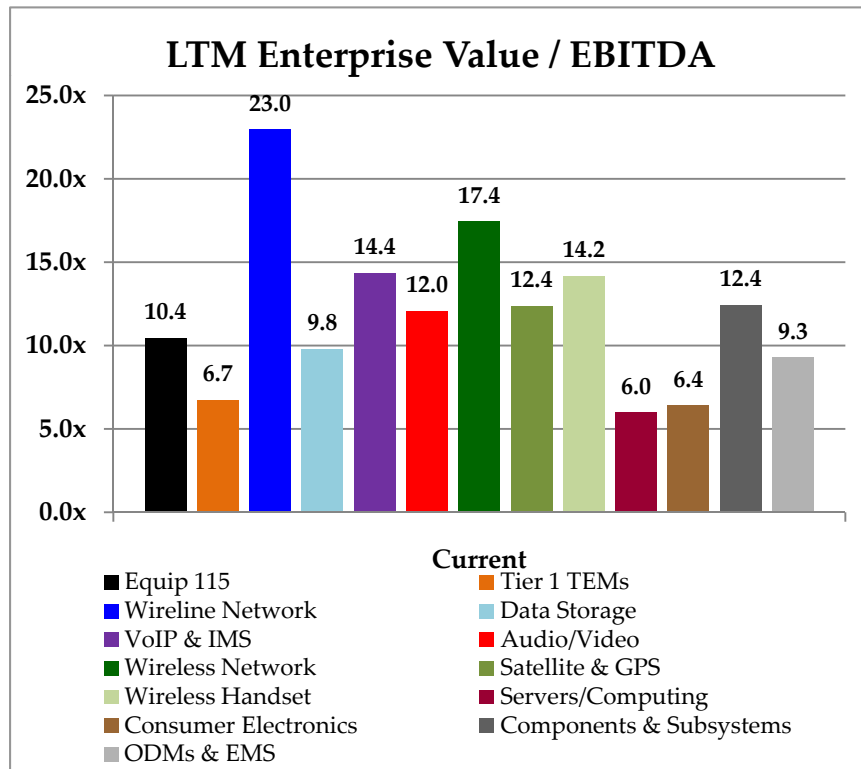


Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM EBITDA margin below 5%

## Valuation Metrics – EBITDA Multiples By Segment

- Wireline Network and VoIP & IMS segments trade at premium NTM multiples due to high margins and solid growth prospects
- Satellite & GPS and A/V trade at high LTM multiples but closer to the median on NTM as high growth rates are priced into those stocks
- Price competition leads to weak margins and low EBITDA multiples for Tier 1 TEMs and Consumer Electronics segments



Source: SagePoint Advisors & Capital IQ

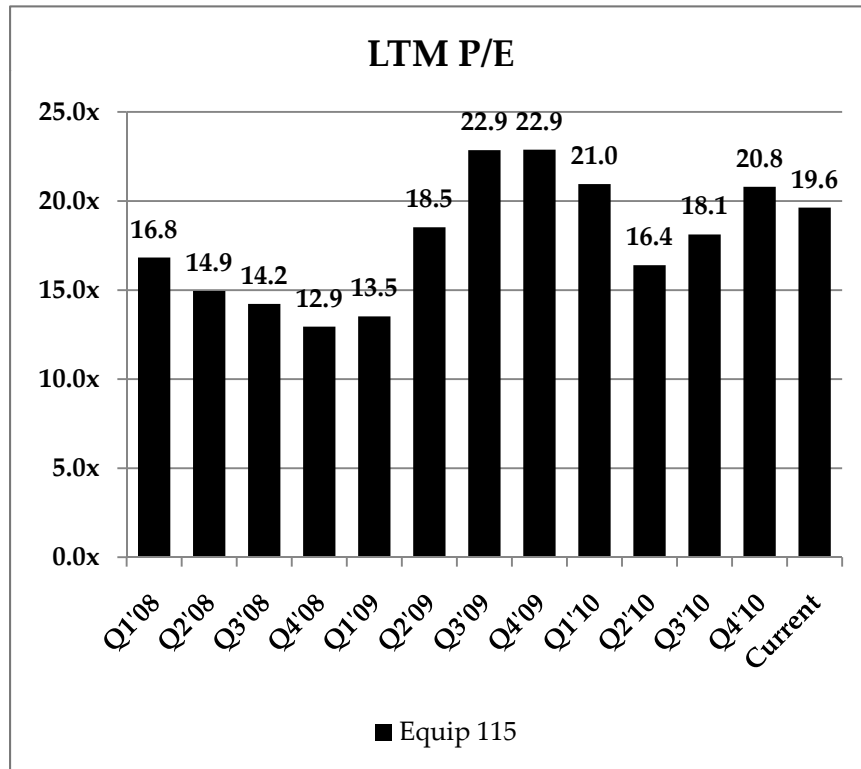
Note: Excludes companies with an LTM EBITDA margin below 5%

Source: SagePoint Advisors & Capital IQ

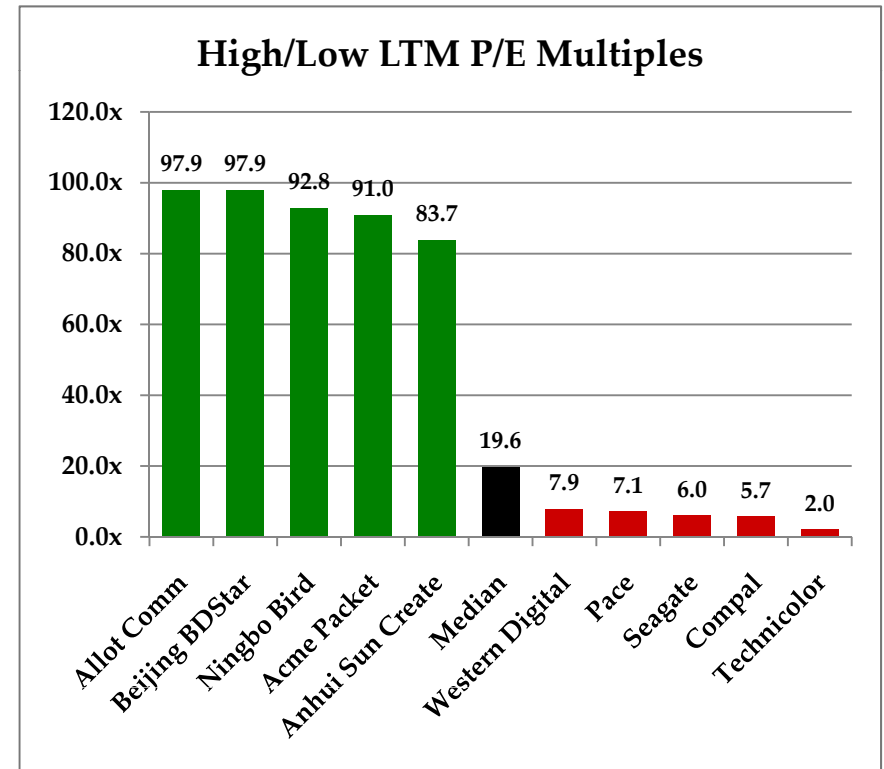
Note: Excludes companies with an NTM EBITDA margin below 5%

## Valuation Metrics – LTM P/E Multiples

- Median P/E multiples have increased significantly due to early Q4 rally
  - Riverbed and Acme Packet multiples fueled by strong revenue growth and high GMs which is expected to drive triple digit EPS growth at Allot
  - Beijing BDStar’s multiple seems high despite strong growth forecast considering GMs in the mid 30s
  - Ningbo Bird’s high multiple based on slim EPS
- 19 companies trade at P/E multiples of 10x or less, mostly due to weak EPS growth prospects



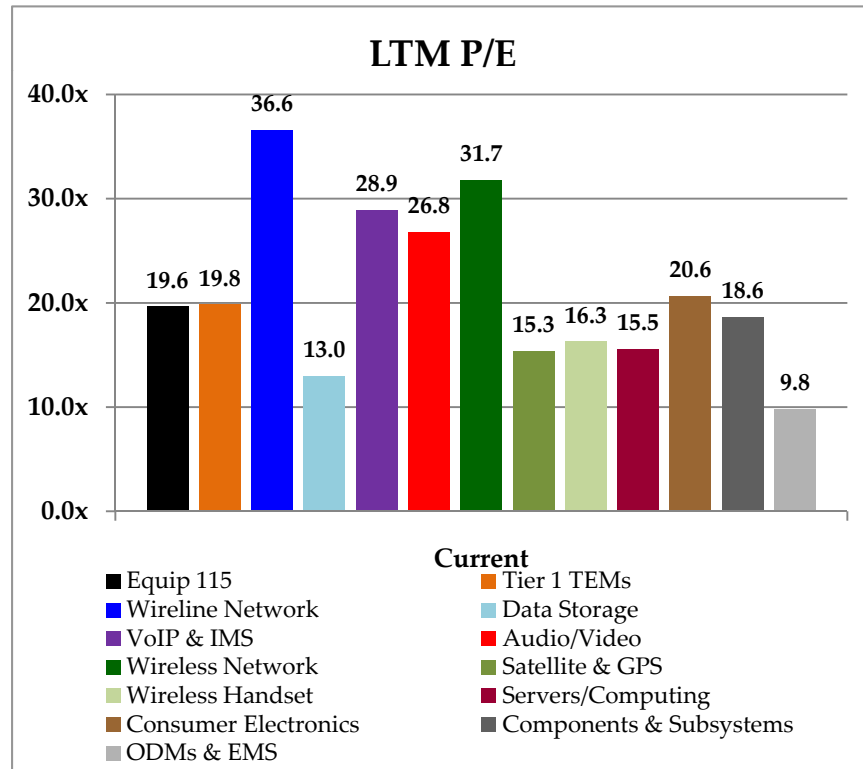
Source: SagePoint Advisors & Capital IQ  
Note: Excludes companies with an LTM net margin below 2.5%



Source: SagePoint Advisors & Capital IQ  
Note: Excludes companies with an LTM net margin below 2.5%

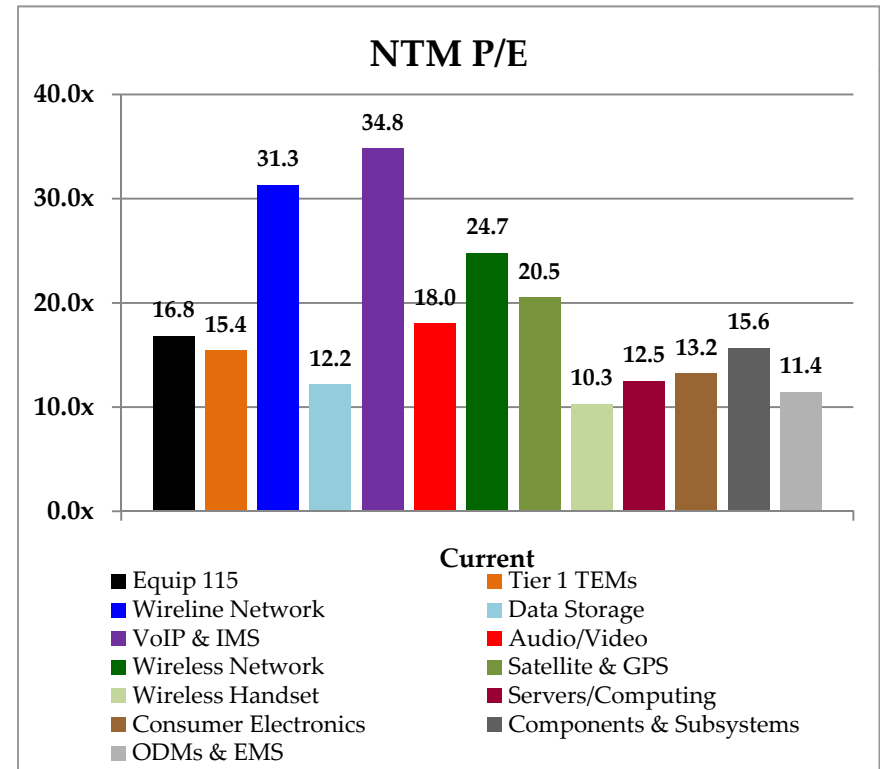
## Valuation Metrics – P/E Multiples By Segment

- VoIP & IMS and Wireline Network segments trade at premium NTM multiples due to high gross margins and above average EPS growth prospects
- Wireless Network segment also trades at a premium with solid margins and EPS growth
- Audio / Video trades at premium LTM multiples due to strong EPS growth but closer to the median on an NTM basis
- Most other segments are trading in a rational range of 12-16x forward earnings



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM net margin below 2.5%

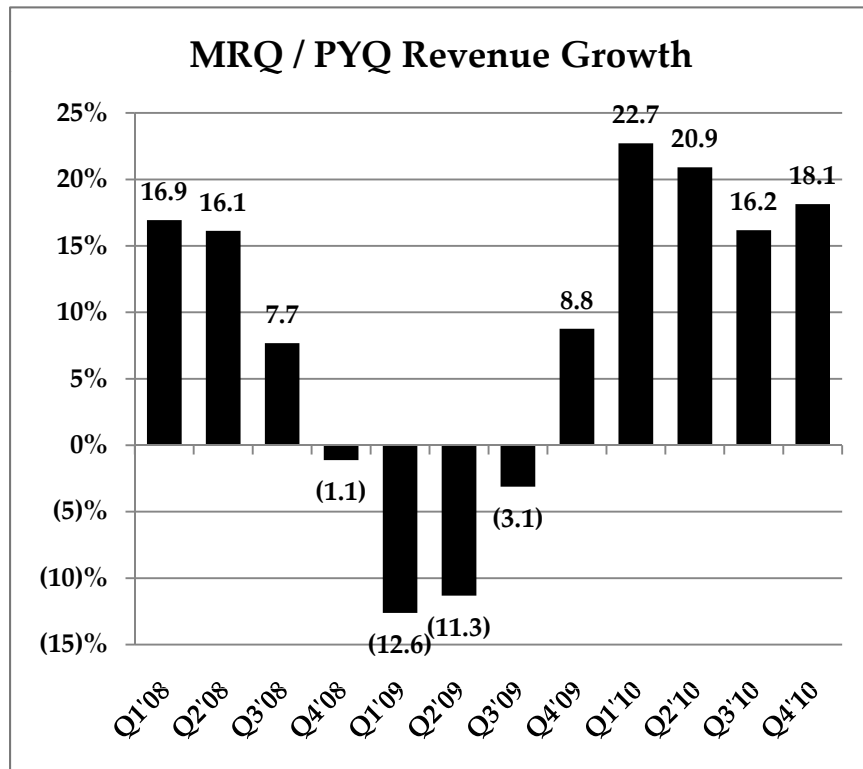


Source: SagePoint Advisors & Capital IQ

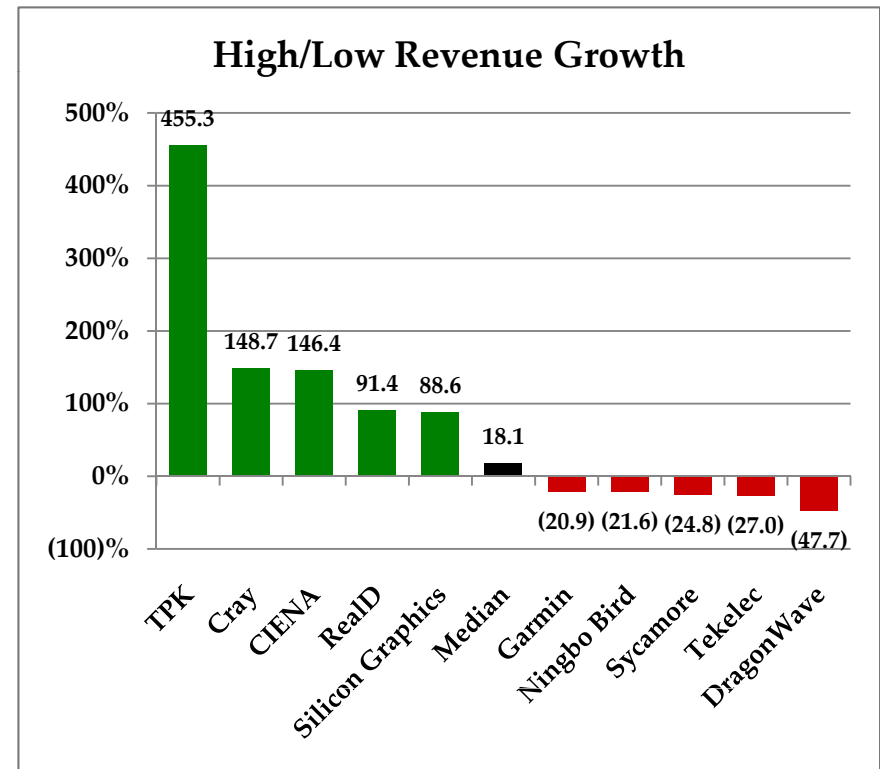
Note: Excludes companies with an NTM net margin below 2.5%

## Operating Metrics – Revenue Growth

- Median revenue growth of 18% in Q4 continues trend of double digit growth, improving on Q3's growth
  - TPK's explosive growth driven by Apple's use of their touch modules
  - Cray has recovered from its weak Q4'09, though growth is exaggerated by its Q4-heavy revenues
  - CIENA's growth was from acquired Nortel business
  - RealD revenue growth continues on increased number of screens showing RealD 3D
  - Dragonwave revenue fell as network expansion stalled amid Sprint and Clearwire partnership discussions



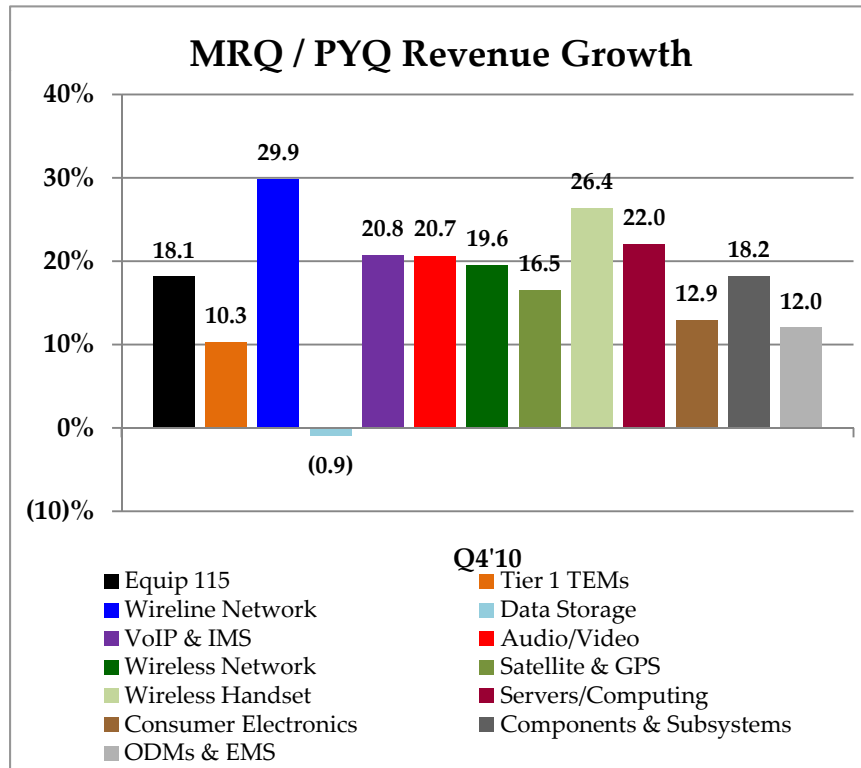
Source: SagePoint Advisors & Capital IQ



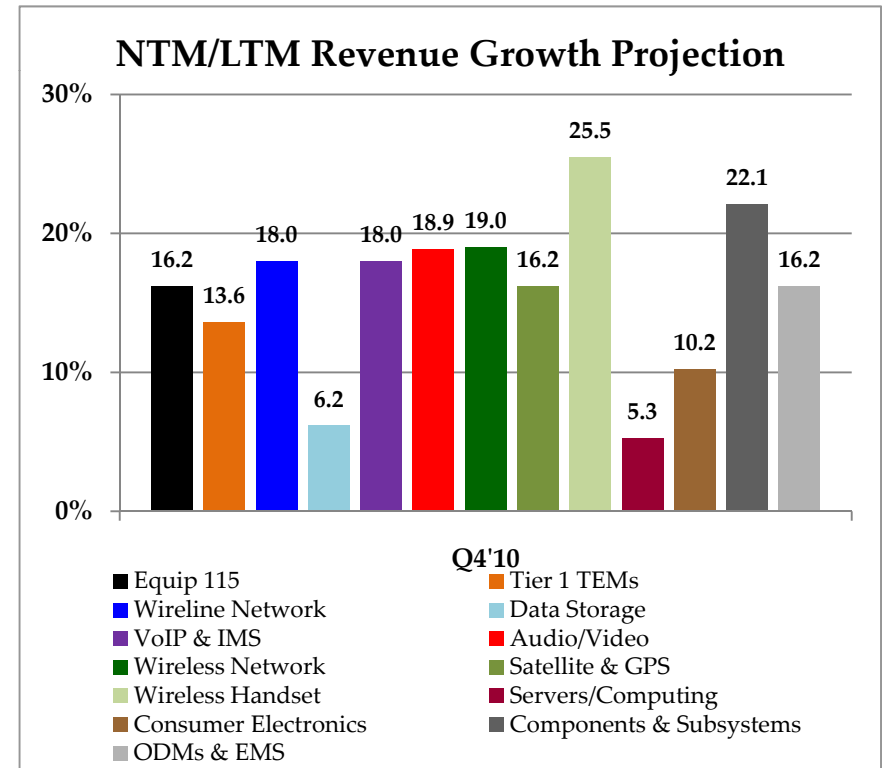
Source: SagePoint Advisors & Capital IQ

## Operating Metrics – Revenue Growth by Segment

- Most segments showed growth of 15-22%, with only one segment at less than 10% growth
  - Only Wireline Network and Wireless Handset generated over 22% growth
  - Data Storage revenue contracted slightly
- Double digit revenue growth is expected to continue for almost all segments with median growth of 16.6% over next twelve months
  - Data Storage and Servers/Computing are the only segments significantly lagging in the single digits



Source: SagePoint Advisors & Capital IQ

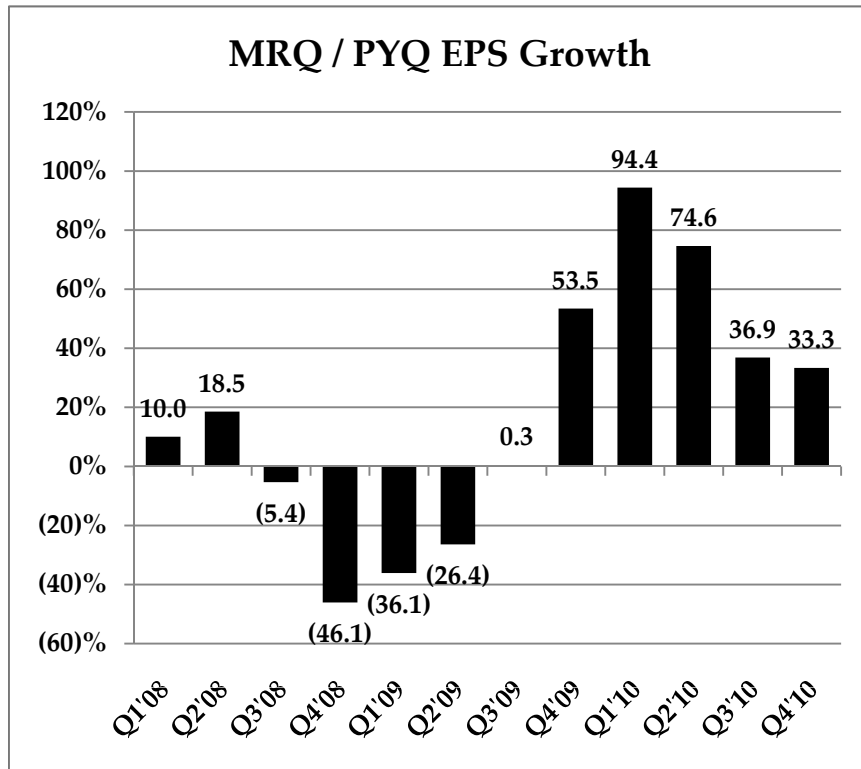


Source: SagePoint Advisors & Capital IQ



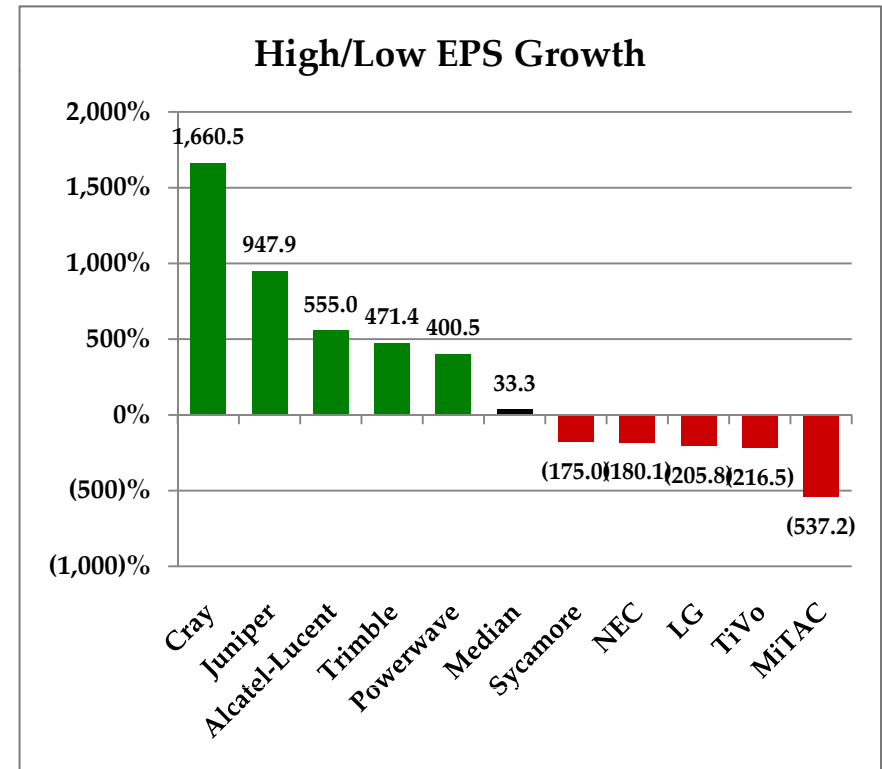
## Operating Metrics – EPS Growth

- Solid median EPS growth continues for the Equipment 115 at 33% as solid revenue growth coupled with reduced operating costs as a % of sales translate to strong earnings
  - Cray revenue recovery drove huge EPS growth compared to a weak PYQ
  - Juniper and Alcatel-Lucent growth compared to slim PYQ EPS
  - Trimble EPS up on strong revenue growth and improved gross margins
  - MiTAC’s EPS drop exaggerated as they turned a slight profit into a small loss while EBITDA rose 4x
  - Tivo EPS drop on lower revenue from fewer subs, lower gross margins and higher operating costs pushing larger losses



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a net margin between -1% and 1% in the PYQ

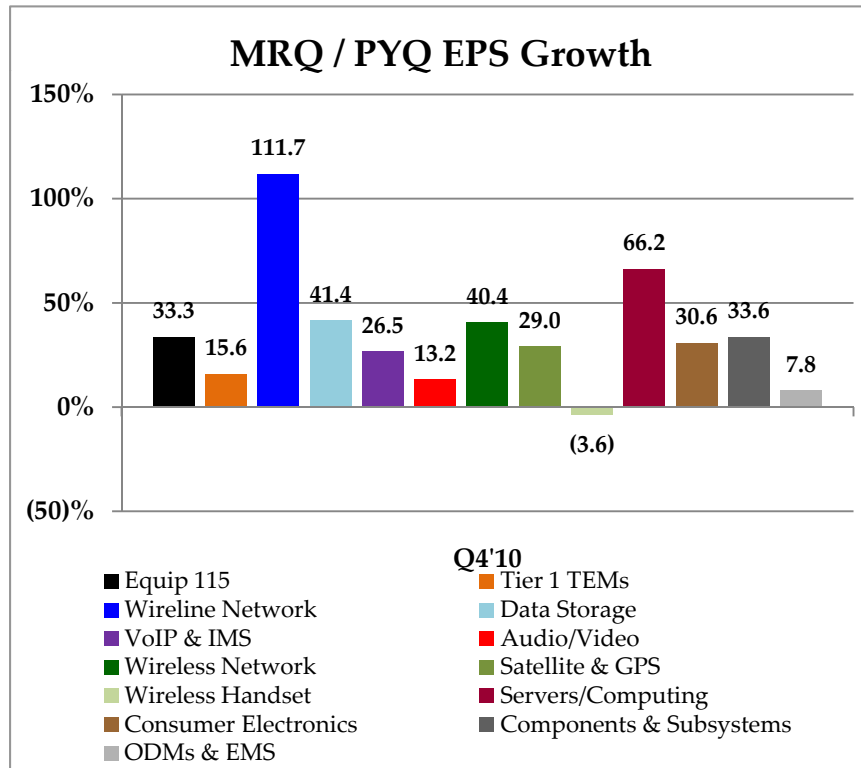


Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a net margin between -1% and 1% in the PYQ

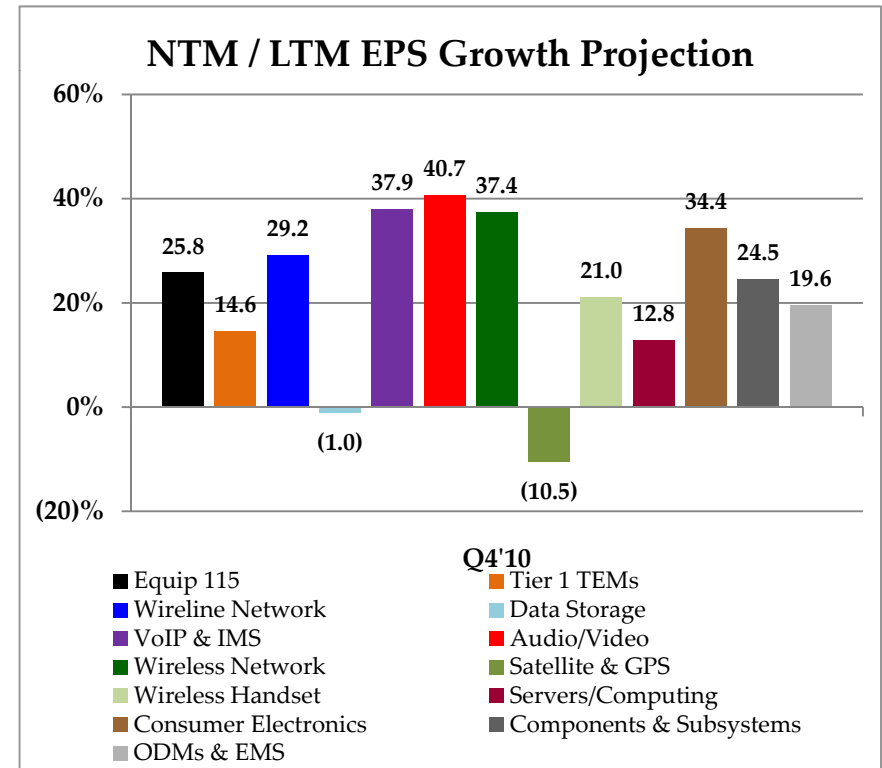
## Operating Metrics – EPS Growth by Segment

- Only one segment posted EPS contraction while all others grew in the double digits
  - Wireline led growth, more than doubling PYQ with Servers/Computing next at 66% growth
  - Half of companies posted EPS growth in the ~25-40% range
- Median EPS growth of 26% is projected for the Equipment 115 for the next twelve months
  - Audio/Video, VoIP & IMS, Wireless Network and Consumer Electronics all project 34%+ growth
  - Data Storage and Satellite & GPS project EPS contraction over the next twelve months



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a net margin between -1% and 1% in the PYQ

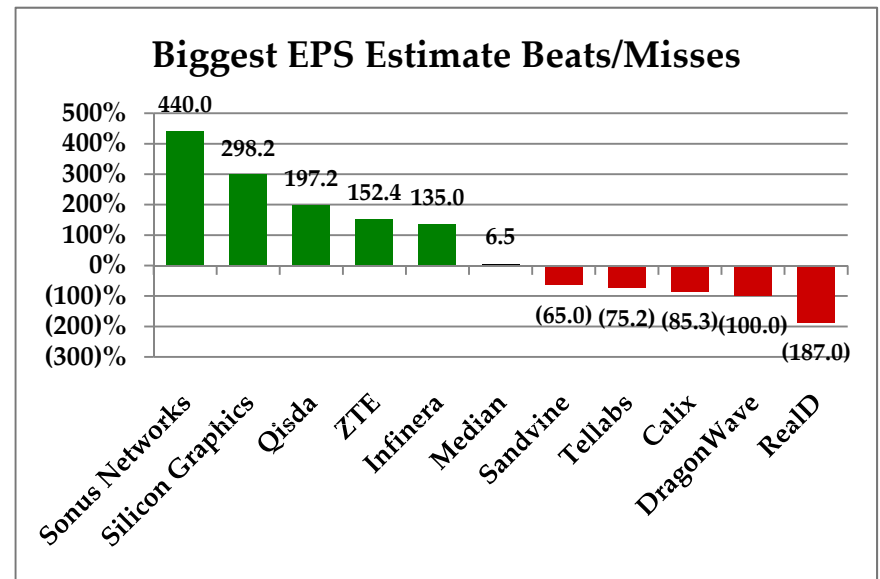
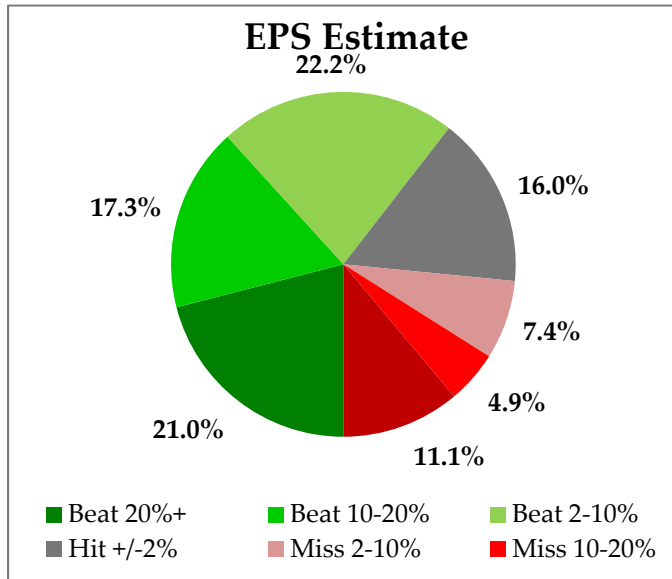
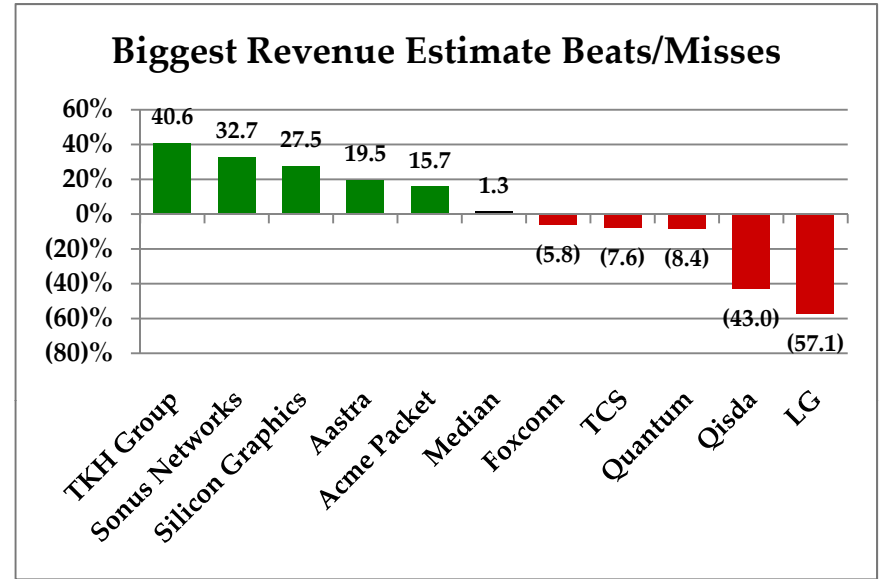
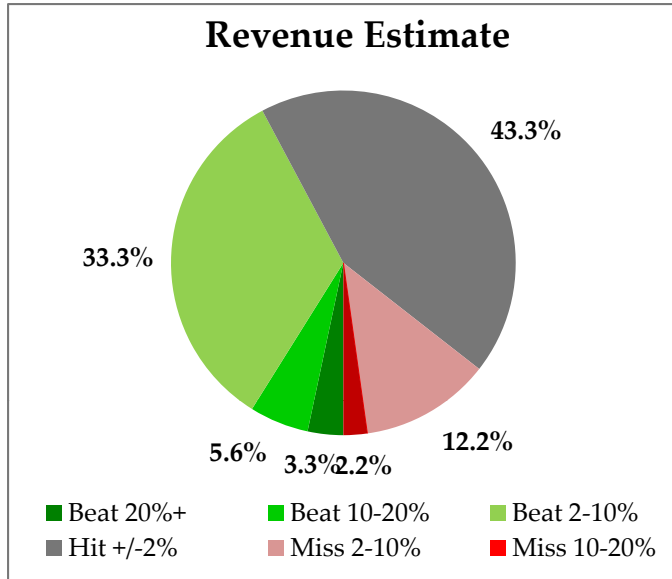


Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a net margin between -1% and 1% in the PYQ

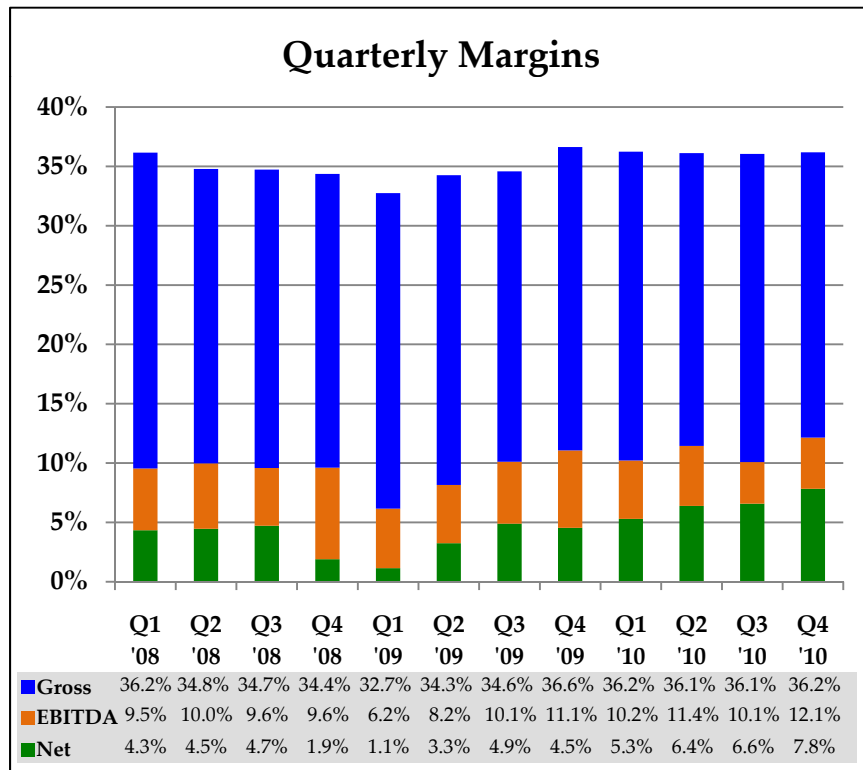
# Performance Versus Analyst Estimates

- 85.5% of semis vendors met or beat revenue estimates and 76.5% met or beat EPS

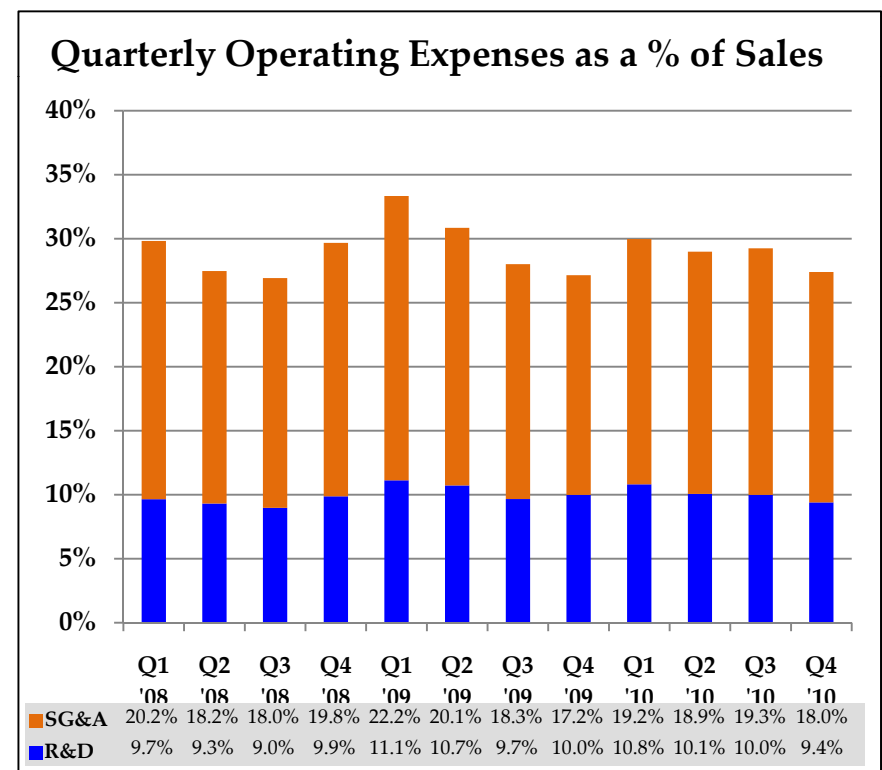


## Quarterly Margins & Operating Expenses as a % of Sales Trends

- Median EBITDA margins improved to 12.1%, a three year high, driven by continued strength in gross margins and reduced operating expenses as a % of sales
  - Median gross margins reached 36.2%, their third highest level in three years
  - Operating Expenses as a % of Sales reach its second lowest level in three years
- Equipment providers have increased aggregate SG&A and R&D, though at a slower pace than revenue growth



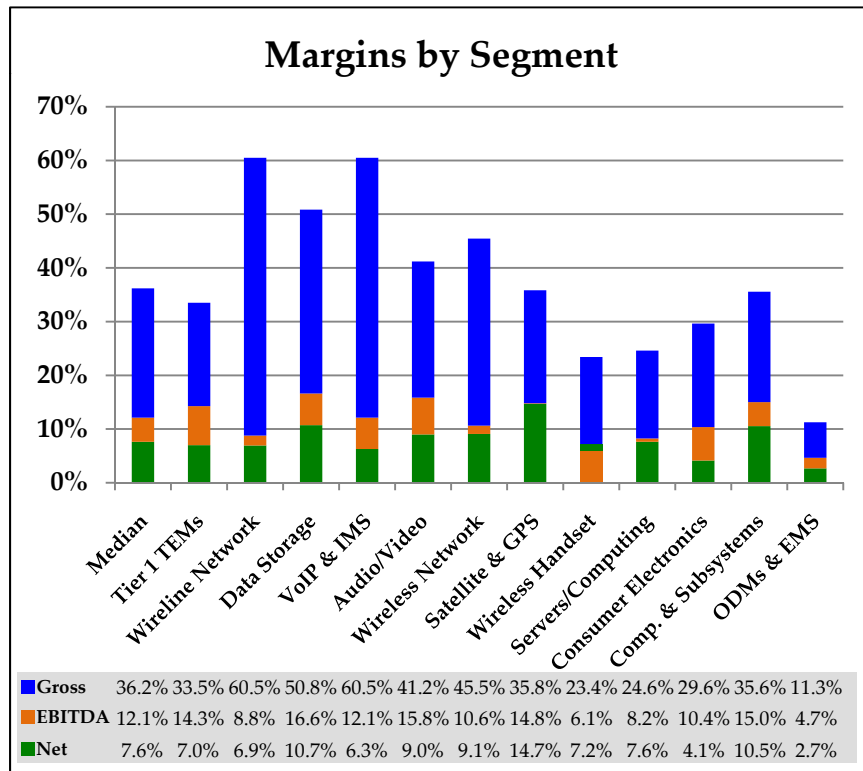
Source: SagePoint Advisors & Capital IQ



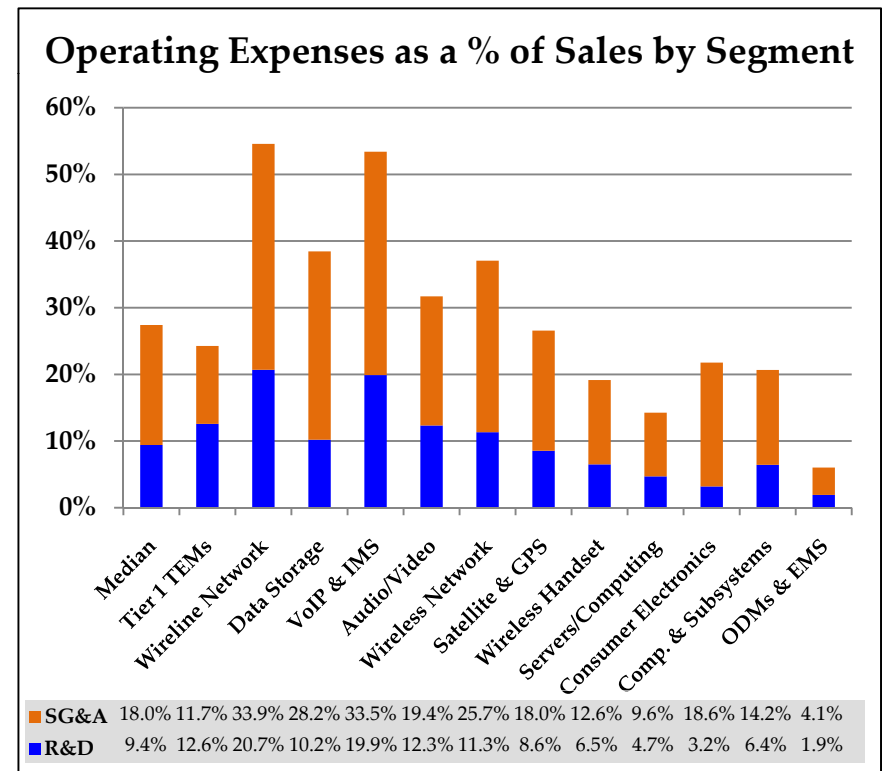
Source: SagePoint Advisors & Capital IQ

## Margins & Operating Expenses as a % of Sales by Segment

- Wireline Network, VoIP & IMS, Data Storage and Wireless Network high gross margins require significant investment in R&D and SG&A
- ODMs & EMS generate very small gross margins and require scale and opex containment to achieve profits



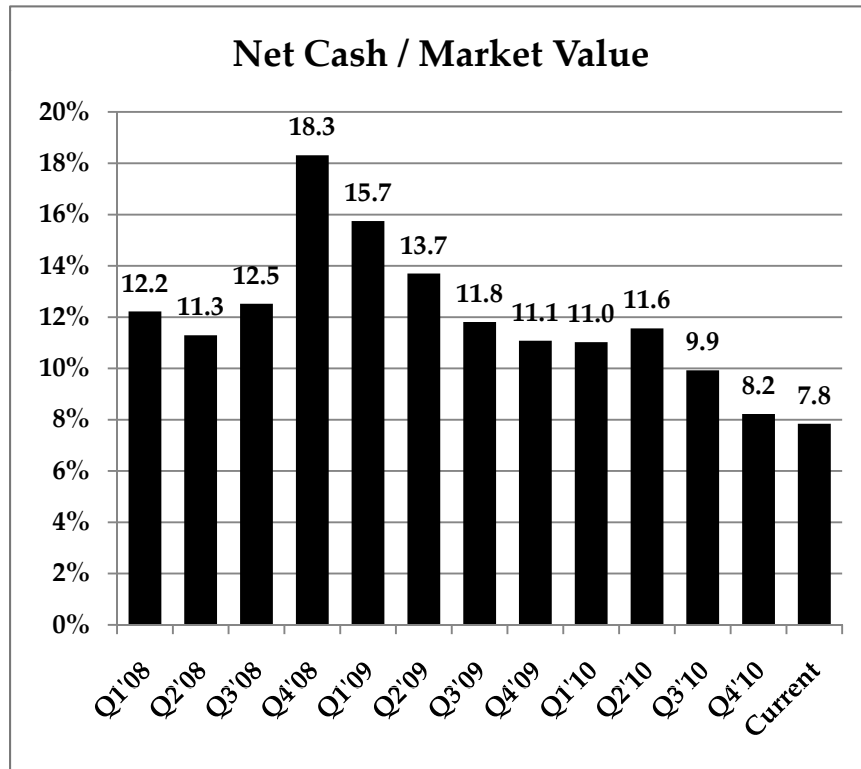
Source: SagePoint Advisors & Capital IQ



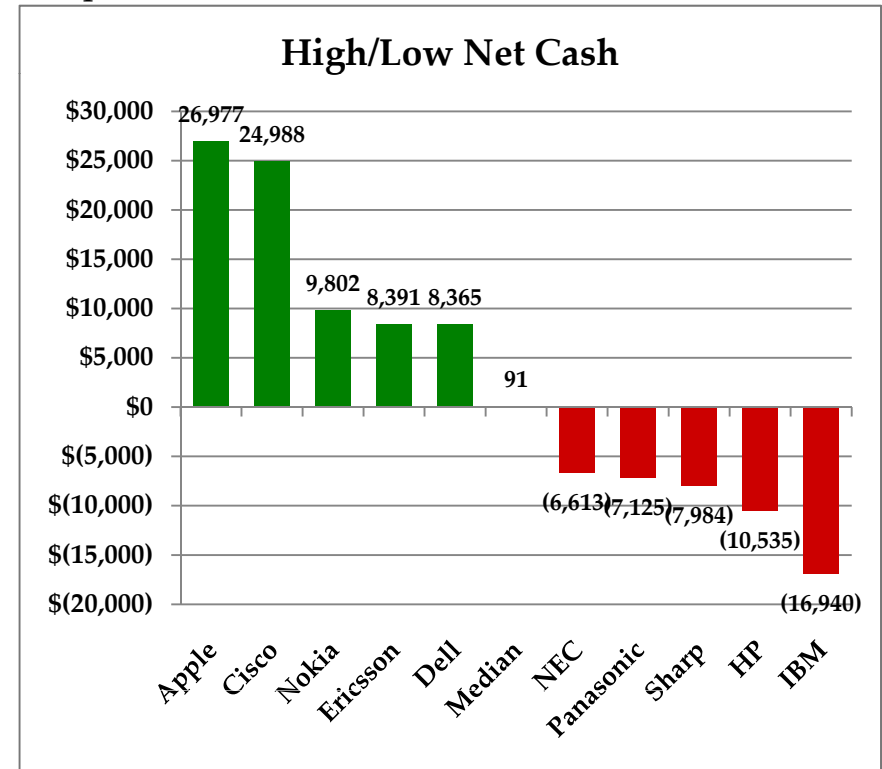
Source: SagePoint Advisors & Capital IQ

## Balance Sheet Strength – Net Cash Position

- Median net cash position relative to market cap has fallen since start of Q3 as valuations improvement outweighed an aggregate increase in net cash
- Several Equipment players have significant cash reserves to draw upon for M&A and we have seen EMC, Cisco, Apple, Ericsson, Dell, Motorola and Nokia all make acquisitions recently
- IBM, HP and the Asian conglomerates are highly leveraged, but have significant cash on hand
  - HP and IBM haven't let high debt loads stop them from paying cash for large acquisitions with HP spending \$4B in cash on ArcSight and 3PAR while IBM paid \$1.7B in cash for Netezza



Source: SagePoint Advisors & Capital IQ



Source: SagePoint Advisors & Capital IQ

# Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 3/31/11	Market Cap	Enterprise Value		% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R & D / Revenue	
			Cash	Debt		LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS					
<b>Equipment 115</b>																			
Equipment 115 Mean		11,382	10,856	2,295	1,769	17.8 %	2.5 x	2.1 x	16.1 x	11.5 x	26.8 x	21.0 x	2.0 %	20.2 %	15.2 %	4.9 %	(3.3) x	20.0 %	11.0 %
Equipment 115 Median		1,434	1,413	264	80	12.0 %	1.5 x	1.4 x	10.4 x	8.0 x	19.6 x	16.8 x	1.3 %	6.5 %	6.5 %	7.8 %	(1.2) x	18.0 %	9.4 %
<b>Tier 1 TEM s</b>																			
Alcatel-Lucent	5.74	12,984	12,567	7,629	7,212	71.2 %	0.6 x	0.5 x	8.5 x	5.7 x	NM	19.5 x	5.5 %	15.3 %	41.8 %	3.2 %	(0.3) x	8.3 %	14.3 %
Cisco	17.15	94,805	69,817	40,229	15,241	(21.7)%	1.6 x	1.5 x	6.3 x	5.1 x	10.5 x	10.4 x	1.6 %	5.7 %	6.5 %	26.4 %	(2.3) x	27.8 %	14.2 %
Ericsson	12.90	41,222	32,831	12,969	4,578	18.3 %	1.1 x	1.0 x	7.1 x	6.1 x	19.8 x	15.4 x	4.8 %	(4.7)%	0.8 %	20.4 %	(1.8) x	10.9 %	13.2 %
NEC	2.18	5,676	12,289	2,149	8,762	(17.8)%	0.3 x	0.3 x	5.9 x	5.4 x	26.7 x	NM	(2.6)%	(47.0)%	NA	(116.5)%	3.2 x	24.4 %	6.2 %
Nokia	8.56	31,752	21,950	16,967	7,165	(14.5)%	0.4 x	0.4 x	3.5 x	4.2 x	10.6 x	12.1 x	2.0 %	(1.4)%	15.5 %	30.9 %	(1.6) x	9.7 %	12.0 %
ZTE	4.58	15,319	17,733	2,352	4,766	24.4 %	1.7 x	1.4 x	20.5 x	17.1 x	31.5 x	20.1 x	NA	NA	152.4 %	(15.8)%	2.8 x	12.4 %	10.0 %
Mean		33,626	27,864	13,716	7,954	10.0 %	1.0 x	0.8 x	8.6 x	7.3 x	19.8 x	15.5 x	2.3 %	(6.4)%	43.4 %	(8.6)%	0.0 x	15.6 %	11.6 %
Median		23,535	19,841	10,299	7,188	1.9 %	0.9 x	0.7 x	6.7 x	5.5 x	19.8 x	15.4 x	2.0 %	(1.4)%	15.5 %	11.8 %	(0.9) x	11.7 %	12.6 %

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
<b>Equipment 115</b>																		
Equipment 115 Mean	2,950	10,355	11,744	412	1,349	1,801	0.34	1.10	1.38	25.7%	42.2%	78.1%	16.2%	55.2%	34.6%	37.5 %	12.0 %	8.2 %
Equipment 115 Median	259	900	1,096	33	112	200	0.11	0.34	0.50	18.1%	19.6%	33.3%	16.2%	25.4%	25.8%	36.2 %	12.1 %	7.6 %
<b>Tier 1 TEM s</b>																		
Alcatel-Lucent	6,520	21,127.3	24,551.6	1,137	1,486.3	2,198.1	0.19	0.04	0.29	14.7%	65.0%	555.0%	16.2%	47.9%	NM	36.2 %	17.4 %	7.5 %
Cisco	10,407	42,361.0	46,196.7	2,371	11,008.0	13,623.7	0.37	1.64	1.65	6.0%	(17.8)%	15.6%	9.1%	23.8%	0.3%	60.8 %	22.8 %	19.9 %
Ericsson	9,343	28,787.6	34,018.5	1,530	4,619.4	5,358.3	0.26	0.65	0.84	14.5%	25.1%	NM	18.2%	16.0%	28.8%	36.6 %	16.4 %	9.0 %
NEC	8,883	37,829.7	40,319.1	145	2,081.9	2,285.4	(0.13)	0.08	0.14	0.2%	(57.7)%	(180.1)%	6.6%	9.8%	NM	28.3 %	1.6 %	(3.7)%
Nokia	16,964	56,075.8	62,224.9	2,065	6,273.0	5,250.8	0.30	0.81	0.70	(1.3)%	(25.5)%	(21.0)%	11.0%	(16.3)%	(13.0)%	30.8 %	12.2 %	6.5 %
ZTE	3,671	10,477.3	13,110.2	446	864.4	1,038.9	0.08	0.15	0.23	43.8%	66.9%	21.5%	25.1%	20.2%	56.5%	30.4 %	12.2 %	6.2 %
Mean	9,298	32,776	36,737	1,282	4,389	4,959	0.18	0.56	0.64	13.0%	9.3%	78.2%	14.4%	16.9%	18.2%	37.2 %	13.8 %	7.6 %
Median	9,113	33,309	37,169	1,334	3,351	3,768	0.22	0.40	0.50	10.3%	3.7%	15.6%	13.6%	18.1%	14.6%	33.5 %	14.3 %	7.0 %

# Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 3/3/11	Market Cap	Enterprise Value	Cash	Debt	% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
<b>Wireline Network</b>																			
ADTRAN	42.46	2,740	2,599	189	48	20.3 %	4.3 x	3.7 x	15.8 x	12.6 x	23.7 x	20.6 x	6.0 %	7.4 %	27.1 %	5.2%	(0.9) x	17.9 %	13.6 %
Allot Comm	15.66	373	314	58	0	161.9 %	5.5 x	4.6 x	64.8 x	NA	97.9 x	46.7 x	7.6 %	NA	16.7 %	15.7%	(12.0) x	44.4 %	18.5 %
Blue Coat	28.16	1,225	953	350	78	17.0 %	1.9 x	1.9 x	10.0 x	8.5 x	18.5 x	19.4 x	(1.8)%	(0.8)%	(7.0)%	22.2%	(2.8) x	46.5 %	17.2 %
Calix	20.31	918	819	98	0	41.4 %	2.9 x	2.4 x	NM	45.7 x	NM	37.5 x	0.9 %	NA	(85.3)%	10.7%	NA	23.5 %	17.6 %
CIENA	25.94	2,464	3,281	626	1,443	66.6 %	2.2 x	1.8 x	NM	21.1 x	NM	NM	2.7 %	NA	14.6 %	(33.1)%	NA	22.0 %	22.1 %
F5 Networks	102.57	8,282	7,797	486	0	(1.2)%	8.1 x	6.5 x	27.0 x	16.1 x	35.5 x	27.5 x	(0.6)%	(18.3)%	7.1 %	5.9%	(1.7) x	40.0 %	12.1 %
Fiberhome	5.24	2,314	2,317	238	241	4.8 %	2.7 x	2.1 x	43.7 x	20.3 x	43.5 x	31.3 x	NA	NA	(54.5)%	(0.1)%	0.1 x	22.1 %	NA
Infinera	8.39	871	590	282	0	(28.1)%	1.3 x	1.4 x	NM	NM	38.1 x	NM	0.0 %	39.1 %	135.0 %	32.3%	NA	24.6 %	26.7 %
Juniper	42.08	22,510	20,223	2,286	0	38.6 %	4.9 x	4.2 x	21.5 x	15.1 x	32.1 x	27.0 x	5.8 %	4.4 %	13.9 %	10.2%	(2.4) x	25.4 %	21.4 %
Radware	35.44	739	649	91	0	3.1 %	4.5 x	3.9 x	36.0 x	NA	37.7 x	27.0 x	0.6 %	NA	1.8 %	12.3%	(5.0) x	49.9 %	21.2 %
Riverbed	37.65	5,681	5,257	425	0	65.2 %	9.5 x	7.3 x	71.8 x	28.1 x	65.5 x	44.8 x	4.2 %	17.5 %	5.6 %	7.5%	(5.8) x	48.0 %	15.2 %
Sandvine	2.52	347	259	88	0	40.0 %	2.9 x	2.4 x	23.0 x	15.9 x	58.9 x	42.6 x	(1.8)%	(43.6)%	(65.0)%	25.3%	(7.8) x	33.9 %	28.7 %
Sycamore	24.43	697	264	433	0	(24.6)%	4.4 x	5.3 x	NM	NA	NM	NM	1.3 %	NA	0.0 %	62.1%	NA	38.4 %	51.3 %
Tekelec	8.12	558	337	221	0	(37.3)%	0.8 x	0.9 x	5.0 x	6.7 x	12.7 x	34.8 x	5.4 %	133.3 %	0.0 %	39.6%	(3.3) x	37.8 %	26.3 %
Tellabs	5.24	1,901	766	1,348	214	(29.7)%	0.5 x	0.5 x	2.9 x	NM	11.9 x	NM	(1.9)%	(56.8)%	(75.2)%	59.7%	(4.4) x	17.9 %	20.2 %
<b>Mean</b>	<b>3,441</b>	<b>3,095</b>	<b>481</b>	<b>135</b>	<b>22.5 %</b>	<b>3.8 x</b>	<b>3.3 x</b>	<b>29.2 x</b>	<b>19.0 x</b>	<b>39.7 x</b>	<b>32.7 x</b>	<b>2.0 %</b>	<b>9.1 %</b>	<b>(4.3)%</b>	<b>18.4%</b>	<b>(4.2) x</b>	<b>32.8 %</b>	<b>22.3 %</b>	
<b>Median</b>	<b>1,225</b>	<b>819</b>	<b>282</b>	<b>0</b>	<b>17.0 %</b>	<b>2.9 x</b>	<b>2.4 x</b>	<b>23.0 x</b>	<b>16.0 x</b>	<b>36.6 x</b>	<b>31.3 x</b>	<b>1.1 %</b>	<b>4.4 %</b>	<b>1.8 %</b>	<b>12.3%</b>	<b>(3.3) x</b>	<b>33.9 %</b>	<b>20.7 %</b>	

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Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
<b>Wireline Network</b>																		
ADTRAN	165	605.7	700.2	48	164.4	206.2	0.56	1.79	2.07	33.1%	65.1%	93.1%	15.6%	25.4%	15.4%	58.6 %	28.8 %	21.9 %
Allot Comm	16	57.0	68.9	2	4.9	NA	0.07	0.16	0.34	40.6%	334.8%	203.1%	20.9%	NA	109.4%	71.7 %	12.7 %	10.6 %
Blue Coat	123	499.0	510.4	22	95.8	112.7	0.34	1.52	1.45	(3.3)%	(7.0)%	130.2%	2.3%	17.7%	(4.6)%	77.8 %	18.0 %	12.4 %
Calix	92	287.0	338.6	7	(1.2)	17.9	0.03	(1.96)	0.54	3.8%	(21.9)%	(95.0)%	18.0%	NM	127.7%	43.6 %	7.9 %	1.1 %
CIENA	433	1,494.1	1,864.5	10	(40.9)	155.5	(0.14)	(0.72)	0.33	146.4%	204.9%	75.9%	24.8%	480.0%	145.3%	41.1 %	2.3 %	(3.1)%
F5 Networks	269	959.8	1,206.3	85	288.8	484.4	0.88	2.89	3.73	40.7%	71.2%	144.4%	25.7%	67.7%	29.2%	81.8 %	31.6 %	26.7 %
Fiberhome	267	847.3	1,122.9	4	53.1	114.3	0.02	0.12	0.17	30.4%	(75.9)%	2.8%	32.5%	115.3%	39.1%	22.1 %	1.6 %	3.7 %
Infinera	117	454.4	423.9	1	(13.1)	17.9	0.08	0.22	(0.07)	29.9%	108.5%	139.9%	(6.7)%	237.0%	(130.0)%	48.9 %	1.1 %	6.9 %
Juniper	1,190	4,093.3	4,858.0	276	940.0	1,337.5	0.42	1.31	1.56	26.4%	21.7%	947.9%	18.7%	42.3%	18.8%	66.6 %	23.2 %	19.1 %
Radware	39	144.1	165.3	6	18.0	NA	0.29	0.94	1.31	21.6%	(12.3)%	230.3%	14.7%	NA	39.6%	79.6 %	14.2 %	16.9 %
Riverbed	165	551.9	719.0	23	73.2	186.8	0.19	0.58	0.84	46.5%	190.9%	NM	30.3%	155.0%	46.2%	76.6 %	14.2 %	18.8 %
Sandvine	24	89.5	106.5	2	11.3	16.3	0.01	0.04	0.06	35.8%	167.9%	161.8%	19.1%	44.0%	38.1%	71.8 %	8.8 %	3.4 %
Sycamore	12	60.7	50.3	(3)	(10.7)	NA	(0.11)	(0.35)	(0.40)	(24.8)%	(47.3)%	(175.0)%	(17.1)%	NA	(15.2)%	57.9 %	(24.1)%	(25.8)%
Tekelec	90	424.0	377.2	1	67.9	50.0	(0.02)	0.64	0.23	(27.0)%	(97.7)%	(108.7)%	(11.0)%	(26.3)%	(63.5)%	60.5 %	0.8 %	(1.5)%
Tellabs	411	1,641.8	1,441.7	13	260.1	57.1	0.02	0.44	0.04	5.5%	(76.9)%	(87.7)%	(12.2)%	(78.0)%	(90.5)%	37.9 %	3.2 %	1.8 %
<b>Mean</b>	<b>228</b>	<b>814</b>	<b>930</b>	<b>33</b>	<b>127</b>	<b>230</b>	<b>0.18</b>	<b>0.51</b>	<b>0.81</b>	<b>27.0%</b>	<b>55.1%</b>	<b>118.8%</b>	<b>11.7%</b>	<b>98.2%</b>	<b>20.3%</b>	<b>59.8 %</b>	<b>9.6 %</b>	<b>7.5 %</b>
<b>Median</b>	<b>123</b>	<b>499</b>	<b>510</b>	<b>7</b>	<b>53</b>	<b>113</b>	<b>0.07</b>	<b>0.44</b>	<b>0.34</b>	<b>29.9%</b>	<b>21.7%</b>	<b>111.7%</b>	<b>18.0%</b>	<b>44.0%</b>	<b>29.2%</b>	<b>60.5 %</b>	<b>8.8 %</b>	<b>6.9 %</b>



# Financial Metrics

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Company Name	Stock Price 3/31/11	Market Cap	Enterprise Value	Cash	Debt	% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
<b>Data Storage</b>																			
Brocade	6.15	2,905	3,381	416	892	4.9 %	1.6 x	1.5 x	9.1 x	6.6 x	11.8 x	12.9 x	0.6 %	26.6 %	23.1 %	(16.4)%	1.3 x	31.3 %	16.7 %
EMC	26.56	54,787	52,862	5,375	3,450	30.8 %	3.1 x	2.7 x	13.4 x	10.5 x	21.1 x	17.9 x	2.0 %	(0.7)%	1.8 %	3.5%	(0.5) x	30.4 %	10.1 %
NetApp	48.15	17,712	14,094	4,756	1,138	(3.3)%	2.9 x	2.5 x	15.7 x	11.8 x	23.8 x	22.4 x	(0.9)%	6.5 %	4.1 %	20.4%	(4.0) x	36.2 %	13.1 %
Quantum	2.52	568	757	91	280	18.9 %	1.1 x	1.1 x	10.5 x	6.6 x	14.1 x	11.2 x	(8.4)%	(7.4)%	(15.2)%	(33.2)%	2.6 x	26.1 %	10.4 %
Seagate	14.41	6,525	6,636	2,814	2,925	22.3 %	0.6 x	0.6 x	3.1 x	3.8 x	6.0 x	9.5 x	0.3 %	(2.0)%	(3.2)%	(1.7)%	0.1 x	3.8 %	7.8 %
Western Digital	37.29	8,639	5,879	3,110	350	31.3 %	0.6 x	0.6 x	3.3 x	3.9 x	7.9 x	11.4 x	5.4 %	25.3 %	63.9 %	31.9%	(1.6) x	2.7 %	6.8 %
<b>Mean</b>	<b>15,189</b>	<b>13,935</b>	<b>2,760</b>	<b>1,506</b>	<b>17.5 %</b>	<b>1.7 x</b>	<b>1.5 x</b>	<b>9.2 x</b>	<b>7.2 x</b>	<b>14.1 x</b>	<b>14.2 x</b>	<b>(0.2)%</b>	<b>8.0 %</b>	<b>12.4 %</b>	<b>0.8%</b>	<b>(0.4) x</b>	<b>21.7 %</b>	<b>10.8 %</b>	
<b>Median</b>	<b>7,582</b>	<b>6,257</b>	<b>2,962</b>	<b>1,015</b>	<b>20.6 %</b>	<b>1.4 x</b>	<b>1.3 x</b>	<b>9.8 x</b>	<b>6.6 x</b>	<b>13.0 x</b>	<b>12.2 x</b>	<b>0.5 %</b>	<b>2.9 %</b>	<b>3.0 %</b>	<b>0.9%</b>	<b>(0.2) x</b>	<b>28.2 %</b>	<b>10.2 %</b>	

<b>VoIP &amp; IMS</b>																			
Aastra	25.64	361	282	95	16	10.7 %	0.4 x	0.4 x	4.8 x	4.2 x	14.5 x	10.7 x	19.5 %	61.8 %	83.5 %	21.9%	(1.3) x	24.5 %	8.4 %
Acme Packet	70.96	4,621	4,350	271	0	87.0 %	18.8 x	14.0 x	58.5 x	37.4 x	91.0 x	67.5 x	15.7 %	23.4 %	18.9 %	5.9%	(3.6) x	38.9 %	13.3 %
Fujian Star-Net	5.75	1,010	853	190	33	37.5 %	2.9 x	2.1 x	23.8 x	NA	43.2 x	30.9 x	NA	NA	NA	15.5%	(4.4) x	33.5 %	NA
GoHigh Data	1.72	572	592	80	100	(1.4)%	1.6 x	NA	NM	NA	NM	NA	NA	NA	NA	(3.6)%	2.3 x	6.5 %	NA
ShoreTel	8.23	380	274	105	0	65.9 %	1.6 x	1.3 x	NM	NM	NM	NM	3.0 %	NA	0.0 %	27.8%	NA	52.2 %	22.0 %
Sonus Netw orks	3.76	1,043	722	321	0	6.5 %	2.9 x	2.6 x	NM	18.3 x	NM	56.4 x	32.7 %	253.8 %	440.0 %	30.8%	(170.1) x	29.3 %	19.9 %
Tekelec	8.12	558	337	221	0	(37.3)%	0.8 x	0.9 x	5.0 x	6.7 x	12.7 x	34.8 x	5.4 %	133.3 %	0.0 %	39.6%	(3.3) x	37.8 %	26.3 %
<b>Mean</b>	<b>1,221</b>	<b>1,059</b>	<b>183</b>	<b>21</b>	<b>24.2 %</b>	<b>4.1 x</b>	<b>3.5 x</b>	<b>23.0 x</b>	<b>16.6 x</b>	<b>40.4 x</b>	<b>40.1 x</b>	<b>15.3 %</b>	<b>118.0 %</b>	<b>108.5 %</b>	<b>19.7%</b>	<b>(30.1) x</b>	<b>31.8 %</b>	<b>18.0 %</b>	
<b>Median</b>	<b>572</b>	<b>592</b>	<b>190</b>	<b>0</b>	<b>10.7 %</b>	<b>1.6 x</b>	<b>1.7 x</b>	<b>14.4 x</b>	<b>12.5 x</b>	<b>28.9 x</b>	<b>34.8 x</b>	<b>15.7 %</b>	<b>97.5 %</b>	<b>18.9 %</b>	<b>21.9%</b>	<b>(3.4) x</b>	<b>33.5 %</b>	<b>19.9 %</b>	

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
<b>Data Storage</b>																		
Brocade	546	2,100.9	2,289.1	95	372.4	510.9	0.12	0.52	0.48	1.2%	(29.3)%	9.1%	9.0%	37.2%	(8.2)%	58.8 %	17.5 %	10.8 %
EMC	4,889	17,015.1	19,632.3	1,292	3,935.2	5,052.6	0.42	1.26	1.48	19.2%	34.0%	125.6%	15.4%	28.4%	18.0%	60.7 %	26.4 %	18.8 %
NetApp	1,268	4,785.1	5,629.7	240	897.7	1,192.3	0.52	2.03	2.15	25.3%	40.8%	73.7%	17.7%	32.8%	6.2%	65.0 %	18.9 %	16.7 %
Quantum	176	671.6	694.1	21	72.3	113.9	0.08	0.18	0.23	(3.0)%	(12.3)%	300.0%	3.3%	57.6%	26.1%	42.9 %	11.7 %	10.7 %
Seagate	2,719	11,122.0	10,846.6	403	2,160.0	1,741.3	0.33	2.40	1.52	(10.2)%	(47.7)%	(67.9)%	(2.5)%	(19.4)%	(36.7)%	19.5 %	14.8 %	5.9 %
Western Digital	2,475	9,894.0	9,544.8	391	1,775.0	1,501.8	0.96	4.74	3.26	(5.5)%	(34.7)%	(48.1)%	(3.5)%	(15.4)%	(31.2)%	19.2 %	15.8 %	9.1 %
<b>Mean</b>	<b>2,012</b>	<b>7,598</b>	<b>8,106</b>	<b>407</b>	<b>1,535</b>	<b>1,685</b>	<b>0.40</b>	<b>1.85</b>	<b>1.52</b>	<b>4.5%</b>	<b>(8.2)%</b>	<b>65.4%</b>	<b>6.6%</b>	<b>20.2%</b>	<b>(4.3)%</b>	<b>44.3 %</b>	<b>17.5 %</b>	<b>12.0 %</b>
<b>Median</b>	<b>1,872</b>	<b>7,340</b>	<b>7,587</b>	<b>315</b>	<b>1,336</b>	<b>1,347</b>	<b>0.37</b>	<b>1.64</b>	<b>1.50</b>	<b>(0.9)%</b>	<b>(20.8)%</b>	<b>41.4%</b>	<b>6.2%</b>	<b>30.6%</b>	<b>(1.0)%</b>	<b>50.8 %</b>	<b>16.6 %</b>	<b>10.7 %</b>

<b>VoIP &amp; IMS</b>																		
Aastra	217	703.3	754.9	26	58.9	67.7	1.03	1.76	2.40	4.4%	(3.0)%	(1.2)%	7.3%	15.1%	36.0%	44.5 %	12.1 %	6.7 %
Acme Packet	70	231.2	311.8	25	74.4	116.2	0.25	0.78	1.05	70.2%	213.1%	70.3%	34.9%	56.2%	34.7%	83.9 %	34.9 %	24.7 %
Fujian Star-Net	121	298.4	406.6	19	35.9	NA	0.04	0.13	0.19	17.3%	20.3%	0.9%	36.3%	NA	39.9%	42.6 %	16.0 %	6.3 %
GoHigh Data	131	377.9	NA	1	9.0	NA	0.00	0.01	NA	26.2%	NM	NM	NA	NA	NM	6.8 %	0.8 %	1.0 %
ShoreTel	48	171.3	215.9	(3)	(12.1)	6.7	(0.02)	(0.08)	0.03	34.6%	(30.7)%	64.2%	26.1%	155.4%	137.5%	66.5 %	(5.3)%	(1.9)%
Sonus Netw orks	83	249.3	273.9	15	1.9	39.6	0.05	0.01	0.07	20.8%	48.0%	52.2%	9.9%	NM	376.2%	63.5 %	18.4 %	18.1 %
Tekelec	90	424.0	377.2	1	67.9	50.0	(0.02)	0.64	0.23	(27.0)%	(97.7)%	(108.7)%	(11.0)%	(26.3)%	(63.5)%	60.5 %	0.8 %	(1.5)%
<b>Mean</b>	<b>109</b>	<b>351</b>	<b>390</b>	<b>12</b>	<b>34</b>	<b>56</b>	<b>0.19</b>	<b>0.47</b>	<b>0.66</b>	<b>20.9%</b>	<b>25.0%</b>	<b>12.9%</b>	<b>17.2%</b>	<b>50.1%</b>	<b>93.5%</b>	<b>52.6 %</b>	<b>11.1 %</b>	<b>7.6 %</b>
<b>Median</b>	<b>90</b>	<b>298</b>	<b>345</b>	<b>15</b>	<b>36</b>	<b>50</b>	<b>0.04</b>	<b>0.13</b>	<b>0.21</b>	<b>20.8%</b>	<b>8.7%</b>	<b>26.5%</b>	<b>18.0%</b>	<b>35.7%</b>	<b>37.9%</b>	<b>60.5 %</b>	<b>12.1 %</b>	<b>6.3 %</b>

# Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 3/31/11	Market Cap	Enterprise Value	Cash	Debt	% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
<b>Audio/Video</b>																			
Arris Group	12.74	1,547	1,129	620	203	30.4 %	1.0 x	1.0 x	6.7 x	6.6 x	14.8 x	15.3 x	0.7 %	(4.2)%	20.8 %	27.0%	(2.5) x	12.9 %	13.3 %
Axis	21.15	1,468	1,413	55	0	47.2 %	3.4 x	2.6 x	18.5 x	15.0 x	34.3 x	23.6 x	7.7 %	43.4 %	4.6 %	3.7%	(0.7) x	22.1 %	12.7 %
EVS Broadcast	63.67	859	824	37	3	4.2 %	5.6 x	5.4 x	10.7 x	11.1 x	16.5 x	17.5 x	1.7 %	NA	0.0 %	4.0%	(0.5) x	15.7 %	15.1 %
Geovision	3.83	185	165	30	10	18.6 %	3.9 x	NA	12.0 x	NA	21.2 x	NA	NA	NA	NA	10.7%	(1.4) x	18.0 %	15.1 %
Harmonic	9.38	1,068	948	120	0	36.3 %	2.2 x	1.7 x	22.1 x	8.6 x	26.8 x	18.6 x	6.2 %	65.6 %	17.9 %	11.3%	(2.8) x	23.0 %	17.5 %
Harris	49.60	6,346	7,507	746	1,907	12.0 %	1.3 x	1.2 x	6.1 x	6.2 x	9.9 x	10.5 x	(0.1)%	21.8 %	8.0 %	(18.3)%	0.9 x	17.4 %	NA
Motorola Mobility	24.40	7,197	7,264	29	96	NA	0.6 x	0.5 x	NM	NM	NM	NM	0.4 %	(19.4)%	(0.6)%	(0.9)%	0.8 x	13.2 %	10.7 %
Net Insight	0.59	230	195	35	0	(3.1)%	4.8 x	3.7 x	30.7 x	22.4 x	38.3 x	20.7 x	(0.4)%	NA	NA	15.2%	(5.5) x	33.7 %	7.4 %
Pace	2.44	716	1,029	132	446	(10.7)%	0.5 x	0.4 x	5.9 x	3.9 x	7.1 x	5.7 x	NA	NA	NA	(43.8)%	1.8 x	5.7 %	5.9 %
Polycom	51.85	4,546	4,052	494	0	90.1 %	3.3 x	2.8 x	24.7 x	14.4 x	34.6 x	25.2 x	4.0 %	24.4 %	13.8 %	10.9%	(3.0) x	35.2 %	11.9 %
RealD	27.36	1,404	1,371	35	3	48.0 %	5.7 x	3.8 x	NM	15.1 x	NM	76.5 x	(0.5)%	12.4 %	(187.0)%	2.3%	NA	28.4 %	7.5 %
SeaChange	9.50	300	220	80	0	28.2 %	1.0 x	1.0 x	9.8 x	5.2 x	45.2 x	14.2 x	8.2 %	8.4 %	8.0 %	26.8%	(3.6) x	20.7 %	18.0 %
Sumavision	4.40	986	730	264	8	26.1 %	14.0 x	10.1 x	35.9 x	NA	40.7 x	NA	NA	NA	NA	26.0%	(12.6) x	59.6 %	NA
Technicolor	7.27	1,267	2,598	445	1,777	31.8 %	0.5 x	0.5 x	3.8 x	3.5 x	2.0 x	NA	NA	NA	NA	(105.1)%	1.9 x	9.7 %	3.4 %
TiVo	8.75	1,043	834	209	0	(3.4)%	3.8 x	4.9 x	NM	NM	NM	NM	0.9 %	NA	(5.5)%	20.1%	NA	48.0 %	41.6 %
TPK	27.45	6,151	6,209	191	249	NA	3.2 x	1.5 x	25.9 x	12.2 x	32.4 x	18.0 x	(1.2)%	NA	9.9 %	(0.9)%	0.2 x	2.5 %	1.9 %
<b>Mean</b>		<b>2,207</b>	<b>2,280</b>	<b>220</b>	<b>294</b>	<b>25.4 %</b>	<b>3.4 x</b>	<b>2.7 x</b>	<b>16.4 x</b>	<b>10.4 x</b>	<b>24.9 x</b>	<b>22.3 x</b>	<b>2.3 %</b>	<b>19.1 %</b>	<b>(10.0)%</b>	<b>(0.7)%</b>	<b>(1.9) x</b>	<b>22.9 %</b>	<b>13.0 %</b>
<b>Median</b>		<b>1,167</b>	<b>1,079</b>	<b>126</b>	<b>5</b>	<b>27.1 %</b>	<b>3.2 x</b>	<b>1.7 x</b>	<b>12.0 x</b>	<b>9.9 x</b>	<b>26.8 x</b>	<b>18.0 x</b>	<b>0.8 %</b>	<b>17.1 %</b>	<b>8.0 %</b>	<b>7.4%</b>	<b>(1.1) x</b>	<b>19.4 %</b>	<b>12.3 %</b>

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
<b>Audio/Video</b>																		
Arris Group	266	1,087.5	1,157.1	33	168.8	171.5	0.19	0.86	0.84	(11.3)%	(51.5)%	(26.3)%	6.4%	1.6%	(2.9)%	36.2 %	12.3 %	9.0 %
Axis	130	415.5	547.1	19	76.3	94.5	0.19	0.62	0.90	41.4%	18.8%	11.6%	31.7%	23.8%	45.4%	50.5 %	14.6 %	10.2 %
EVS Broadcast	36	146.5	152.5	17	76.8	74.1	0.87	3.86	3.64	22.8%	8.1%	(11.9)%	4.1%	(3.5)%	(5.9)%	76.6 %	47.8 %	33.4 %
Geovision	12	42.1	NA	3	13.7	NA	0.02	0.18	NA	15.8%	(13.8)%	(65.8)%	NA	NA	NA	61.2 %	28.6 %	9.0 %
Harmonic	138	423.3	552.9	17	42.9	110.1	0.11	0.35	0.51	59.5%	19.2%	NM	30.6%	157.0%	44.3%	46.2 %	12.1 %	8.9 %
Harris	1,439	5,629.3	6,233.6	296	1,233.9	1,201.8	1.20	5.02	4.73	18.1%	13.1%	13.2%	10.7%	(2.6)%	(5.7)%	34.6 %	20.6 %	10.6 %
Motorola Mobility	3,425	11,460.0	13,233.8	150	86.0	596.7	0.37	(0.28)	0.91	21.3%	NM	153.4%	15.5%	NM	NM	26.9 %	4.4 %	3.2 %
Net Insight	13	40.7	52.3	2	6.4	8.7	0.01	0.02	0.03	79.4%	500.8%	33.3%	28.5%	37.0%	84.7%	59.0 %	18.3 %	22.1 %
Pace	543	2,044.4	2,564.4	48	175.4	263.4	0.05	0.34	0.43	10.8%	29.2%	(42.2)%	25.4%	50.2%	25.5%	19.7 %	8.9 %	2.6 %
Polycom	340	1,218.5	1,448.6	58	164.0	280.6	0.49	1.50	2.06	26.8%	51.2%	249.8%	18.9%	71.1%	37.2%	59.8 %	17.0 %	12.9 %
RealD	58	241.5	359.4	(10)	(16.7)	90.8	(0.33)	(1.26)	0.36	91.4%	(9.3)%	46.3%	48.8%	644.0%	128.5%	11.5 %	(16.8)%	(27.8)%
SeaChange	61	216.7	226.2	12	22.3	42.0	0.18	0.21	0.67	15.8%	122.3%	NM	4.4%	88.2%	219.0%	54.2 %	19.5 %	9.4 %
Sumavision	16	52.2	72.3	6	20.3	NA	0.03	0.11	NA	20.0%	(2.1)%	40.8%	38.4%	NA	NA	68.8 %	34.0 %	39.4 %
Technicolor	1,412	4,727.9	5,267.3	251	687.2	740.7	(0.15)	3.66	NA	8.4%	6.4%	NM	11.4%	7.8%	NA	23.0 %	17.8 %	(1.7)%
TiVo	56	219.6	170.2	(32)	(76.6)	(84.1)	(0.30)	(0.74)	(1.11)	(18.7)%	(254.6)%	(216.5)%	(22.5)%	(9.9)%	(49.4)%	27.5 %	(58.1)%	(61.5)%
TPK	919	1,956.0	4,151.2	121	239.7	509.4	0.36	0.85	1.53	455.3%	284.3%	196.8%	112.2%	112.5%	80.3%	16.4 %	13.2 %	8.7 %
<b>Mean</b>	<b>554</b>	<b>1,870</b>	<b>2,413</b>	<b>62</b>	<b>183</b>	<b>293</b>	<b>0.21</b>	<b>0.96</b>	<b>1.19</b>	<b>53.6%</b>	<b>48.1%</b>	<b>29.4%</b>	<b>24.3%</b>	<b>90.5%</b>	<b>50.1%</b>	<b>42.0 %</b>	<b>12.1 %</b>	<b>5.5 %</b>
<b>Median</b>	<b>134</b>	<b>419</b>	<b>553</b>	<b>18</b>	<b>77</b>	<b>141</b>	<b>0.15</b>	<b>0.35</b>	<b>0.84</b>	<b>20.7%</b>	<b>13.1%</b>	<b>13.2%</b>	<b>18.9%</b>	<b>37.0%</b>	<b>40.7%</b>	<b>41.2 %</b>	<b>15.8 %</b>	<b>9.0 %</b>

# Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 3/31/11	Market Cap	Enterprise Value	Cash	Debt	% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R & D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
<b>Wireless Network</b>																			
Allwin	2.11	339	316	23	1	1.9 %	7.7 x	6.3 x	65.3 x	65.6 x	78.1 x	59.4 x	NA	NA	NA	6.6%	(4.6) x	39.9 %	NA
Anhui Sun Create	4.74	558	555	31	28	(31.1)%	5.4 x	5.9 x	59.2 x	NA	83.7 x	NA	NA	NA	NA	0.6%	(0.3) x	6.9 %	NA
Aruba	33.84	3,411	3,223	188	0	58.6 %	10.0 x	7.5 x	NM	45.3 x	76.9 x	56.0 x	7.0 %	259.5 %	8.7 %	5.5%	(26.0) x	50.2 %	23.0 %
Ascom Holding	15.50	536	478	138	80	34.6 %	0.8 x	0.7 x	7.9 x	6.2 x	16.7 x	14.0 x	NA	NA	NA	10.8%	(0.9) x	27.6 %	10.4 %
Ceragon	12.08	404	335	68	0	22.1 %	1.3 x	0.7 x	16.3 x	NM	21.6 x	30.5 x	4.0 %	26.2 %	11.5 %	16.9%	(3.3) x	19.8 %	10.1 %
Datang Telecom	2.56	1,122	1,274	105	257	(2.9)%	2.1 x	1.7 x	34.7 x	NA	NM	NM	NA	NA	NA	(13.5)%	4.1 x	12.9 %	NA
Digi	10.56	266	174	92	0	11.3 %	0.9 x	0.8 x	8.6 x	5.7 x	32.0 x	23.0 x	1.5 %	(15.4)%	12.5 %	34.4%	(4.5) x	29.4 %	16.2 %
DragonWave	8.25	290	195	95	0	17.3 %	1.2 x	1.8 x	6.9 x	NM	13.3 x	NM	(2.9)%	253.1 %	(100.0)%	32.8%	(3.4) x	29.7 %	17.8 %
Echelon	10.13	426	385	65	24	18.5 %	3.5 x	2.8 x	NM	NM	NM	NM	4.0 %	NA	3.5 %	9.6%	NA	28.7 %	26.2 %
GN Store Nord	9.40	1,911	2,085	28	202	22.4 %	2.3 x	2.0 x	18.6 x	12.1 x	31.5 x	18.9 x	4.6 %	(1.4)%	7.0 %	(9.1)%	1.5 x	34.8 %	7.5 %
Motorola Solutions	44.69	15,085	9,021	8,863	2,799	(25.2)%	0.5 x	1.1 x	5.2 x	5.9 x	17.9 x	20.1 x	6.5 %	1.6 %	(45.3)%	40.2%	(3.5) x	16.7 %	11.3 %
Plantronics	36.62	1,790	1,375	414	0	8.4 %	2.0 x	1.9 x	8.8 x	7.7 x	15.6 x	15.0 x	(1.0)%	3.6 %	14.1 %	23.2%	(2.7) x	23.9 %	9.0 %
Sunnada	2.80	504	443	80	20	36.4 %	6.0 x	5.0 x	47.0 x	NA	54.9 x	27.0 x	NA	NA	NA	12.0%	(6.4) x	22.3 %	NA
Sunw ave	2.59	555	543	59	47	6.3 %	3.6 x	2.5 x	26.2 x	NA	43.9 x	26.5 x	NA	NA	NA	2.3%	(0.6) x	20.6 %	NA
<b>Mean</b>		<b>1,943</b>	<b>1,457</b>	<b>732</b>	<b>247</b>	<b>12.8 %</b>	<b>3.4 x</b>	<b>2.9 x</b>	<b>25.4 x</b>	<b>21.2 x</b>	<b>40.5 x</b>	<b>29.0 x</b>	<b>2.9 %</b>	<b>75.3 %</b>	<b>(11.0)%</b>	<b>12.3%</b>	<b>(3.9) x</b>	<b>25.9 %</b>	<b>14.6 %</b>
<b>Median</b>		<b>546</b>	<b>510</b>	<b>86</b>	<b>22</b>	<b>14.3 %</b>	<b>2.2 x</b>	<b>2.0 x</b>	<b>17.4 x</b>	<b>7.7 x</b>	<b>31.7 x</b>	<b>24.7 x</b>	<b>4.0 %</b>	<b>3.6 %</b>	<b>7.8 %</b>	<b>10.2%</b>	<b>(3.3) x</b>	<b>25.7 %</b>	<b>11.3 %</b>

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
<b>Wireless Network</b>																		
Allwin	16	41.1	50.6	3	4.8	4.8	0.02	0.03	0.04	32.8%	16.0%	23.0%	23.0%	(0.6)%	31.3%	59.6 %	19.3 %	17.2 %
Anhui Sun Create	55	102.9	94.5	6	9.4	NA	0.04	0.06	NA	25.7%	31.4%	141.2%	(8.1)%	NA	NA	16.8 %	10.1 %	9.0 %
Aruba	94	323.3	430.7	1	7.2	71.1	0.14	0.44	0.60	49.8%	193.5%	380.1%	33.2%	883.2%	37.4%	70.5 %	1.4 %	14.7 %
Ascom Holding	155	565.3	675.1	17	60.8	77.7	0.24	0.93	1.11	6.4%	6.2%	38.4%	19.4%	27.9%	19.5%	47.4 %	11.0 %	5.3 %
Ceragon	67	249.9	449.1	6	20.6	21.3	0.17	0.56	0.40	25.5%	93.3%	185.1%	79.7%	3.0%	(29.3)%	37.0 %	9.1 %	9.4 %
Datang Telecom	218	600.7	769.3	11	36.7	NA	0.01	0.02	0.04	44.5%	(6.1)%	117.6%	28.1%	NA	92.0%	16.7 %	5.0 %	2.7 %
Digi	48	187.9	209.2	5	20.3	30.5	0.09	0.33	0.46	12.5%	14.4%	80.0%	11.3%	50.7%	39.4%	52.8 %	10.5 %	4.7 %
DragonWave	27	163.9	111.2	1	28.0	(0.9)	0.00	0.62	(0.20)	(47.7)%	(90.8)%	(100.0)%	(32.2)%	(103.3)%	(132.2)%	48.0 %	4.1 %	0.0 %
Echelon	39	111.0	139.4	(3)	(21.9)	(16.4)	(0.12)	(0.74)	(0.44)	(0.1)%	(30.4)%	(32.1)%	25.5%	25.1%	39.9%	43.5 %	(7.0)%	(12.9)%
GN Store Nord	259	911.3	1,025.3	45	112.1	172.5	0.12	0.30	0.50	9.4%	200.2%	265.5%	12.5%	54.0%	66.6%	57.0 %	17.2 %	9.2 %
Motorola Solutions	5,663	17,707.0	8,187.8	610	1,735.0	1,528.8	0.60	2.49	2.22	18.3%	38.0%	NM	(53.8)%	(11.9)%	(10.7)%	36.2 %	10.8 %	3.6 %
Plantronics	182	672.8	722.9	40	155.8	179.0	0.66	2.35	2.45	9.4%	25.8%	40.4%	7.5%	14.9%	4.1%	52.8 %	21.9 %	18.0 %
Sunnada	36	74.3	88.1	5	9.4	NA	0.02	0.05	0.10	57.2%	(24.3)%	(28.4)%	18.7%	NA	103.5%	30.3 %	13.1 %	10.3 %
Sunw ave	56	150.5	213.8	8	20.7	NA	0.03	0.06	0.10	20.8%	28.2%	35.7%	42.1%	NA	65.4%	31.9 %	14.6 %	11.3 %
<b>Mean</b>	<b>494</b>	<b>1,562</b>	<b>940</b>	<b>54</b>	<b>157</b>	<b>207</b>	<b>0.14</b>	<b>0.54</b>	<b>0.57</b>	<b>18.9%</b>	<b>35.4%</b>	<b>88.2%</b>	<b>14.8%</b>	<b>94.3%</b>	<b>25.2%</b>	<b>42.9 %</b>	<b>10.1 %</b>	<b>7.3 %</b>
<b>Median</b>	<b>62</b>	<b>219</b>	<b>322</b>	<b>6</b>	<b>21</b>	<b>51</b>	<b>0.07</b>	<b>0.31</b>	<b>0.40</b>	<b>19.6%</b>	<b>20.9%</b>	<b>40.4%</b>	<b>19.0%</b>	<b>20.0%</b>	<b>37.4%</b>	<b>45.5 %</b>	<b>10.6 %</b>	<b>9.1 %</b>

# Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 3/31/11	Market Cap	Enterprise Value	Cash	Debt	% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
<b>Satellite &amp; GPS</b>																			
Beijing BDStar	4.24	639	594	54	8	(4.7)%	12.1 x	8.3 x	74.1 x	43.2 x	97.9 x	NA	NA	NA	NA	7.1%	(5.7) x	18.0 %	NA
Garmin	33.86	7,045	5,760	1,285	0	11.6 %	2.1 x	2.3 x	8.1 x	9.0 x	12.3 x	14.4 x	(3.3)%	(19.2)%	(5.2)%	18.2%	(1.8) x	14.7 %	8.6 %
Loral	77.55	2,377	2,212	166	0	48.6 %	1.9 x	1.6 x	18.2 x	NA	15.1 x	NA	12.7 %	NA	NA	7.0%	(1.4) x	6.9 %	NA
TCS	4.14	234	313	82	161	5.9 %	0.8 x	0.7 x	6.7 x	4.7 x	15.3 x	20.5 x	(7.6)%	4.5 %	5.0 %	(33.7)%	1.7 x	14.5 %	7.3 %
TomTom	8.90	1,974	2,345	417	788	28.6 %	1.2 x	1.1 x	6.5 x	6.0 x	13.6 x	9.8 x	4.0 %	(6.3)%	(9.0)%	(18.8)%	1.0 x	20.4 %	8.6 %
Trimble	50.54	6,189	6,121	221	153	44.2 %	4.7 x	4.0 x	29.7 x	21.6 x	31.4 x	26.0 x	1.5 %	22.5 %	33.5 %	1.1%	(0.3) x	29.2 %	12.6 %
ViaSat	39.84	1,657	1,937	45	325	(3.1)%	2.4 x	2.1 x	12.4 x	10.7 x	28.3 x	31.6 x	(5.7)%	(17.0)%	9.2 %	(16.9)%	1.8 x	20.6 %	3.4 %
<b>Mean</b>		2,874	2,754	324	205	18.7 %	3.6 x	2.9 x	22.2 x	15.9 x	30.5 x	20.5 x	0.3 %	(3.1)%	6.7 %	(5.1)%	(0.7) x	17.8 %	8.1 %
<b>Median</b>		1,974	2,212	166	153	11.6 %	2.1 x	2.1 x	12.4 x	9.9 x	15.3 x	20.5 x	(0.9)%	(6.3)%	5.0 %	1.1%	(0.3) x	18.0 %	8.6 %

<b>Wireless Handset</b>																			
Apple	348.51	321,072	294,095	26,977	0	22.8 %	3.9 x	2.8 x	13.0 x	9.1 x	19.5 x	14.5 x	10.1 %	13.5 %	19.2 %	8.4%	(1.2) x	7.1 %	2.2 %
China Wireless	0.37	844	857	83	95	(19.6)%	1.5 x	0.9 x	18.2 x	9.9 x	13.1 x	10.0 x	NA	NA	NA	(1.5)%	0.3 x	16.0 %	NA
China Zhenhua	1.72	614	604	90	80	(0.6)%	1.4 x	NA	20.0 x	NA	NM	NA	NA	NA	NA	1.7%	(0.4) x	13.5 %	NA
LG	95.84	13,790	18,432	1,823	6,464	13.7 %	0.4 x	0.5 x	15.4 x	NM	34.5 x	10.3 x	(57.1)%	NA	NA	(33.7)%	3.9 x	19.6 %	2.9 %
Motorola Mobility	24.40	7,197	7,264	29	96	NA	0.6 x	0.5 x	NM	NM	NM	NM	0.4 %	(19.4)%	(0.6)%	(0.9)%	0.8 x	13.2 %	10.7 %
Ningbo Bird	0.78	601	585	28	12	2.8 %	3.8 x	NA	NM	NA	92.8 x	NA	NA	NA	NA	2.6%	(15.7) x	3.3 %	NA
Nokia	8.56	31,752	21,950	16,967	7,165	(14.5)%	0.4 x	0.4 x	3.5 x	4.2 x	10.6 x	12.1 x	2.0 %	(1.4)%	15.5 %	30.9%	(1.6) x	9.7 %	12.0 %
RIM	56.45	29,424	27,649	1,776	0	16.3 %	1.5 x	1.1 x	5.3 x	4.7 x	9.6 x	8.7 x	1.7 %	6.7 %	14.0 %	6.0%	(0.3) x	12.1 %	6.5 %
<b>Mean</b>		50,662	46,429	5,972	1,739	3.0 %	1.7 x	1.0 x	12.6 x	7.0 x	30.0 x	11.1 x	(8.6)%	(0.1)%	12.0 %	1.7%	(1.8) x	11.8 %	6.9 %
<b>Median</b>		10,494	12,848	933	88	2.8 %	1.4 x	0.7 x	14.2 x	6.9 x	16.3 x	10.3 x	1.7 %	2.7 %	14.8 %	2.2%	(0.3) x	12.6 %	6.5 %

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin			
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net	
<b>Satellite &amp; GPS</b>																			
Beijing BDStar	19	49.2	71.1	4	8.0	13.7	0.02	0.04	NA	35.9%	2.4%	(17.9)%	44.7%	71.3%	NA	35.8 %	19.8 %	14.7 %	
Garmin	838	2,689.9	2,453.5	207	709.5	638.9	0.83	2.76	2.35	(20.9)%	(35.8)%	(39.8)%	(8.8)%	(10.0)%	(14.9)%	45.3 %	24.7 %	19.3 %	
Loral	327	1,159.0	1,346.5	35	121.2	NA	2.55	5.15	NA	25.5%	21.5%	29.0%	16.2%	NA	NA	15.4 %	10.7 %	24.4 %	
TCS	102	388.8	456.8	12	46.8	67.1	0.06	0.27	0.20	12.6%	14.1%	36.4%	17.5%	43.2%	(25.2)%	33.7 %	12.0 %	3.3 %	
TomTom	692	2,008.4	2,194.0	102	358.9	392.4	0.32	0.65	0.91	(9.5)%	(42.4)%	(31.4)%	9.2%	9.3%	39.9%	45.9 %	14.8 %	10.4 %	
Trimble	323	1,293.9	1,530.5	41	206.2	283.4	0.46	1.61	1.94	16.5%	24.3%	47.14%	18.3%	37.4%	20.6%	50.8 %	12.6 %	17.7 %	
ViaSat	196	798.5	908.5	33	156.5	180.8	0.43	1.41	1.26	25.3%	134.9%	377.8%	13.8%	15.5%	(10.5)%	30.1 %	16.8 %	9.5 %	
<b>Mean</b>		357	1,198	1,280	62	230	263	0.67	1.70	1.33	12.2%	17.0%	117.9%	15.8%	27.8%	2.0%	36.7 %	15.9 %	14.2 %
<b>Median</b>		323	1,159	1,347	35	157	232	0.43	1.41	1.26	16.5%	14.1%	29.0%	16.2%	26.5%	(10.5)%	35.8 %	14.8 %	14.7 %

<b>Wireless Handset</b>																			
Apple	26,741	76,283.0	106,086.1	8,183	22,613.0	32,345.3	6.43	17.91	24.07	70.5%	65.8%	75.2%	39.1%	43.0%	34.4%	38.5 %	30.6 %	22.4 %	
China Wireless	160	591.0	974.3	7	47.1	86.3	0.01	0.03	0.04	31.5%	(47.4)%	(3.6)%	64.9%	83.0%	31.0%	19.9 %	4.2 %	8.3 %	
China Zhenhua	119	433.0	NA	9	30.2	NA	0.00	0.02	NA	47.5%	51.0%	NM	NA	NA	NA	18.3 %	7.8 %	0.3 %	
LG	13,112	48,785.3	33,857.0	74	1,198.2	1,192.5	(2.52)	2.78	9.31	2.0%	NM	(205.8)%	(30.6)%	(0.5)%	NM	18.0 %	0.6 %	(1.8)%	
Motorola Mobility	3,425	11,460.0	13,233.8	150	86.0	596.7	0.37	(0.28)	0.91	21.3%	NM	153.4%	15.5%	NM	NM	26.9 %	4.4 %	3.2 %	
Ningbo Bird	31	153.7	NA	(3)	1.0	NA	0.00	0.01	NA	(21.6)%	(14.9)%	(68.6)%	NA	NM	NA	(8.9)%	(10.6)%	8.0 %	
Nokia	16,964	56,075.8	62,224.9	2,065	6,273.0	5,250.8	0.30	0.81	0.70	(1.3)%	(25.5)%	(21.0)%	11.0%	(16.3)%	(13.0)%	30.8 %	12.2 %	6.5 %	
RIM	5,495	18,430.7	24,969.5	1,478	5,232.4	5,841.1	1.74	5.85	6.50	40.0%	40.8%	58.2%	35.5%	11.6%	11.0%	43.6 %	26.9 %	16.6 %	
<b>Mean</b>		8,256	26,527	40,224	1,495	4,435	7,552	0.79	3.39	6.92	23.7%	11.6%	(1.7)%	22.5%	24.2%	15.9%	23.4 %	9.5 %	7.9 %
<b>Median</b>		4,460	14,945	29,413	112	642	3,222	0.15	0.42	3.70	26.4%	12.9%	(3.6)%	25.5%	11.6%	21.0%	23.4 %	6.1 %	7.2 %

# Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price	Market	Enterprise		% Change	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash /	Net Debt /	SG&A /	R&D /	
	3/31/11	Cap	Value	Cash		Debt	9/30/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue
<b>Servers/Computing</b>																			
Cray	6.45	233	176	57	0	(2.3)%	0.6 x	0.5 x	6.5 x	NA	17.0 x	20.2 x	2.9 %	NA	15.0 %	24.6%	(2.1) x	7.8 %	4.7 %
Dell	14.51	27,667	19,302	14,365	6,000	11.9 %	0.3 x	0.3 x	4.3 x	3.6 x	9.1 x	8.6 x	(0.2)%	16.9 %	45.6 %	30.2%	(1.9) x	13.1 %	1.1 %
HP	40.97	88,656	99,191	9,934	20,469	(2.6)%	0.8 x	0.8 x	5.4 x	5.0 x	8.4 x	7.8 x	(2.0)%	2.9 %	5.7 %	(11.9)%	0.6 x	9.6 %	2.5 %
IBM	163.07	198,870	215,810	11,684	28,624	21.6 %	2.2 x	2.1 x	8.7 x	8.3 x	14.1 x	12.5 x	2.6 %	4.1 %	2.4 %	(8.5)%	0.7 x	20.4 %	5.4 %
Lenovo	0.57	5,677	2,649	3,428	400	(7.7)%	0.1 x	0.1 x	4.8 x	NM	22.2 x	NM	(0.8)%	NA	9.3 %	53.3%	(5.5) x	8.0 %	1.3 %
Silicon Graphics	21.40	649	548	101	0	175.8 %	1.1 x	0.9 x	NM	14.2 x	NM	NM	27.5 %	NA	298.2 %	15.6%	NA	16.8 %	7.6 %
Super Micro	16.04	607	539	87	20	54.4 %	0.6 x	0.5 x	9.7 x	6.2 x	18.0 x	14.1 x	7.5 %	21.5 %	31.0 %	11.1%	(1.2) x	4.6 %	5.1 %
<b>Mean</b>		<b>46,051</b>	<b>48,316</b>	<b>5,665</b>	<b>7,930</b>	<b>35.9 %</b>	<b>0.8 x</b>	<b>0.7 x</b>	<b>6.6 x</b>	<b>7.5 x</b>	<b>14.8 x</b>	<b>12.6 x</b>	<b>5.4 %</b>	<b>11.3 %</b>	<b>58.2 %</b>	<b>16.4%</b>	<b>(1.6) x</b>	<b>11.5 %</b>	<b>4.0 %</b>
<b>Median</b>		<b>5,677</b>	<b>2,649</b>	<b>3,428</b>	<b>400</b>	<b>11.9 %</b>	<b>0.6 x</b>	<b>0.5 x</b>	<b>6.0 x</b>	<b>6.2 x</b>	<b>15.5 x</b>	<b>12.5 x</b>	<b>2.6 %</b>	<b>10.5 %</b>	<b>15.0 %</b>	<b>15.6%</b>	<b>(1.5) x</b>	<b>9.6 %</b>	<b>4.7 %</b>

<b>Consumer Electronics</b>																			
Apple	348.51	321,072	294,095	26,977	0	22.8 %	3.9 x	2.8 x	13.0 x	9.1 x	19.5 x	14.5 x	10.1 %	13.5 %	19.2 %	8.4%	(1.2) x	7.1 %	2.2 %
D-Link	0.93	602	454	215	67	(14.9)%	0.4 x	0.4 x	11.5 x	6.9 x	15.8 x	11.5 x	0.9 %	NA	(1.7)%	24.6%	(3.7) x	23.9 %	2.3 %
JVC KENWOOD	4.88	618	1,158	646	1,186	56.1 %	0.3 x	0.3 x	5.6 x	3.2 x	NM	NM	1.1 %	47.3 %	NA	(87.6)%	2.6 x	27.4 %	5.2 %
LG	95.84	13,790	18,432	1,823	6,464	13.7 %	0.4 x	0.5 x	15.4 x	NM	34.5 x	10.3 x	(57.1)%	NA	NA	(33.7)%	3.9 x	19.6 %	2.9 %
Netgear	32.44	1,180	909	271	0	20.1 %	1.0 x	0.9 x	8.6 x	7.3 x	21.8 x	15.6 x	3.5 %	3.0 %	(20.1)%	22.9%	(2.6) x	17.7 %	3.9 %
Panasonic	12.77	26,433	33,558	14,873	21,998	(5.7)%	0.3 x	0.3 x	4.2 x	4.3 x	NM	NM	(1.8)%	9.1 %	NA	(27.0)%	0.9 x	21.8 %	NA
Philips Elec	31.99	30,275	28,693	7,828	6,246	2.1 %	0.9 x	0.8 x	6.4 x	5.5 x	15.7 x	13.8 x	(0.5)%	11.0 %	(11.0)%	5.2%	(0.4) x	20.7 %	5.4 %
Pioneer	4.18	1,341	2,039	1,246	1,944	19.9 %	0.4 x	0.3 x	3.7 x	3.5 x	NM	NM	(3.6)%	(10.1)%	NA	(52.1)%	1.3 x	18.6 %	NA
Sharp	9.96	10,955	18,939	3,569	11,554	0.1 %	0.5 x	0.5 x	4.5 x	4.5 x	27.7 x	NM	(4.3)%	7.3 %	NA	(72.9)%	1.9 x	15.6 %	1.3 %
Sony	32.15	32,297	27,499	17,516	12,717	4.1 %	0.3 x	0.3 x	3.8 x	4.6 x	34.0 x	NM	(1.0)%	(13.9)%	NA	14.9%	(0.7) x	18.3 %	NA
Vtech	11.35	2,817	2,636	181	0	11.0 %	1.6 x	1.5 x	10.1 x	9.2 x	13.5 x	12.6 x	NA	NA	NA	6.4%	(0.7) x	16.2 %	3.5 %
<b>Mean</b>		<b>40,126</b>	<b>38,947</b>	<b>6,831</b>	<b>5,652</b>	<b>11.8 %</b>	<b>0.9 x</b>	<b>0.8 x</b>	<b>7.9 x</b>	<b>5.8 x</b>	<b>22.8 x</b>	<b>13.0 x</b>	<b>(5.3)%</b>	<b>8.4 %</b>	<b>(3.4)%</b>	<b>(17.3)%</b>	<b>0.1 x</b>	<b>18.8 %</b>	<b>3.3 %</b>
<b>Median</b>		<b>10,955</b>	<b>18,432</b>	<b>1,823</b>	<b>1,944</b>	<b>11.0 %</b>	<b>0.4 x</b>	<b>0.5 x</b>	<b>6.4 x</b>	<b>5.0 x</b>	<b>20.6 x</b>	<b>13.2 x</b>	<b>(0.7)%</b>	<b>8.2 %</b>	<b>(6.3)%</b>	<b>5.2%</b>	<b>(0.4) x</b>	<b>18.6 %</b>	<b>3.2 %</b>

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin			
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net	
<b>Servers/Computing</b>																			
Cray		219	319.4	332.1	57	26.9	NA	1.46	0.38	0.32	148.7%	1,025.2%	1,660.5%	4.0%	NA	(15.8)%	37.0 %	25.8 %	23.8 %
Dell	15,692	61,494.0	64,738.1	1,294	4,450.0	5,340.4	0.53	1.60	1.70	5.3%	51.2%	211.6%	5.3%	20.0%	6.0%	21.0 %	8.2 %	6.5 %	
HP	32,302	127,158.0	131,833.5	4,888	18,290.0	19,711.9	1.36	4.86	5.28	3.6%	11.7%	46.2%	3.7%	7.8%	8.6%	24.6 %	15.1 %	9.4 %	
IBM	29,019	99,871.0	104,539.8	8,291	24,736.0	26,090.4	4.18	11.58	13.06	6.6%	6.2%	16.4%	4.7%	5.5%	12.8%	49.0 %	28.6 %	18.1 %	
Lenovo	5,808	20,979.1	24,130.6	167	555.3	658.1	0.01	0.03	0.03	22.0%	62.6%	25.9%	15.0%	18.5%	27.4%	11.2 %	2.9 %	1.8 %	
Silicon Graphics	178	499.9	627.8	14	(25.7)	38.6	0.44	(0.53)	0.46	88.6%	167.9%	157.1%	25.6%	250.0%	186.5%	29.5 %	7.7 %	7.6 %	
Super Micro	241	838.9	1,028.8	18	55.8	87.7	0.31	0.89	1.14	32.3%	35.3%	66.2%	22.6%	57.0%	28.1%	16.7 %	7.6 %	5.4 %	
<b>Mean</b>		<b>11,923</b>	<b>44,451</b>	<b>46,747</b>	<b>2,104</b>	<b>6,870</b>	<b>8,655</b>	<b>1.18</b>	<b>2.69</b>	<b>3.14</b>	<b>43.9%</b>	<b>194.3%</b>	<b>312.0%</b>	<b>11.6%</b>	<b>59.8%</b>	<b>36.2%</b>	<b>27.0 %</b>	<b>13.7 %</b>	<b>10.4 %</b>
<b>Median</b>		<b>5,808</b>	<b>20,979</b>	<b>24,131</b>	<b>167</b>	<b>555</b>	<b>2,999</b>	<b>0.53</b>	<b>0.89</b>	<b>1.14</b>	<b>22.0%</b>	<b>51.2%</b>	<b>66.2%</b>	<b>5.3%</b>	<b>19.3%</b>	<b>12.8%</b>	<b>24.6 %</b>	<b>8.2 %</b>	<b>7.6 %</b>

<b>Consumer Electronics</b>																			
Apple	26,741	76,283.0	106,086.1	8,183	22,613.0	32,345.3	6.43	17.91	24.07	70.5%	65.8%	75.2%	39.1%	43.0%	34.4%	38.5 %	30.6 %	22.4 %	
D-Link	314	1,091.8	1,287.4	13	39.6	65.8	0.02	0.06	0.08	12.5%	(26.2)%	19.1%	17.9%	66.0%	37.3%	29.6 %	4.1 %	4.1 %	
JVC KENWOOD	1,117	4,250.3	4,409.5	92	205.4	364.8	0.69	0.02	0.28	1.8%	115.4%	213.8%	3.7%	77.6%	NM	31.8 %	8.2 %	5.9 %	
LG	13,112	48,785.3	33,857.0	74	1,198.2	1,192.5	(2.52)	2.78	9.31	2.0%	NM	(205.8)%	(30.6)%	(0.5)%	NM	18.0 %	0.6 %	(1.8)%	
Netgear	259	902.1	1,052.0	29	105.5	124.5	0.37	1.49	2.08	18.1%	37.1%	8.8%	16.6%	18.0%	39.8%	31.6 %	11.3 %	5.3 %	
Panasonic	28,168	102,507.3	108,888.1	2,275	8,074.5	7,826.0	0.24	0.20	0.63	39.0%	28.4%	42.2%	6.2%	(3.1)%	NM	26.0 %	8.1 %	1.7 %	
Philips Elec	9,912	32,894.3	38,009.8	1,401	4,493.7	5,225.3	0.70	2.04	2.32	(4.8)%	(14.7)%	80.0%	15.6%	16.3%	13.6%	38.7 %	14.1 %	6.7 %	
Pioneer	1,442	5,324.9	6,018.4	150	550.5	584.1	0.10	(0.20)	0.29	12.8%	28.1%	150.5%	13.0%	6.1%	246.4%	22.9 %	10.4 %	2.4 %	
Sharp	10,174	35,504.9	36,315.3	1,124	4,196.2	4,186.9	0.08	0.36	0.34	28.8%	22.1%	1.0%	2.3%	(0.2)%	(5.9)%	18.1 %	11.1 %	1.0 %	
Sony	27,192	85,046.3	91,350.2	2,650	7,167.0	5,973.3	0.89	0.95	1.11	13.1%	(2.3)%	5.0%	7.4%	(16.7)%	17.2%	24.5 %	9.7 %	3.3 %	
Vtech	407	1,608.2	1,800.8	60	261.7	286.2	0.19	0.84	0.90	NA	NA	NA	NA	NA	NA	32.2 %	14.6 %	11.5 %	
<b>Mean</b>		<b>10,803</b>	<b>35,836</b>	<b>39,007</b>	<b>1,459</b>	<b>4,446</b>	<b>5,289</b>	<b>0.65</b>	<b>2.40</b>	<b>3.76</b>	<b>19.4%</b>	<b>28.2%</b>	<b>39.0%</b>	<b>9.1%</b>	<b>20.7%</b>	<b>54.7%</b>	<b>28.4 %</b>	<b>11.2 %</b>	<b>5.7 %</b>
<b>Median</b>		<b>9,912</b>	<b>32,894</b>	<b>33,857</b>	<b>150</b>	<b>1,198</b>	<b>1,192</b>	<b>0.24</b>	<b>0.84</b>	<b>0.90</b>	<b>12.9%</b>	<b>28.1%</b>	<b>30.6%</b>	<b>10.2%</b>	<b>11.2%</b>	<b>34.4%</b>	<b>29.6 %</b>	<b>10.4 %</b>	<b>4.1 %</b>

# Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 3/31/11	Market Cap	Enterprise Value	Cash	Debt	% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
<b>Components &amp; Subsystems</b>																			
AAC Acoustic	2.70	3,316	3,124	263	71	23.8 %	6.3 x	4.3 x	17.0 x	11.4 x	22.5 x	15.6 x	0.2 %	NA	(1.7)%	5.8%	(1.0) x	7.6 %	6.4 %
Belden	37.55	1,774	1,966	359	551	42.3 %	1.2 x	1.0 x	10.0 x	7.8 x	21.2 x	16.8 x	0.4 %	2.4 %	25.0 %	(10.9)%	1.0 x	18.0 %	2.7 %
BYD Elec	0.64	1,434	1,161	273	0	10.7 %	0.5 x	0.4 x	4.9 x	4.1 x	9.8 x	8.3 x	NA	NA	NA	19.0%	(1.2) x	2.8 %	2.6 %
Comba Telecom	1.06	1,560	1,438	199	77	4.7 %	2.2 x	1.7 x	12.2 x	9.2 x	16.3 x	13.1 x	NA	NA	NA	7.8%	(1.0) x	16.1 %	4.2 %
Comtech	27.22	726	333	593	200	(0.5)%	0.4 x	0.7 x	2.2 x	3.9 x	9.4 x	21.5 x	7.3 %	21.7 %	30.0 %	54.1%	(2.6) x	14.2 %	6.4 %
Corning	20.63	32,302	28,271	6,350	2,319	12.9 %	4.3 x	3.6 x	12.4 x	9.1 x	10.0 x	10.3 x	9.3 %	8.8 %	(2.2)%	12.5%	(1.8) x	16.1 %	9.4 %
Finisar	24.60	2,205	1,953	310	58	30.9 %	2.2 x	1.8 x	14.0 x	10.1 x	17.4 x	14.1 x	2.2 %	2.3 %	0.5 %	11.4%	(1.8) x	9.9 %	11.3 %
Jiangsu Zhongtian	4.00	1,284	1,432	83	231	11.8 %	2.2 x	1.6 x	15.9 x	NA	19.8 x	17.3 x	NA	NA	NA	(11.5)%	1.6 x	10.5 %	NA
Pow erwave	4.51	762	905	62	205	147.8 %	1.5 x	1.4 x	16.8 x	12.6 x	NM	19.7 x	(1.3)%	NA	(18.6)%	(18.9)%	2.7 x	11.2 %	9.6 %
TKH Group	28.81	1,063	1,160	31	128	30.5 %	1.0 x	0.8 x	10.4 x	7.6 x	23.3 x	13.2 x	40.6 %	NA	NA	(9.1)%	0.9 x	19.3 %	NA
Wuhan Fingu	2.14	1,187	1,013	182	8	(10.1)%	6.9 x	5.6 x	21.1 x	8.2 x	37.4 x	28.9 x	NA	NA	NA	14.7%	(3.6) x	29.0 %	NA
<b>Mean</b>		<b>4,328</b>	<b>3,887</b>	<b>791</b>	<b>350</b>	<b>27.7 %</b>	<b>2.6 x</b>	<b>2.1 x</b>	<b>12.5 x</b>	<b>8.4 x</b>	<b>18.7 x</b>	<b>16.3 x</b>	<b>8.4 %</b>	<b>8.8 %</b>	<b>5.5 %</b>	<b>6.8%</b>	<b>(0.6) x</b>	<b>14.1 %</b>	<b>6.6 %</b>
<b>Median</b>		<b>1,434</b>	<b>1,432</b>	<b>263</b>	<b>128</b>	<b>12.9 %</b>	<b>2.2 x</b>	<b>1.6 x</b>	<b>12.4 x</b>	<b>8.6 x</b>	<b>18.6 x</b>	<b>15.6 x</b>	<b>2.2 %</b>	<b>5.6 %</b>	<b>(0.6)%</b>	<b>7.8%</b>	<b>(1.0) x</b>	<b>14.2 %</b>	<b>6.4 %</b>

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LO Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
<b>Components &amp; Subsystems</b>																		
AAC Acoustic	161	499.5	728.0	59	184.3	275.0	0.04	0.12	0.17	57.8%	47.7%	50.8%	45.7%	49.2%	44.0%	46.0 %	36.5 %	30.4 %
Belden	425	1,647.2	1,882.9	44	195.9	251.2	0.55	1.77	2.24	NA	NA	NA	14.3%	28.3%	26.4%	28.6 %	10.3 %	6.2 %
BYD Elec	696	2,478.9	3,027.5	73	235.6	283.8	0.02	0.07	0.08	28.5%	19.6%	32.0%	22.1%	20.4%	17.6%	12.7 %	10.4 %	7.4 %
Comba Telecom	205	668.1	843.7	34	117.8	156.2	0.02	0.07	0.08	19.4%	29.9%	35.1%	26.3%	32.6%	24.5%	35.6 %	16.8 %	14.0 %
Comtech	163	814.2	479.4	31	151.8	85.5	0.52	2.89	1.26	(4.9)%	(3.5)%	1.6%	(41.1)%	(43.7)%	(56.3)%	37.4 %	19.0 %	10.5 %
Corning	1,765	6,632.0	7,841.5	539	2,277.0	3,122.1	0.46	2.07	2.00	15.2%	14.1%	(2.0)%	18.2%	37.1%	(3.4)%	43.5 %	30.5 %	41.3 %
Finisar	263	900.3	1,068.9	40	139.6	193.0	0.47	1.41	1.75	57.6%	111.6%	176.5%	18.7%	38.2%	24.0%	32.4 %	15.0 %	16.7 %
Jiangsu Zhongtian	196	647.5	871.6	22	90.1	NA	0.05	0.20	0.23	15.2%	(10.7)%	18.4%	34.6%	NA	14.5%	20.2 %	11.0 %	8.9 %
Pow erwave	176	591.5	667.6	22	53.9	72.0	0.06	0.09	0.23	23.2%	89.7%	400.5%	12.9%	33.5%	154.2%	29.9 %	12.3 %	5.9 %
TKH Group	311	1,129.7	1,432.8	31	111.1	153.0	0.45	1.24	2.18	17.0%	34.1%	327.2%	26.8%	37.7%	76.6%	38.1 %	10.1 %	5.3 %
Wuhan Fingu	41	147.3	180.0	13	47.9	123.4	0.02	0.06	0.07	15.6%	(23.9)%	(37.5)%	22.2%	157.6%	29.1%	57.8 %	32.4 %	23.2 %
<b>Mean</b>	<b>400</b>	<b>1,469</b>	<b>1,729</b>	<b>82</b>	<b>328</b>	<b>472</b>	<b>0.24</b>	<b>0.91</b>	<b>0.94</b>	<b>24.5%</b>	<b>30.9%</b>	<b>100.2%</b>	<b>18.3%</b>	<b>39.1%</b>	<b>31.9%</b>	<b>34.7 %</b>	<b>18.6 %</b>	<b>15.4 %</b>
<b>Median</b>	<b>205</b>	<b>814</b>	<b>872</b>	<b>34</b>	<b>140</b>	<b>175</b>	<b>0.06</b>	<b>0.20</b>	<b>0.23</b>	<b>18.2%</b>	<b>24.7%</b>	<b>33.6%</b>	<b>22.1%</b>	<b>35.3%</b>	<b>24.5%</b>	<b>35.6 %</b>	<b>15.0 %</b>	<b>10.5 %</b>

# Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 3/31/11	Market Cap	Enterprise Value	Cash	Debt	% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R & D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
<b>ODM s &amp; EMS</b>																			
Compal	0.99	4,323	3,456	2,211	1,344	(17.1)%	0.1 x	0.1 x	3.6 x	NM	5.7 x	NM	14.2 %	NA	23.8 %	20.1%	(0.9) x	1.2 %	1.2 %
Cybertan	0.97	320	181	141	2	(31.2)%	0.4 x	0.4 x	11.4 x	NM	25.6 x	14.3 x	1.3 %	0.2 %	(11.1)%	43.6%	(8.8) x	2.3 %	4.2 %
Flextronics	7.47	5,677	6,310	1,598	2,231	23.7 %	0.2 x	0.2 x	5.5 x	NM	9.0 x	7.5 x	2.9 %	5.8 %	4.5 %	(11.1)%	0.6 x	2.7 %	NA
Foxconn	3.80	4,230	3,848	627	245	19.9 %	0.9 x	0.7 x	8.9 x	8.1 x	17.6 x	15.3 x	(5.8)%	11.1 %	13.6 %	9.0%	(0.9) x	4.0 %	0.8 %
Gemtek	1.15	308	383	95	170	(33.2)%	0.5 x	0.4 x	15.6 x	7.4 x	19.2 x	11.4 x	1.3 %	NA	0.0 %	(24.4)%	3.1 x	4.2 %	5.4 %
Lite-On	1.23	2,735	1,750	1,810	825	(2.6)%	0.2 x	0.4 x	2.4 x	4.2 x	9.6 x	8.9 x	(1.3)%	NA	8.8 %	36.0%	(1.4) x	7.5 %	1.9 %
Melco	32.44	721	440	281	0	(3.6)%	0.3 x	0.3 x	2.8 x	2.9 x	8.4 x	8.6 x	3.0 %	NA	NA	39.0%	(1.8) x	11.5 %	NA
MTAC	0.43	651	499	380	228	(9.7)%	0.3 x	NA	12.2 x	NA	NM	NA	NA	NA	NA	23.4%	(3.7) x	7.4 %	4.3 %
Qisda	0.60	1,163	1,744	460	1,041	(14.8)%	0.4 x	0.3 x	12.3 x	NM	9.8 x	NM	(43.0)%	NA	197.2 %	(50.0)%	4.1 x	10.0 %	3.1 %
Quanta	1.88	7,198	6,678	6,163	5,643	16.1 %	0.2 x	0.2 x	9.7 x	NM	12.3 x	NM	0.5 %	(4.4)%	(48.1)%	7.2%	(0.8) x	1.3 %	0.7 %
Wistron	1.58	3,112	3,127	1,425	1,440	(13.3)%	0.2 x	0.1 x	5.3 x	NM	8.3 x	NM	(2.4)%	45.5 %	(0.3)%	(0.5)%	0.0 x	1.7 %	1.8 %
Zow ee	2.76	551	500	56	4	22.2 %	3.8 x	2.4 x	40.9 x	23.1 x	44.8 x	13.9 x	NA	NA	NA	9.4%	(4.2) x	7.1 %	NA
<b>Mean</b>		<b>2,583</b>	<b>2,410</b>	<b>1,271</b>	<b>1,098</b>	<b>(3.6)%</b>	<b>0.6 x</b>	<b>0.5 x</b>	<b>10.9 x</b>	<b>9.1 x</b>	<b>15.5 x</b>	<b>11.4 x</b>	<b>(2.9)%</b>	<b>11.6 %</b>	<b>20.9 %</b>	<b>8.5%</b>	<b>(1.2) x</b>	<b>5.1 %</b>	<b>2.6 %</b>
<b>Median</b>		<b>1,949</b>	<b>1,747</b>	<b>544</b>	<b>535</b>	<b>(6.7)%</b>	<b>0.3 x</b>	<b>0.3 x</b>	<b>9.3 x</b>	<b>7.4 x</b>	<b>9.8 x</b>	<b>11.4 x</b>	<b>0.9 %</b>	<b>5.8 %</b>	<b>4.5 %</b>	<b>9.2%</b>	<b>(0.9) x</b>	<b>4.1 %</b>	<b>1.9 %</b>

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
<b>ODM s &amp; EMS</b>																		
Compal	7,437	28,526.7	30,995.6	235	948.2	747.5	0.04	0.17	0.15	1.2%	(22.1)%	(26.1)%	8.7%	(21.2)%	(14.1)%	4.9 %	3.2 %	2.5 %
Cybertan	110	404.3	488.2	4	15.8	21.2	0.01	0.04	0.07	9.5%	NM	61.1%	20.8%	33.7%	78.9%	9.4 %	3.5 %	2.9 %
Flextronics	7,833	27,761.2	31,734.1	323	1,138.5	1,421.6	0.25	0.83	1.00	19.5%	18.6%	127.3%	14.3%	24.9%	20.7%	5.5 %	4.1 %	2.5 %
Foxconn	1,385	4,419.5	5,136.3	143	433.8	475.0	0.08	0.22	0.25	(8.9)%	26.7%	30.2%	16.2%	9.5%	15.3%	12.7 %	10.3 %	6.8 %
Gemtek	237	701.0	911.8	6	24.5	51.9	0.02	0.06	0.10	60.4%	(27.8)%	4.3%	30.1%	111.8%	67.8%	9.8 %	2.4 %	2.4 %
Lite-On	1,972	7,403.4	4,571.4	243	716.1	413.0	0.03	0.13	0.14	14.1%	92.4%	(4.7)%	(38.3)%	(42.3)%	8.2%	15.2 %	12.3 %	3.9 %
Melco	428	1,464.9	1,575.3	54	157.0	151.4	1.21	3.87	3.78	32.5%	60.3%	57.9%	7.5%	(3.6)%	(2.3)%	22.9 %	12.5 %	6.3 %
MTAC	508	1,801.5	NA	29	40.9	NA	(0.03)	(0.02)	NA	(10.8)%	91.0%	(537.2)%	NA	NA	NA	13.2 %	5.8 %	(9.6)%
Qisda	816	4,387.4	5,789.1	42	141.8	218.9	0.01	0.06	0.06	(19.3)%	(28.1)%	33.3%	31.9%	54.3%	(6.0)%	15.6 %	5.2 %	2.9 %
Quanta	10,293	36,241.6	41,596.5	124	690.1	939.7	0.02	0.15	0.21	17.3%	(35.9)%	(65.8)%	14.8%	NM	34.1%	2.7 %	1.2 %	0.8 %
Wistron	5,514	19,825.6	24,248.1	150	593.6	729.9	0.05	0.19	0.23	10.0%	14.0%	11.3%	22.3%	23.0%	19.6%	5.6 %	2.7 %	1.9 %
Zow ee	42	129.8	210.2	4	12.2	21.6	0.02	0.06	0.20	48.2%	41.1%	(45.6)%	62.0%	76.8%	221.7%	15.5 %	9.0 %	9.2 %
<b>Mean</b>	<b>3,048</b>	<b>11,089</b>	<b>13,387</b>	<b>113</b>	<b>409</b>	<b>472</b>	<b>0.14</b>	<b>0.48</b>	<b>0.56</b>	<b>14.5%</b>	<b>20.9%</b>	<b>(29.5)%</b>	<b>17.3%</b>	<b>26.7%</b>	<b>40.4%</b>	<b>11.1 %</b>	<b>6.0 %</b>	<b>2.7 %</b>
<b>Median</b>	<b>1,101</b>	<b>4,403</b>	<b>5,136</b>	<b>89</b>	<b>295</b>	<b>413</b>	<b>0.03</b>	<b>0.14</b>	<b>0.20</b>	<b>12.0%</b>	<b>18.6%</b>	<b>7.8%</b>	<b>16.2%</b>	<b>23.9%</b>	<b>19.6%</b>	<b>11.3 %</b>	<b>4.7 %</b>	<b>2.7 %</b>



# Introduction to SagePoint Advisors

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## Introduction to SagePoint Advisors

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*SagePoint Advisors is a boutique investment banking firm focused exclusively on providing merger, acquisition and strategic advisory services to growth companies in the technology and telecom sectors.*

<b>Mission</b>	To deliver the senior-level attention, trusted relationships and market insight on \$20-150 million M&A transactions that other investment banks reserve only for much larger transactions.
<b>Services</b>	Sell Side Advisory, Divestitures, Buy Side Advisory, Strategic Investments
<b>Industry Focus</b>	Internet, Communications & IT Infrastructure
<b>Offices</b>	San Diego, CA

### David P. Michaels - Founder & Managing Director



Prior to founding SagePoint Advisors in 2008, David Michaels was a Co-Founder, Partner and Managing Director at Montgomery & Co., a leading investment bank focused on serving emerging-growth technology companies and their venture backers. Mr. Michaels co-founded Montgomery's investment banking business in 1996 as the lead banker and played an instrumental role in building the business to over \$50 million in revenues and 80 employees. Mr. Michaels launched Montgomery's San Diego office in 2003 and established Montgomery as the dominant brand in the region. Mr. Michaels also ran the firm's Communications and Digital Media Technology practice areas for several years prior to his departure. During his 14 year tenure at Montgomery, Mr. Michaels advised CEOs and Boards on more than 75 corporate strategy, M&A and fund raising engagements.

Mr. Michaels has intimate knowledge of the strategic landscape, market dynamics and technology underpinnings of several high technology market segments including wireless infrastructure, software and services, voice, video and data infrastructure, software and services, storage infrastructure and software, networking equipment, Internet software and services and semiconductors. Prior to co-founding Montgomery's investment banking business, Mr. Michaels managed strategic consulting assignments for the firm including market entry analysis, acquisition search studies and strategic portfolio assessments.

Prior to joining the Montgomery in 1994, Mr. Michaels held various investment banking positions including a position within Bankers Trust Corporate Finance Department, where he helped execute merger and acquisition assignments such as sale mandates and valuation analyses. Prior to that, Mr. Michaels worked as a structural engineer at General Dynamics, where he assisted on the Advanced Tactical Fighter program. Mr. Michaels received an M.B.A. with an emphasis in marketing and entrepreneurship from the Anderson School of Management at UCLA and holds a B.S. in Mechanical Engineering from the University of Michigan.

### Teak Murphy - Senior Associate



Prior to joining SagePoint, Teak worked as a Senior Associate with Enterprise Partners Venture Capital, the largest Southern California based VC firm, where he evaluated investment opportunities and worked closely with senior management and board members to successfully grow portfolio companies. Prior to Enterprise Partners, Teak worked as an Associate in technology investment banking at Montgomery & Co. where he spent three years working closely with SagePoint's founder David Michaels on buy-side and sell-side M&A transactions. Prior to Montgomery, Teak worked at Cowen & Co. advising technology companies on M&A and IPO transactions.

Teak's experience working on fund raising, mergers and acquisitions, and initial public offerings as both an advisor and investor provides unique insight into the needs of venture-backed companies. Teak graduated from the University of Southern California with honors, receiving a B.S. in Business Administration and Finance .

## Primary Industry Focus – Communications & Networking

Segment	Subcategory Examples	
<b>Cloud, SaaS &amp; Internet</b>	<ul style="list-style-type: none"> <li>• Cloud Computing</li> <li>• Cloud Storage</li> <li>• Cloud Security</li> <li>• Software-as-a-Service</li> </ul>	<ul style="list-style-type: none"> <li>• Web Hosting &amp; Colocation</li> <li>• Web-Based Communications</li> <li>• Social Networking</li> <li>• Internet Search &amp; Marketing</li> </ul>
<b>Wireless &amp; Mobile</b>	<ul style="list-style-type: none"> <li>• Mobile Applications</li> <li>• Mobile Advertising</li> <li>• Mobile Payments</li> <li>• Location Based Services</li> <li>• Wireless Gateways</li> </ul>	<ul style="list-style-type: none"> <li>• Network Infrastructure</li> <li>• Network Software</li> <li>• Client Devices</li> <li>• Semiconductors</li> </ul>
<b>Voice, Video &amp; Data</b>	<ul style="list-style-type: none"> <li>• Service Providers</li> <li>• Client Software</li> <li>• Server Software</li> <li>• Telecom Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Premise Equipment</li> <li>• Consumer Devices</li> <li>• Semiconductors</li> </ul>
<b>IT Infrastructure</b>	<ul style="list-style-type: none"> <li>• Data Networking</li> <li>• Computing</li> <li>• Storage</li> <li>• Security</li> <li>• Virtualization</li> </ul>	<ul style="list-style-type: none"> <li>• Network Management</li> <li>• Systems Management</li> <li>• Application Acceleration</li> <li>• Data Analytics</li> </ul>

# Transaction Experience of SagePoint Team

 <i>has been acquired by</i>  Up to \$120,000,000 Pending	 <i>has been acquired by</i>  August 2009	 <i>has been acquired by</i> Undisclosed Buyer November 2008	 <i>has sold certain assets to</i> Undisclosed Handset OEM October 2008	 Buyside Advisory 2008	 <i>has been acquired by</i>  April 2008	 <i>has sold its assets to</i>  \$10,000,000 October 2007
 <i>has been acquired by</i>  \$34,875,000 September 2007	 Initial Public Offering \$82,500,000 Co-manage June 2007	 <i>has been acquired by</i>  January 2007	 Initial Public Offering \$167,440,000 Co-manager September 2006	 <i>has been acquired by</i>  August 2006	 <i>has been acquired by</i>  August 2006	 Senior Convertible Debentures \$5,000,000 Financial Advisor and Placement Agent July 2006
 <i>has been acquired by</i>  \$150,000,000 July 2006	 <i>has sold its SRAM assets to</i>  January 2006	 Private Investment in Public Equity \$14,400,000 Co-Agent January 2006	 <i>has been acquired by</i>  October 2005	 <i>has agreed to the sale of their NAS Software Intellectual Property to</i>  \$50,000,000 May 2005	 <i>has sold a minority stake to</i> Strategic Investor 2005	 <i>has been acquired by</i> <b>THOMSON</b> August 2004
 <i>has been acquired by</i>  \$122,500,000 April 2004	 <i>has been acquired by</i>  December 2003	 <i>has been acquired by</i>  August 2003	 <i>has been acquired by</i>  February 2003	 <i>has been acquired by</i>  April 2002	 Private Placement \$9,900,000 Placement Agent July 2001	 <i>has merged with</i>  \$157,000,000 March 2000

## Transaction Experience by Market Segment

*The SagePoint Team has led more than 75 M&A and fund raising engagements with deal experience across the Internet, Communications and IT Infrastructure value chain.*

Segment	Transaction Experience Examples	
<b>Cloud, SaaS &amp; Internet</b>	<ul style="list-style-type: none"> <li>• Xumii sale to Myriad Group</li> <li>• AccessLine sale to Telanetix</li> <li>• Neven Vision sale to Google</li> <li>• Unicru sale to Kronos</li> <li>• Element5 sale to Digital River</li> </ul>	<ul style="list-style-type: none"> <li>• ZoneOfTrust sale to Guardent</li> <li>• GeoNet sale to Level 3</li> <li>• Compute Intensive sale to Verio</li> <li>• Speakeasy Capital Raise</li> <li>• Cephren Strategic Investment</li> </ul>
<b>Wireless &amp; Mobile</b>	<ul style="list-style-type: none"> <li>• CCPU sale to Radisys</li> <li>• Xumii sale to Myriad Group</li> <li>• Strix sale to Idream</li> <li>• Sky Mobile Media Asset Sale</li> <li>• Neven Vision sale to Google</li> </ul>	<ul style="list-style-type: none"> <li>• CommAsic sale to Freescale</li> <li>• Peregrine Strategic Investment</li> <li>• Synad sale to STMicro</li> <li>• Airprime sale to Sierra Wireless</li> <li>• Tachyon Capital Raise</li> </ul>
<b>Voice, Video &amp; Data</b>	<ul style="list-style-type: none"> <li>• Vativ sale to Entropic</li> <li>• AccessLine sale to Telanetix</li> <li>• CrystalVoice sale to GIPS</li> <li>• DivX IPO</li> <li>• TIR sale to Philips</li> </ul>	<ul style="list-style-type: none"> <li>• Gyration sale to Philips</li> <li>• Compute Intensive sale to Verio</li> <li>• Speakeasy Capital Raise</li> <li>• Tachyon Capital Raise</li> <li>• Telecore sale to ViaSource</li> </ul>
<b>IT Infrastructure</b>	<ul style="list-style-type: none"> <li>• Network Physics sale to OpNet</li> <li>• AuthenTec IPO</li> <li>• Raptor Networks Capital Raise</li> <li>• Procom sale to Sun</li> </ul>	<ul style="list-style-type: none"> <li>• LVL7 sale to Broadcom</li> <li>• Neteon sale to CA</li> <li>• ZoneOfTrust sale to Guardent</li> <li>• DataDirect Capital Raise</li> </ul>

# Representative Buyer Relationships

Internet / Media	Service Providers	IT Infrastructure & Software	Telecom Equipment	Consumer Electronics	Semiconductors
amazon.com.	at&t	ca	AVAYA	Apple	AMD
AOL	BT	CITRIX®	Alcatel-Lucent	LG	BROADCOM.
Disney	Comcast	DELL®	CISCO SYSTEMS	NOKIA Connecting People	freescale™ semiconductor
facebook.	COX COMMUNICATIONS	EMC²	ERICSSON	PHILIPS	infineon
Google	orange™	hp®	HUAWEI	Panasonic	intel®
IAC/InterActiveCorp	NTT/VERIO	IBM	Juniper NETWORKS	PHILIPS	MARVELL®
Linked in.	Sprint	Microsoft®	MOTOROLA	SAMSUNG	MEDIA TEK
Microsoft®	T-Mobile...	NetApp™	Nokia Siemens Networks	SHARP.	QUALCOMM
News Corporation	verizon	ORACLE®		SONY	ST ERICSSON
YAHOO!	vodafone	SAP®			TEXAS INSTRUMENTS
zynga®		symantec.			
		vmware			

## Why Work With SagePoint?

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- SagePoint delivers the senior-level attention, trusted relationships and market insight on \$20-150M transactions that larger investment banks reserve only for much larger transactions
- SagePoint's domain knowledge is world-class across most segments of the Internet, Communications and IT Infrastructure value chain
- SagePoint has developed trusted relationships with the most active strategic buyers across the Internet, Communications and IT Infrastructure value chain
- SagePoint has the M&A expertise that comes only from decades of experience focusing on strategic transactions
- SagePoint's unwavering integrity and commitment to intellectual honesty ensures that we tell our clients what they need to hear to make sound business decisions
- At SagePoint, we offer sage advice that points our clients in the right direction to ensure an optimal outcome