

SagePoint Telecom Services 100

Q2 2010 Performance Review

An Analysis of Public Telecom and Data Center Services
Companies from a Valuation and M&A Perspective

September 2010

Prepared By:



For more information contact David Michaels at (858) 926-5950 or dmichaels@sagepointadvisors.com

Table of Contents

<u>Section</u>	<u>Page</u>
• SagePoint Telecom Services 100 Universe	3-4
• SagePoint's Viewpoint – Key Takeaways	5-6
• Stock Performance	7-8
• Q3 Performance Versus Estimates	9-10
• Revenue & EPS Growth	11-14
• Margin & CapEx Analysis	15-19
• Revenue Multiples	20-21
• EBITDA Multiples	22-23
• P/E Multiples	24-25
• Balance Sheet Strength	26-27
• Detailed Financial Metrics By Company	28-35
• Introduction to SagePoint	36-43

SagePoint Telecom Services 100 Universe

Q2 Adds:

• None

		Market Segment											
		LEC/ICP - Intl	LEC/ICP - National	LEC/ICP - Regional	Data Access & Transport	Hosting & Data Center	VoIP Specialty	Cable & Satellite TV	Satellite Voice & Data	Wireless - Intl Emerging	Wireless - Intl Developed	Wireless - US	Wireless Towers
1	8x8						X						
2	Abovenet				X								
3	Alaska Comm			X									
4	America Movil									X			
5	American Tower												X
6	AOL				X								
7	AT&T		X									X	
8	Atlantic Tele											X	
9	BCE	X											
10	Bharti Airtel									X			
11	British Sky							X					
12	BT	X											
13	Cablevision							X					
14	Cbeyond						X						
15	CenturyLink			X									
16	Charter Comm							X					
17	China Mobile									X			
18	China Telecom	X											
19	China Unicom	X								X			
20	Chunghwa Telecom	X											
21	Cincinnati Bell			X									
22	Clearwire											X	
23	Cogent Comm				X								
24	COLT Telecom				X								
25	Comcast							X					

Q2 Drops:

• None

		Market Segment											
		LEC/ICP - Intl	LEC/ICP - National	LEC/ICP - Regional	Data Access & Transport	Hosting & Data Center	VoIP Specialty	Cable & Satellite TV	Satellite Voice & Data	Wireless - Intl Emerging	Wireless - Intl Developed	Wireless - US	Wireless Towers
26	Consolidated Comm			X									
27	Crown Castle												X
28	Deutsche Telekom	X									X		
29	DIRECTV							X					
30	Dish Network							X					
31	EarthLink				X								
32	Emirates Telecom	X											
33	Equinix					X							
34	France Telecom	X									X		
35	Frontier Comm			X									
36	General Comm			X									
37	Global Crossing				X								
38	Globalstar								X				
39	GTL Infrastructure												X
40	Hellenic Telecom	X											
41	Hughes								X				
42	Iliad				X								
43	Inmarsat								X				
44	Internap				X	X							
45	KDDI										X		
46	Leap Wireless											X	
47	Level 3 Comm				X								
48	Liberty Global							X					
49	Loral								X				
50	Maroc Telecom									X			

SagePoint Telecom Services 100 Universe – Continued

		Market Segment											
		LEC/ICP - Intl	LEC/ICP - National	LEC/ICP - Regional	Data Access & Transport	Hosting & Data Center	VoIP Specialty	Cable & Satellite TV	Satellite Voice & Data	Wireless - Intl Emerging	Wireless - Intl Developed	Wireless - US	Wireless Towers
51	MetroPCS											X	
52	Mobile Telecom									X			
53	Mobile Telesystems									X			
54	MTN Group									X			
55	NaviSite					X							
56	NTELOS											X	
57	NTT	X											
58	NTT DoCoMo										X		
59	PAETEC			X									
60	Peer 1 Network					X							
61	Perusahaan Telekom									X			
62	Qatar Telecom												
63	Qwest		X										
64	Rackspace					X							
65	Reliance									X			
66	Rogers							X			X		
67	Royal KPN										X		
68	Saudi Telecom									X			
69	SAVVIS					X							
70	SBA Comm												X
71	SES								X				
72	Shaw Comm							X					
73	Shenandoah											X	
74	Singapore Telecom									X			
75	SOFTBANK										X		

		Market Segment											
		LEC/ICP - Intl	LEC/ICP - National	LEC/ICP - Regional	Data Access & Transport	Hosting & Data Center	VoIP Specialty	Cable & Satellite TV	Satellite Voice & Data	Wireless - Intl Emerging	Wireless - Intl Developed	Wireless - US	Wireless Towers
76	Sprint Nextel												X
77	Swisscom	X											
78	Telanetix						X						
79	Tele Norte	X											
80	Teletcity					X							
81	Telecom Italia	X										X	
82	Telefonica											X	
83	Telenor									X			
84	TeliaSonera										X		
85	Telmex	X											
86	Telstra	X											
87	TELUS	X											
88	Terremark					X							
89	Time Warner Cable							X					
90	Tiscali					X							
91	Tulip Telecom					X							
92	tw telecom			X									
93	United Internet					X							
94	US Cellular												X
95	Verizon		X										X
96	ViaSat							X					
97	Vodafone										X		
98	Vonage						X						
99	Web.com					X							
100	Windstream			X									

SagePoint's Viewpoint - Key Takeaways

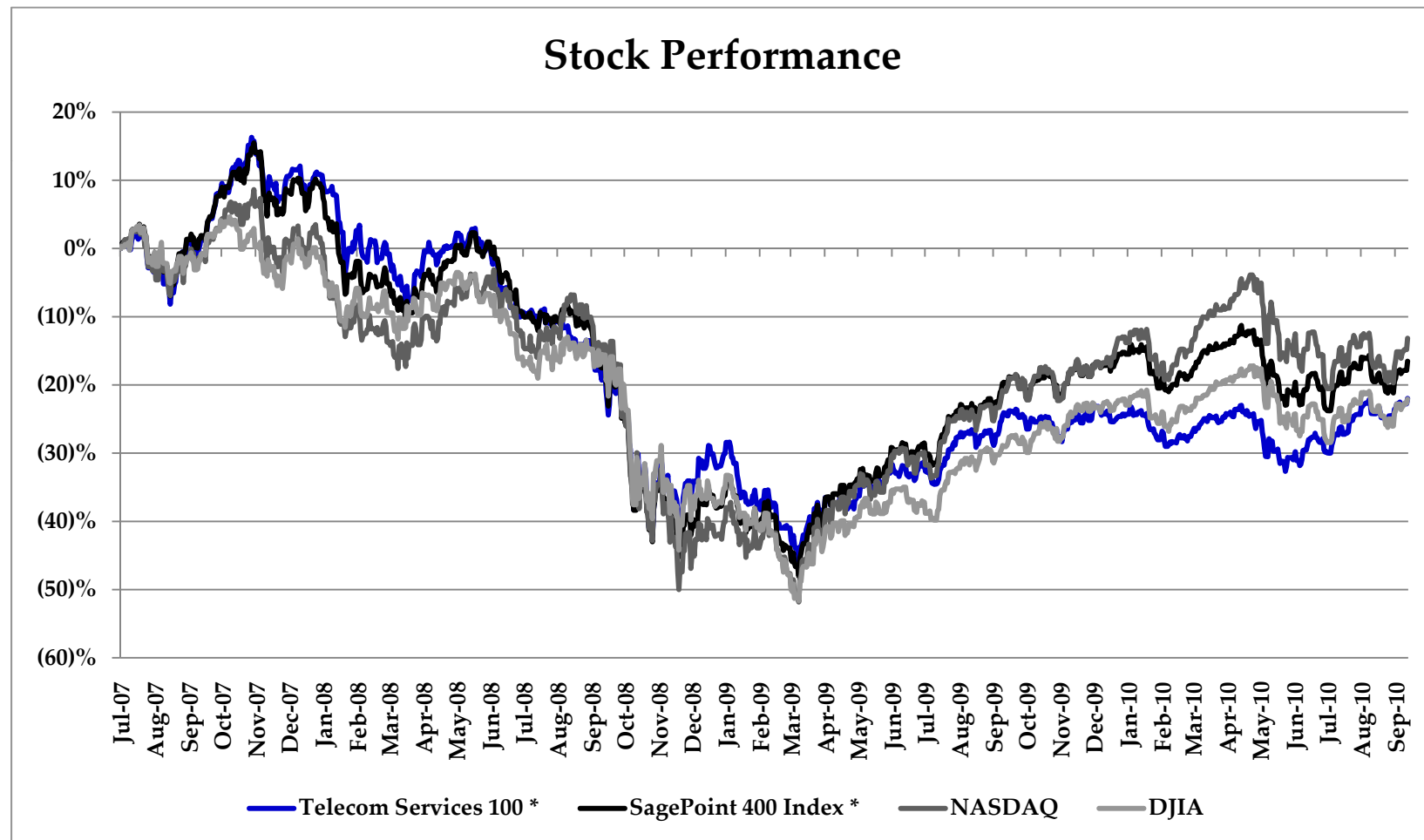
- The Telecom Services Index is up 2.7% from start of Q2, outperforming relative to the SagePoint 400, Nasdaq and Dow
 - The SagePoint Telecom Services 100 had a median gain of 3.8% since start of Q2 with recent gains overcoming drops in the beginning of Q2 as European economic concerns forced prices down
 - Hosting & Data Center led gains, up 18.6%, with strong growth in traffic expected
- The vast majority of Telecom Services companies are meeting or beating expectations
 - ~90% of the Telecom Services 100 met or beat Q2 revenue targets, with beats doubling misses
 - On the EBITDA side, 84% of companies met or beat expectations beats outnumbering misses 2.5 to 1
- Telecom Services 100 has returned to moderate growth mode with revenues up a median 5.4%
 - Only Data Access & Transport and Intl Developed Wireless had significant revenue contraction
 - Revenue growth is expected to continue at median of 5.8% NTM, though segment growth rates vary widely with National LEC/ICP and Data Access & Transport contracting slightly while Hosting & Data Center, Wireless Towers and Satellite Voice & Data expect double digit revenue growth
- Telecom Services 100 median EBITDA growth remains stable at 7.4% in Q2
 - EBITDA growth is projected to remain relatively steady, up 7.7% over the next twelve months
 - Satellite Voice & Data, Hosting & Data Center and Wireless Towers expect strongest growth of 20%+
 - International LEC/ICP is the only segment projecting slight EBITDA contraction

SagePoint's Viewpoint - Key Takeaways Continued

- Telecom Services operating models appear healthy in Q2 following recent spending reductions
 - Median gross margins of 57.3% are within historic norms and up slightly from Q1
 - Median SG&A as a % of revenue rose slightly to 21.2% in Q2 as some carriers cautiously increase spending
 - Median EBITDA margins are up slightly to 34.8% on revenue growth and improved gross margins though increases in opex spending held back growth
 - Median CapEx as % of revenue increased to 13.7% in Q2 after a sharp drop to 12.2% in Q1 as aggregate CapEx increased 13.7%
- Valuation multiples ended Q2 down, primarily due to European economic concerns but have come back in recent months above Q1 levels, though still well off '07 peak levels
 - Median revenue multiple at 2.2x LTM
 - Median EBITDA multiple at 6.3x LTM
- Improving EBITDA and the rally in recent months has improved leverage levels
 - Median Net Debt/EBITDA fell slightly and stands at 2.0x, returning to historic norms
 - Median Net Debt as a % of Market Cap dropped to 42%, still quite high relative to historic levels
- Telecom Services M&A activity remained healthy in Q2, though down relative to Q1
 - CenturyLink's \$24B acquisition of Qwest is the second largest Telco deal in the past two years and the only deal over a billion dollars in Q2
 - Other notable transactions include FarEasTone/NewCentury InfoComm (\$647M), Cincinnati Bell/Cyrus Networks (\$525M), Digital Realty Trust acquiring five data centers for \$725M and Harris/CapRock (\$525M)
 - SagePoint expects deal activity to continue at a strong pace throughout 2010 and into 2011

SagePoint Telecom Services 100 Index Performance

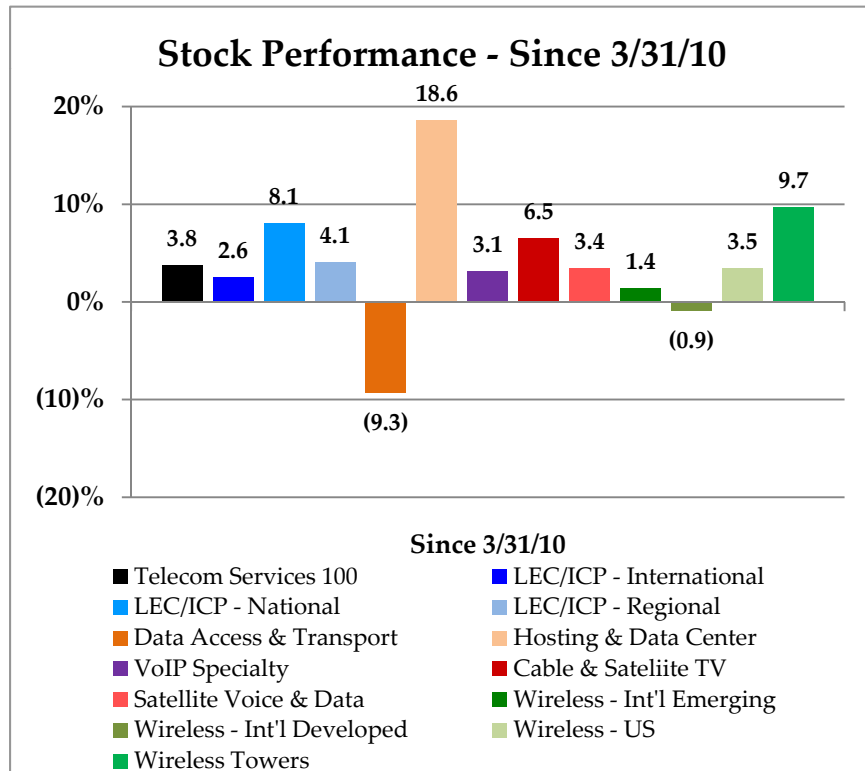
- Telecom Services has underperformed over the past three years, most poorly relative to the market from mid '09 to mid'10 but has shown recent strength from the beginning of Q3
- From the beginning of Q2'10 to now, the Telecom Services Index is up 2.7%, outperforming the SagePoint 400 (-2.3%), Nasdaq (-4.3%) and Dow (-2.3%)



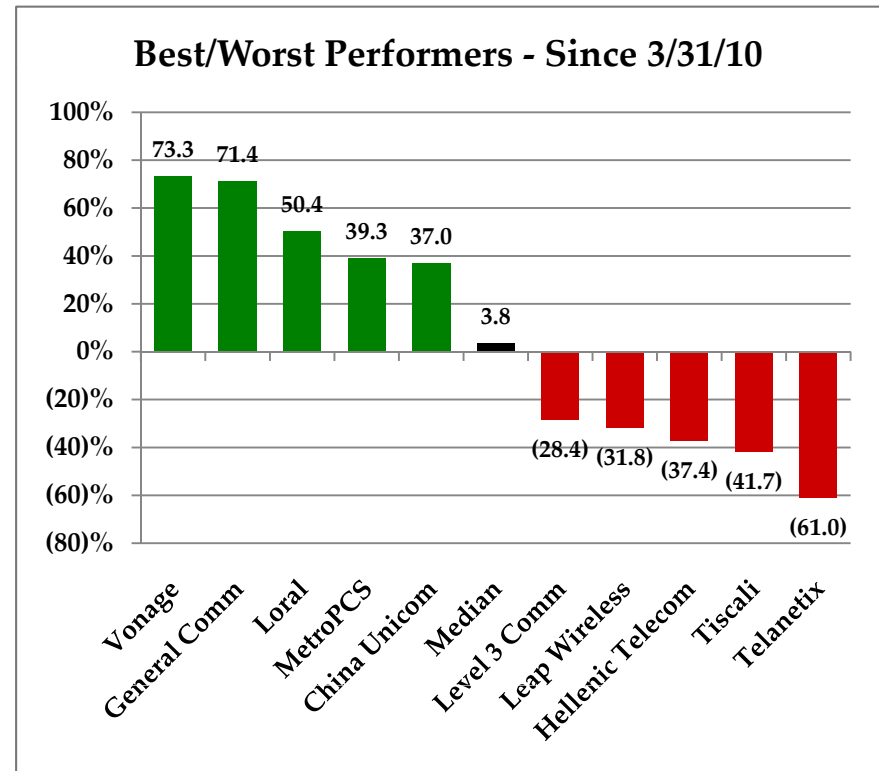
* Market Value weighted index
SagePoint Telecom Services 100 – Q2 2010

Stock Performance Since Beginning of Q2

- The SagePoint Telecom Services 100 had a median gain of 3.8% with recent gains overcoming drops in the beginning of Q2 as European economic concerns forced prices down
 - Hosting & Data Center led gains, up 18.6%, with strong growth in traffic expected
 - Wireless Towers and National LEC/ICP also posted meaningful growth of 8-10%
 - Data Access & Transport fell nearly 10% on concerns for growth opportunities
- Vonage led gains, up 73.3%, as their model proves itself out with General Comm close behind, up 71.4%



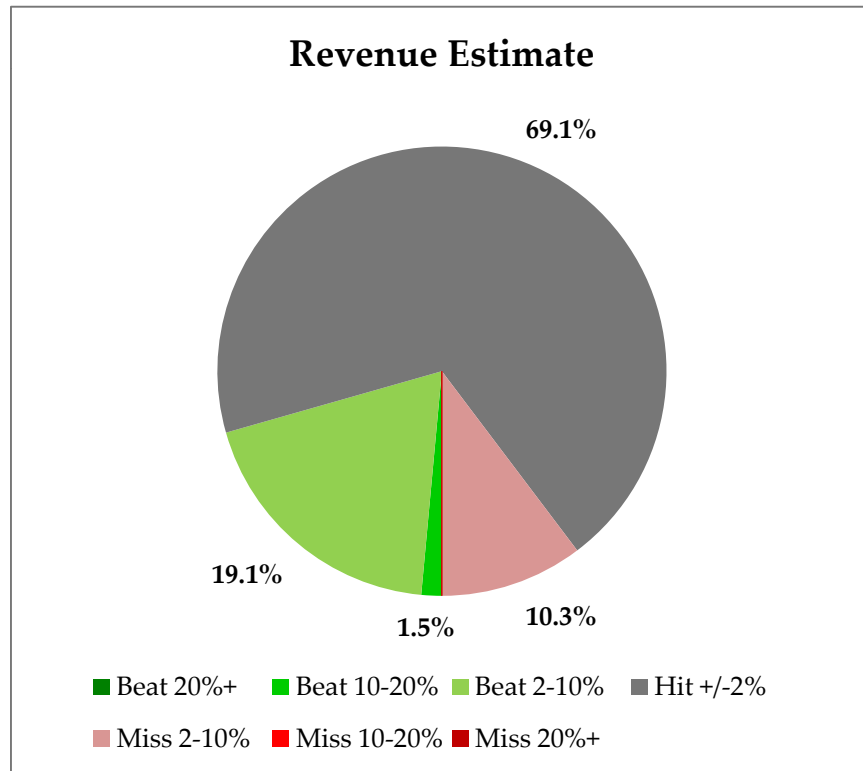
Source: SagePoint Advisors & Capital IQ



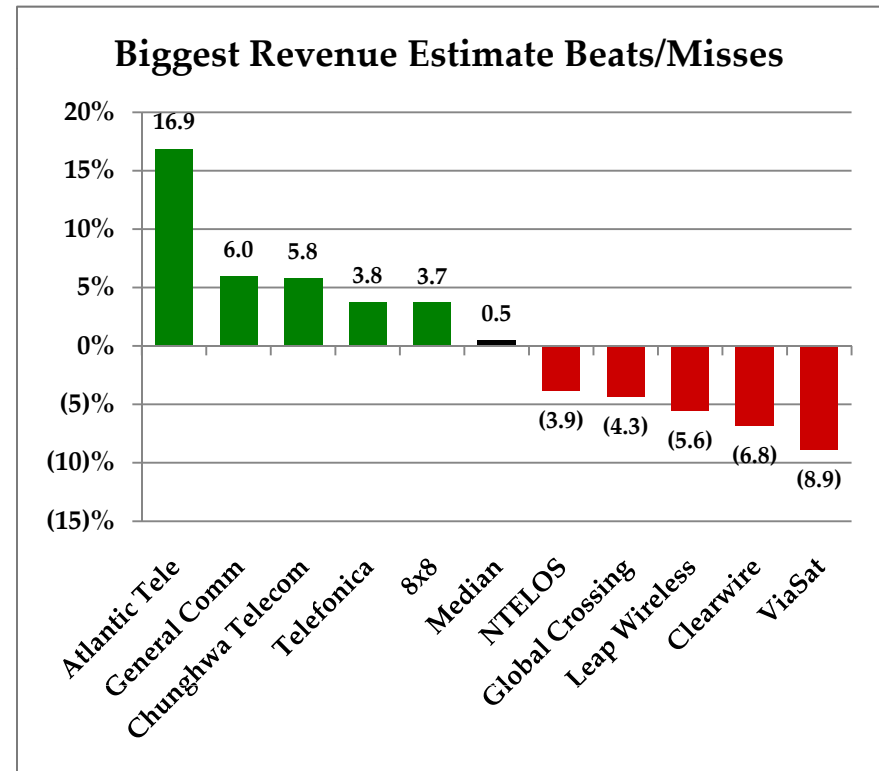
Source: SagePoint Advisors & Capital IQ

Q2 Performance Versus Analyst Estimates – Revenue

- The vast majority of the Telecom Services 100 (~90%) met or beat estimates
 - Positive surprises outnumbered negative 2 to 1
- Atlantic Tele’s beat came on the inclusion of acquired Alltel assets which management hasn’t provided guidance for, leaving analysts guessing
- General Comm and Chunghwa Telecom were the only others beating by more than 5%
- ViaSat, Clearwire and Leap all missed revenue targets by more than 5%



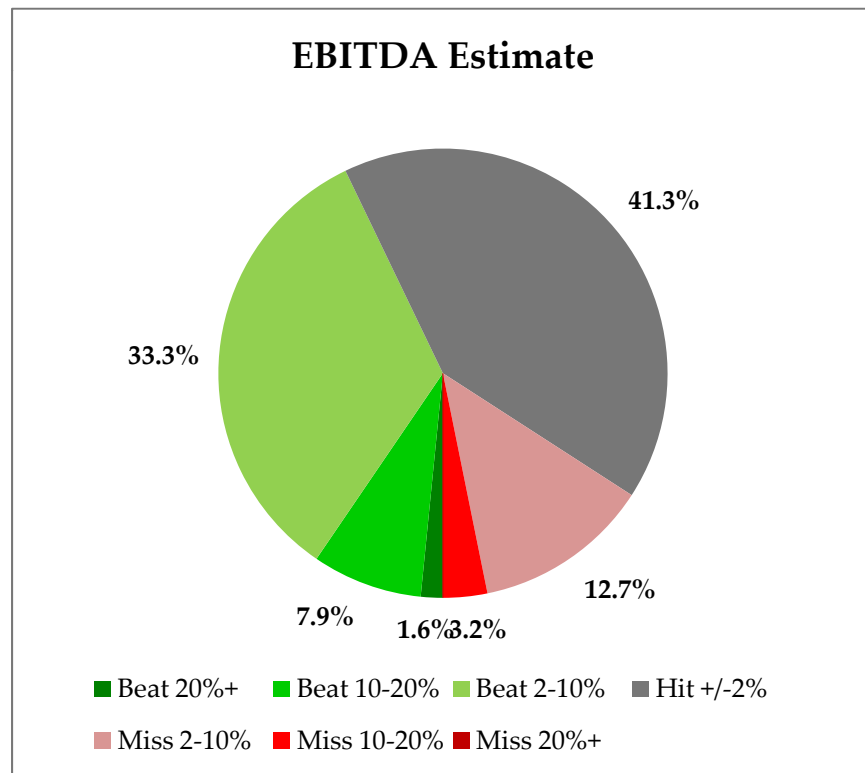
Source: SagePoint Advisors & Capital IQ



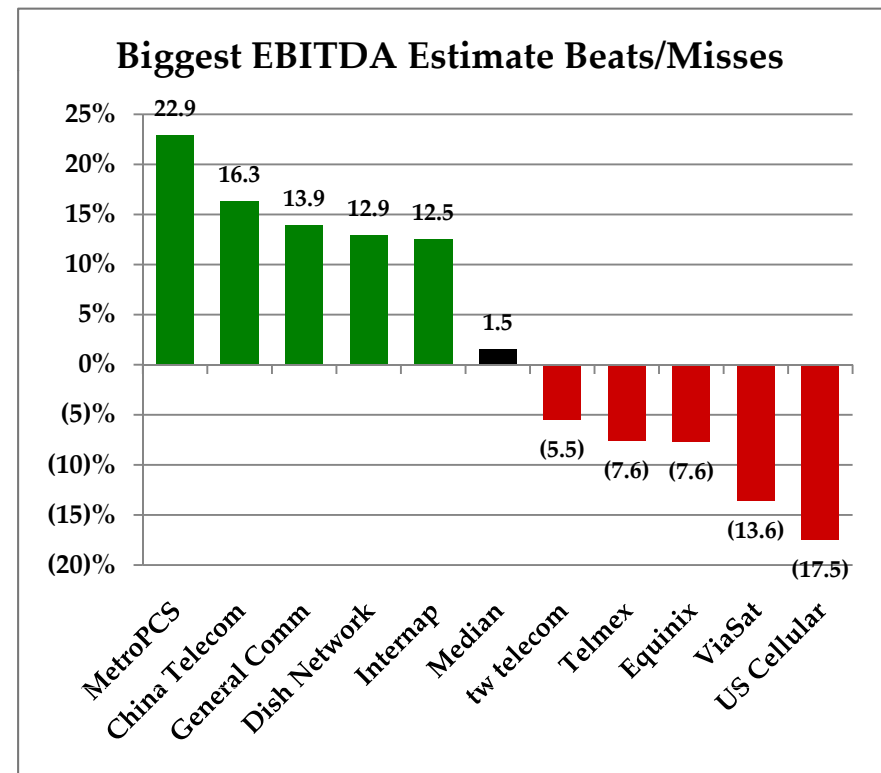
Source: SagePoint Advisors & Capital IQ

Q2 Performance Versus Analyst Estimates – EBITDA

- 84% of the Telecom Services 100 met or beat EBITDA estimates
 - Nearly half of reports were positive surprises, outnumbering negative 2.5 to 1
- MetroPCS came through with a big beat on EBITDA from revenue exceeding expectations, strong cost control and higher net additions
- China Telecom beat EBITDA estimates as the wireless business scales faster than expected
- US Cellular missed by 17.5% despite ARPU holding up a little better than expected as smartphone subsidies and higher marketing costs hampered EBITDA



Source: SagePoint Advisors & Capital IQ

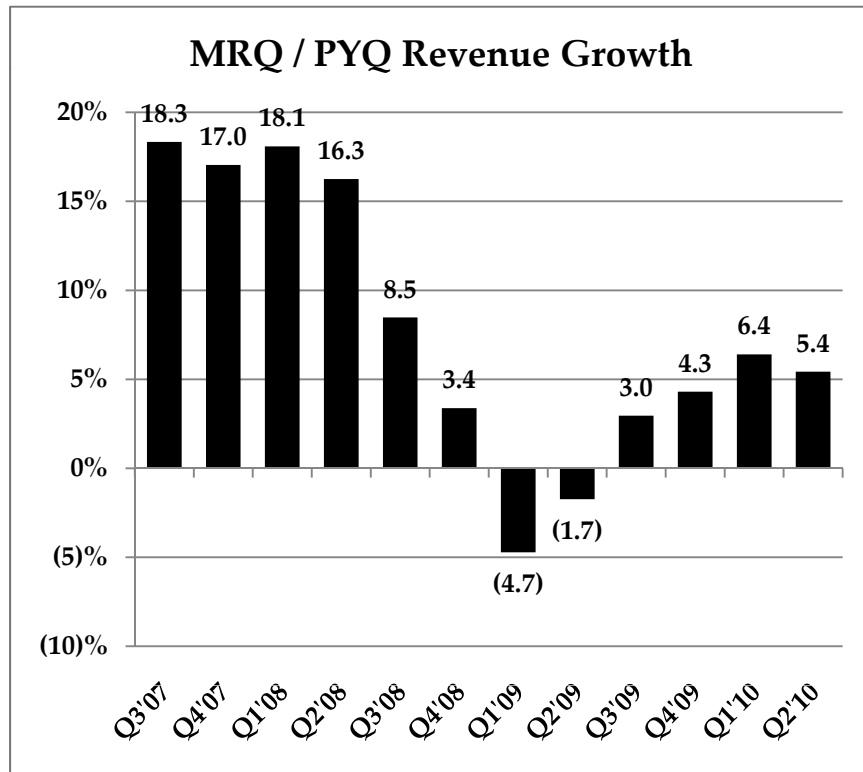


Source: SagePoint Advisors & Capital IQ

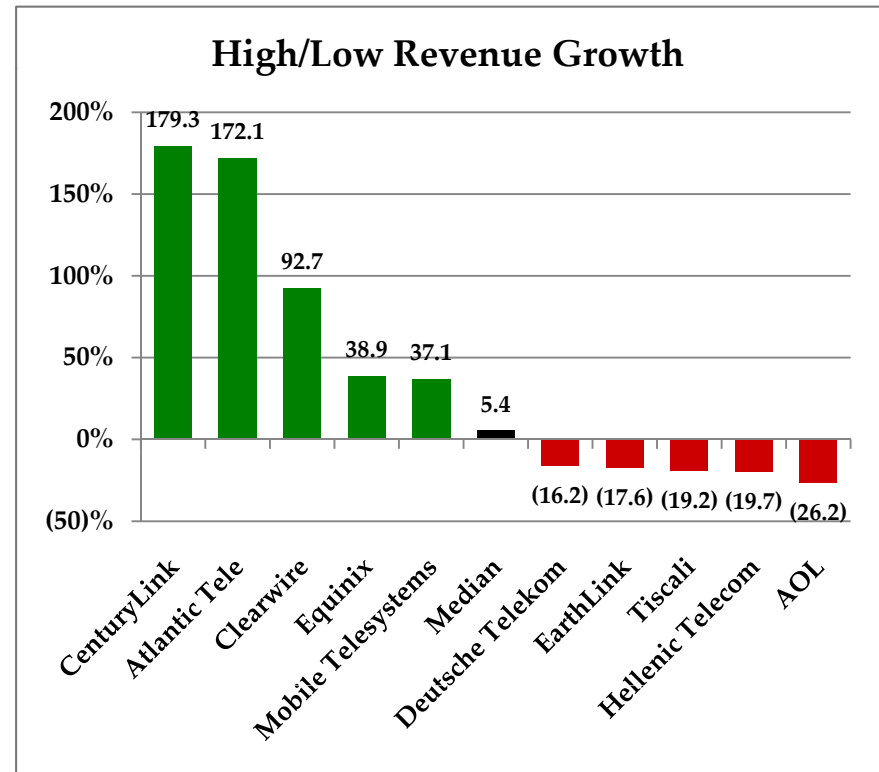
Note: Excludes companies projected to have EBITDA margin between -2% and 2%

Operating Metrics – Revenue Growth

- Telecom Services 100 has returned to moderate growth mode, up a median 5.4%
 - CenturyLink and Atlantic Tele growth was driven by acquisitions of Embarq and Alltel, respectively
 - Clearwire’s strong revenue growth continues as its WiMax service continues to roll out
 - Equinix’s revenue growth driven by acquisition of Switch & Data
 - AOL revenues drop as the company continues to fight declining legacy business while shedding non-core assets
 - Analysts seem hopeful that the worst is behind and AOL seems to be executing on its turnaround



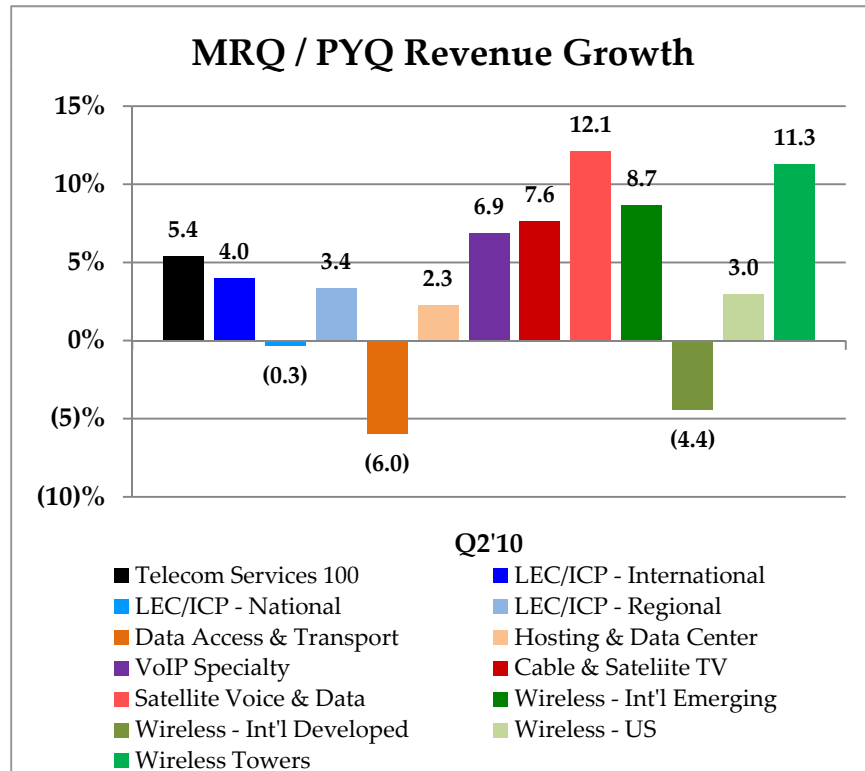
Source: SagePoint Advisors & Capital IQ



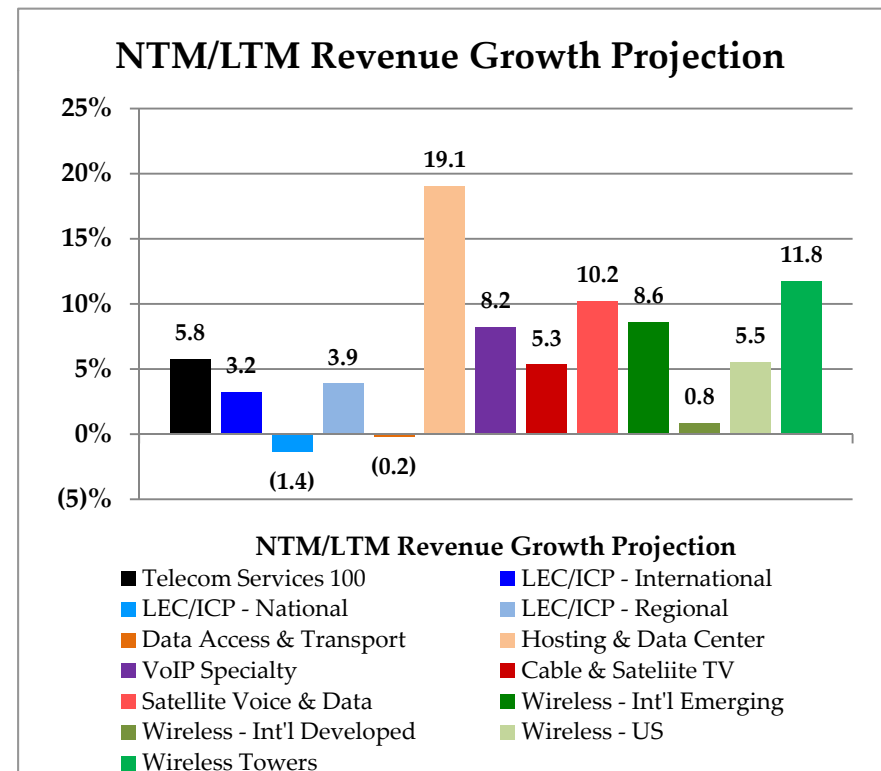
Source: SagePoint Advisors & Capital IQ

Operating Metrics – Revenue Growth by Segment

- Satellite Voice & Data and Wireless Towers posted double digit revenue growth with VoIP Specialty, Cable & Satellite TV and Intl Emerging Wireless also beating the median
- Only Data Access & Transport and Intl Developed Wireless had significant revenue contraction
- Hosting & Data Center, Wireless Towers and Satellite Voice & Data expect double digit growth
- National LEC/ICP and Data Access & Transport expect slight revenue contraction NTM
- Intl segment growth rates negatively impacted by currency translation due to weakening euro



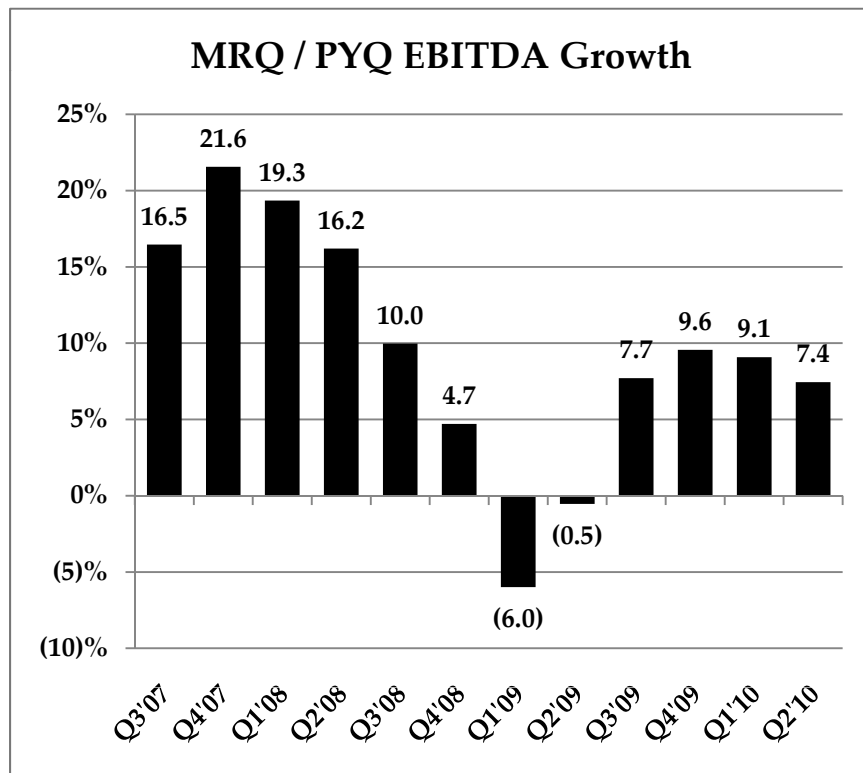
Source: SagePoint Advisors & Capital IQ



Source: SagePoint Advisors & Capital IQ

Operating Metrics – EBITDA Growth

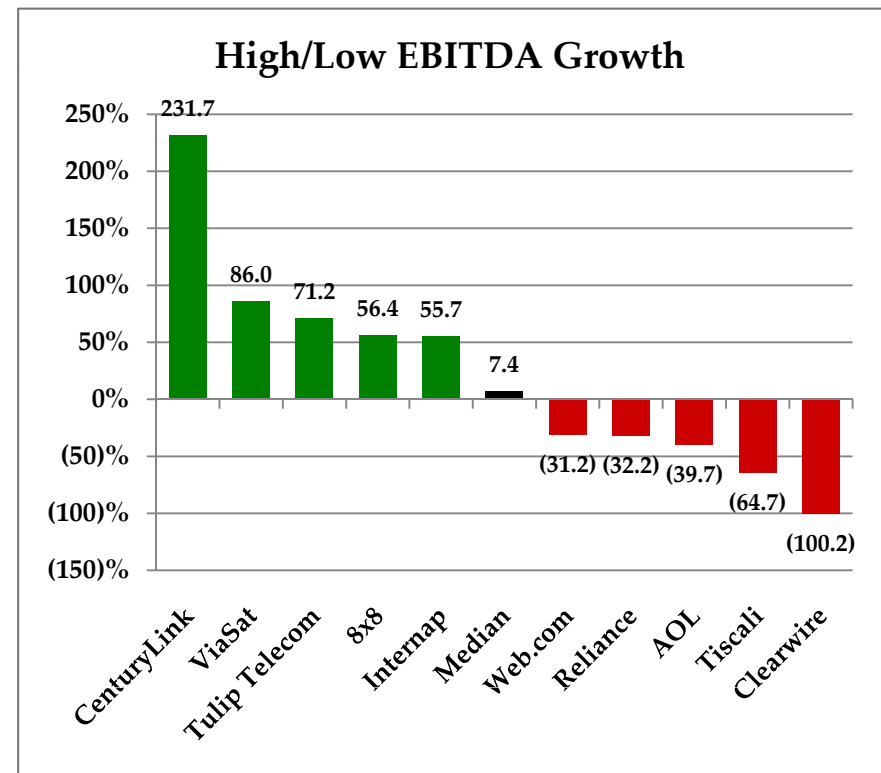
- Telecom Services 100 median EBITDA growth remains stable at 7.4% in Q2
 - CenturyLink growth driven by Embarq acquisition
 - ViaSat and Tulip EBITDA up Y/Y as the businesses scale
 - Clearwire EBITDA contraction as the company boosts SG&A and network-related opex to support marketing and network build-out
 - Tiscali EBITDA drop due to sale of UK operations



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a EBITDA margin between -2% and 2% in the PYQ

SagePoint Telecom Services 100 – Q2 2010

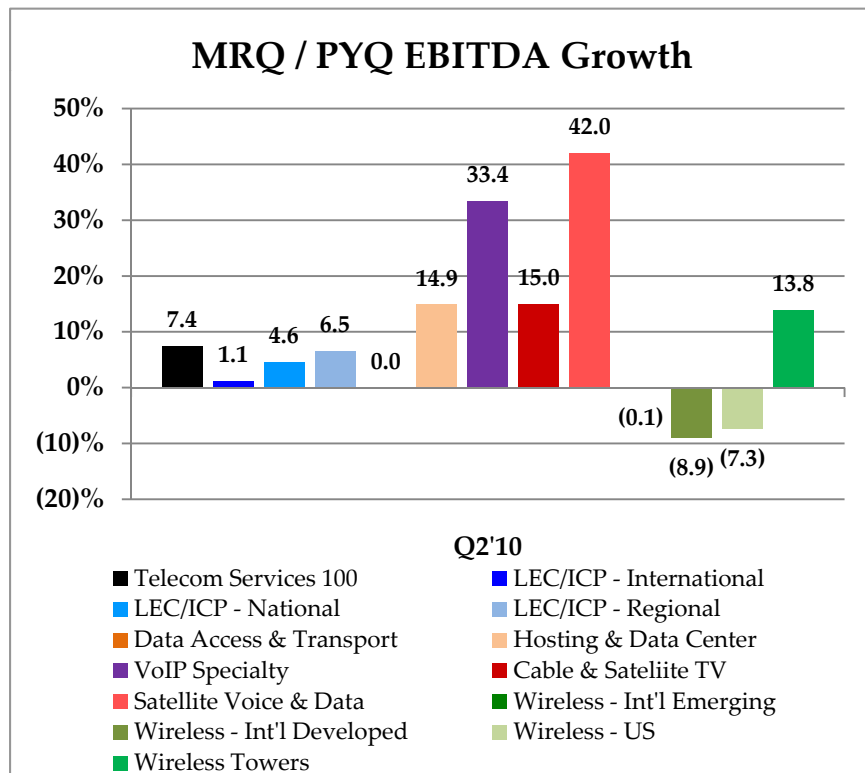


Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a EBITDA margin between -2% and 2% in the PYQ

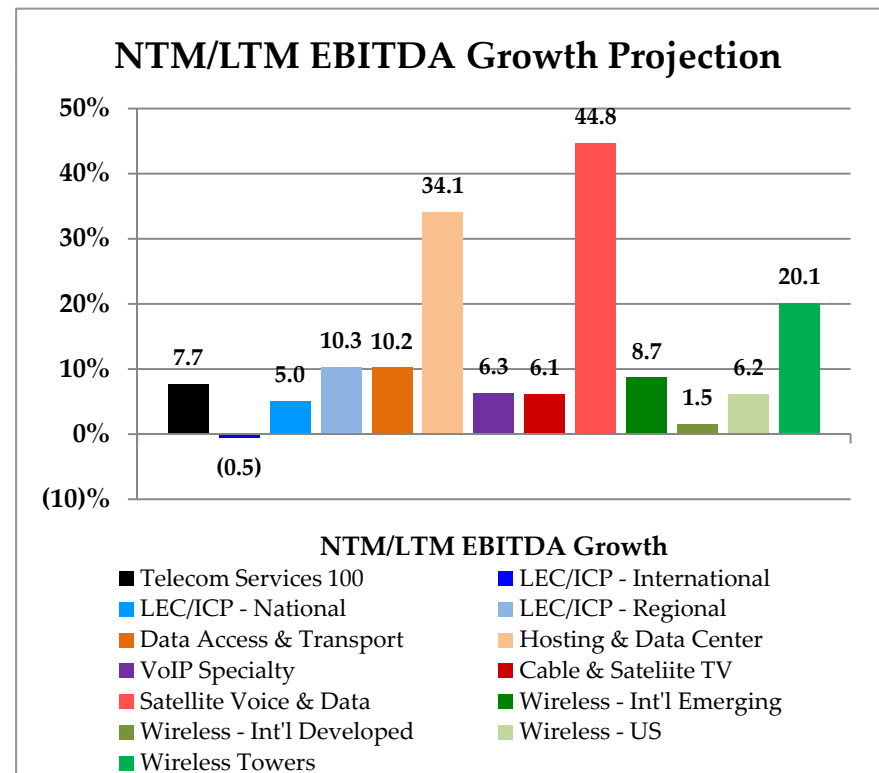
Operating Metrics – EBITDA Growth by Segment

- EBITDA growth is projected to remain relatively steady, up 7.7% over the next twelve months
- Satellite Voice & Data showed strong growth of 42% with more growth ahead as the business continues to develop
- VoIP Specialty continues to demonstrate strong EBITDA growth as the segment matures and operating models gain leverage, though NTM growth will be lower as ramp flattens
- Hosting & Data Center and Wireless Towers' strong growth to increase NTM
- International LEC/ICP is the only segment projecting slight EBITDA contraction



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a EBITDA margin between -2% and 2% in the PYQ

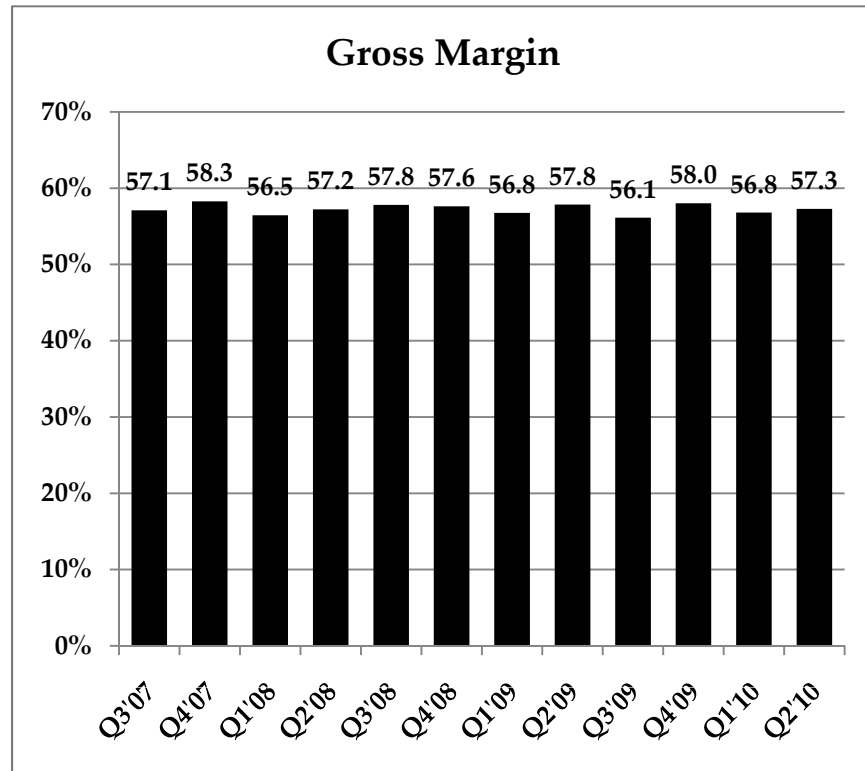


Source: SagePoint Advisors & Capital IQ

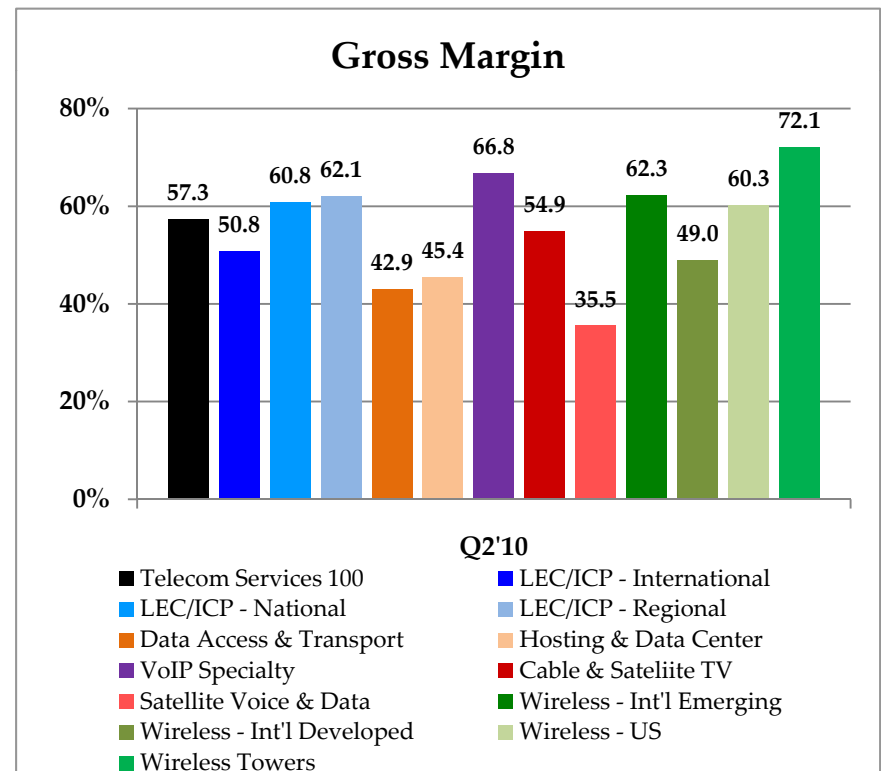
Note: Excludes companies with a EBITDA margin between -2% and 2% in the PYQ

Operating Metrics – Gross Margins

- Telecom Services median gross margins were up slightly to 57.3%, in line with historic norms
- Wireless Towers is the only segment with gross margins above 70% while VoIP, US LEC/ICPs, US Wireless and Int'l Emerging Wireless post gross margins above 60%
- Data Access/Transport, Hosting/Data Center and Int'l Developed Wireless lag in the 40s
- Satellite Voice & Data generates the lowest gross margins at 35.5%



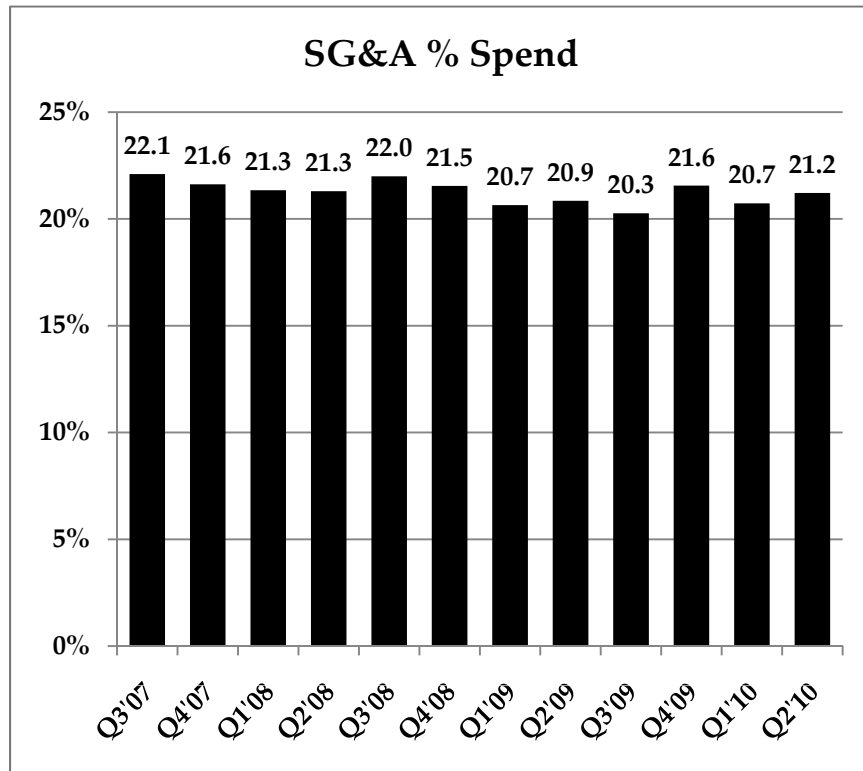
Source: SagePoint Advisors & Capital IQ



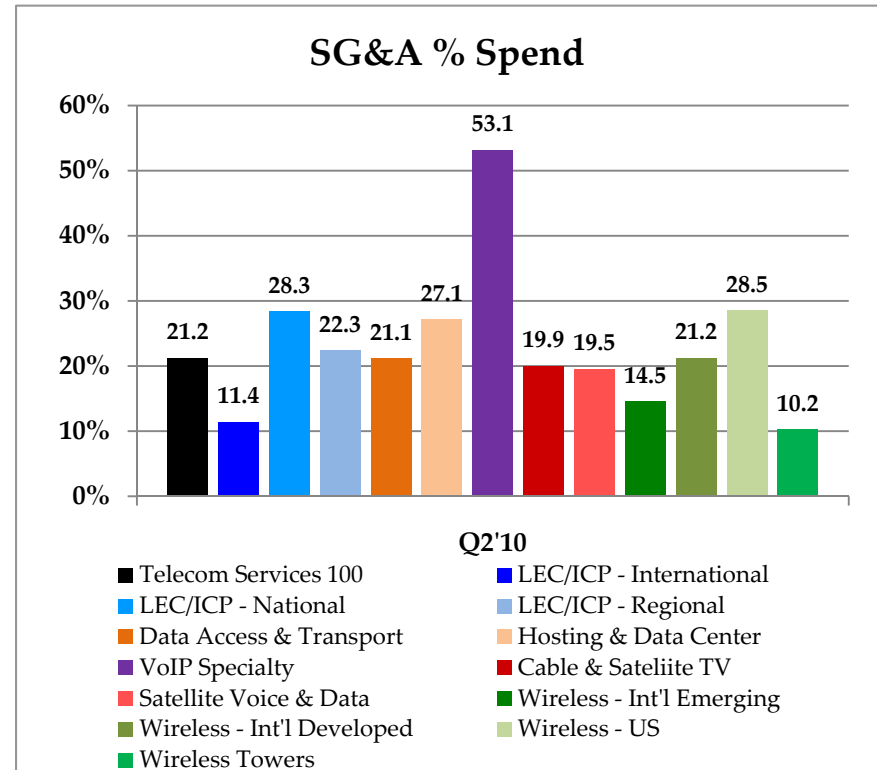
Source: SagePoint Advisors & Capital IQ

Operating Metrics – SG&A as a % of Revenues

- SG&A as a % of revenue rose slightly after dropping in Q1'10
 - However, most large Telecom Services vendors continue to cut costs with aggregate SG&A down 3.6%
- VoIP Specialty SG&A spending levels are quite high as they continue to invest in customer acquisition in an effort to achieve scale
- Wireless Towers have the lowest SG&A spend as they continue to squeeze margins to drive additional cash flow from their stable revenue base



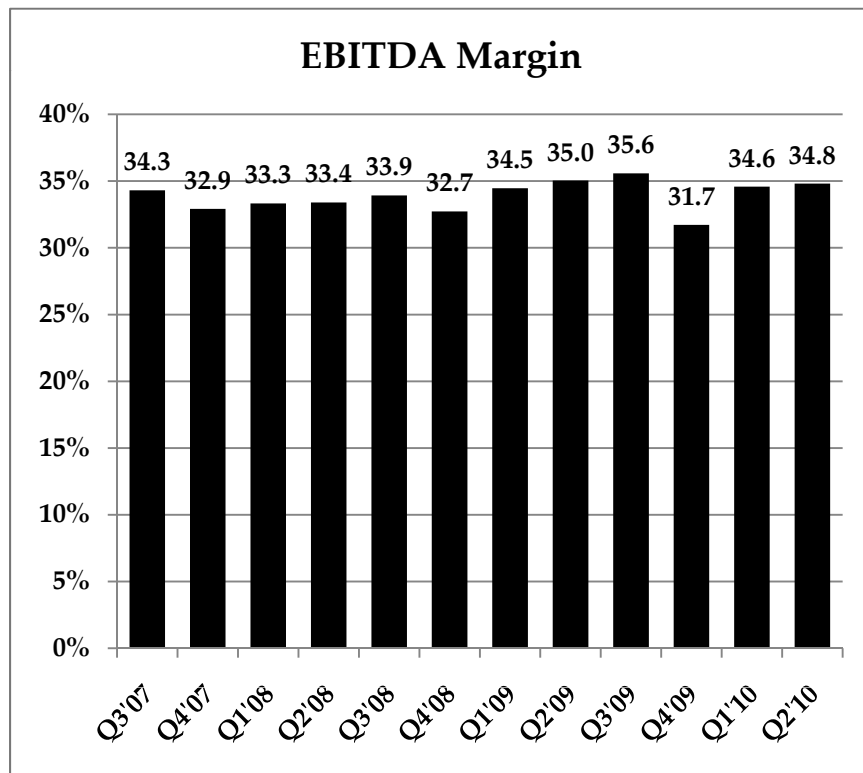
Source: SagePoint Advisors & Capital IQ



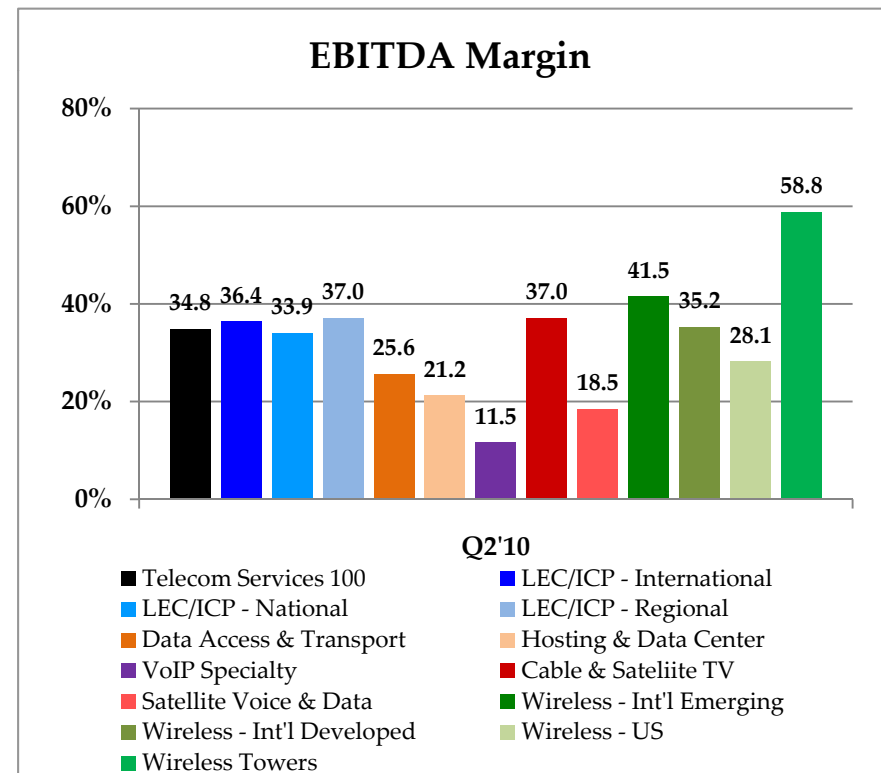
Source: SagePoint Advisors & Capital IQ

Operating Metrics – EBITDA Margins

- Q2 EBITDA margins were up slightly on revenue growth and improved gross margins
- Wireless Towers continue to enjoy strong margins as they squeeze every dollar possible from their stable revenue flows
- VoIP Specialty EBITDA margins are quite low due to high selling costs
- Satellite Voice & Data EBITDA margins suffer from high fixed costs



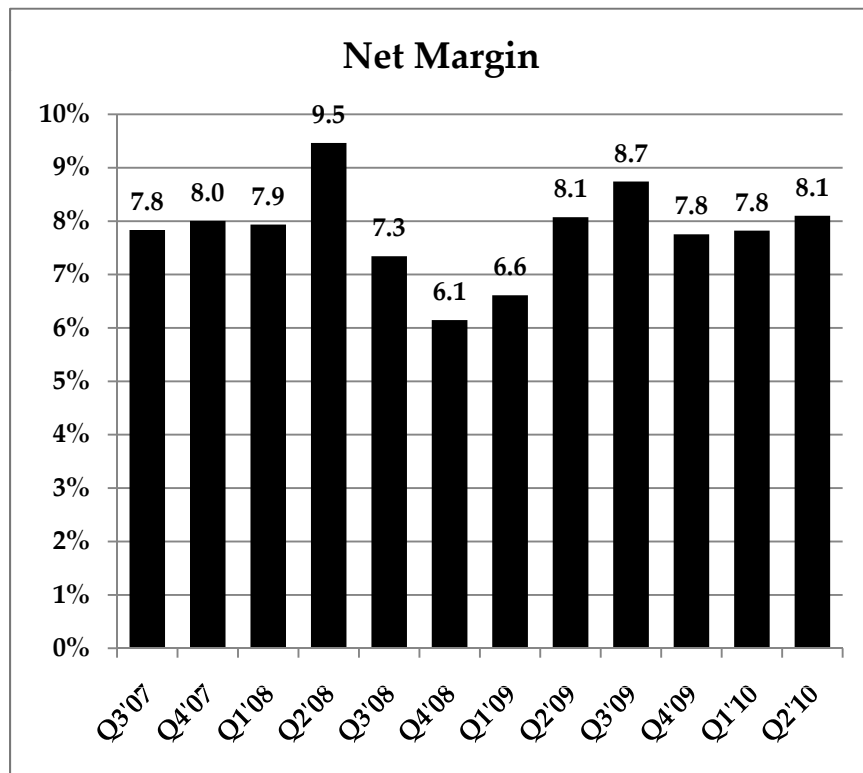
Source: SagePoint Advisors & Capital IQ



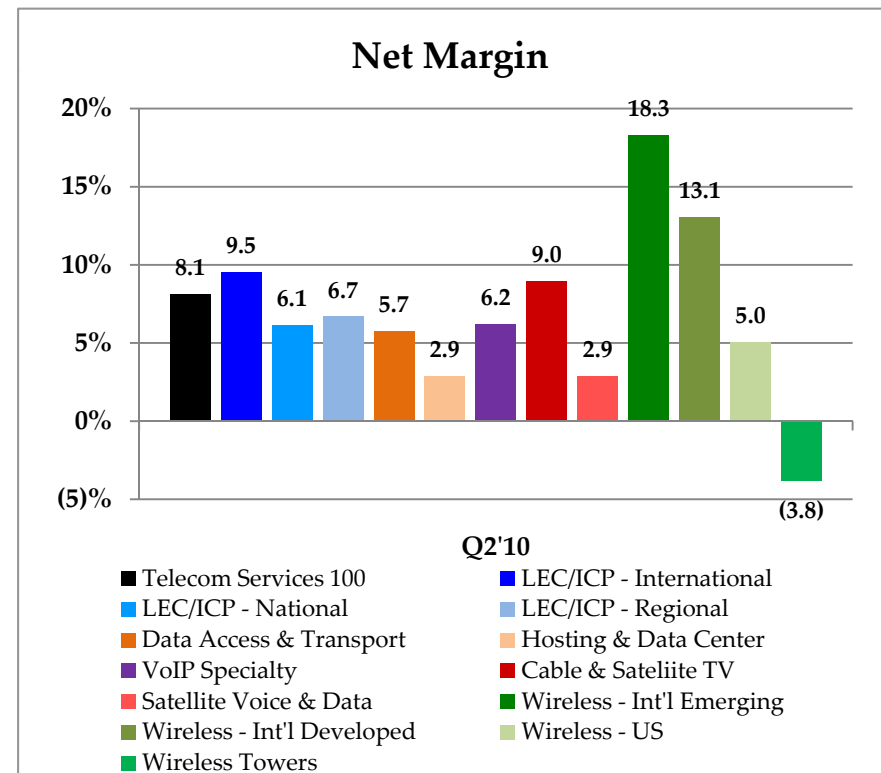
Source: SagePoint Advisors & Capital IQ

Operating Metrics – Net Margins

- Median Net Margins were up slightly, remaining at respectable levels based on historical norms
 - International Wireless segments achieved premium net margins with International LEC/ICP and Satellite Voice & Data the only other segments near double digits
 - Hosting & Data Center and Satellite Voice & Data generated slim net margins
 - Wireless Towers segment has a negative median net margin despite strong EBITDA margins due to high depreciation and interest costs



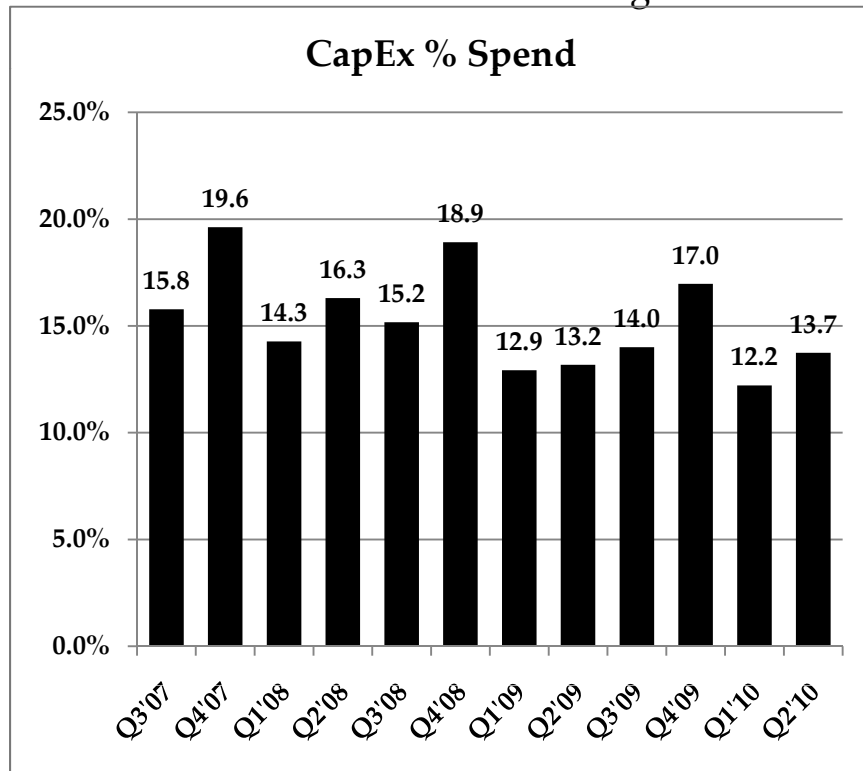
Source: SagePoint Advisors & Capital IQ



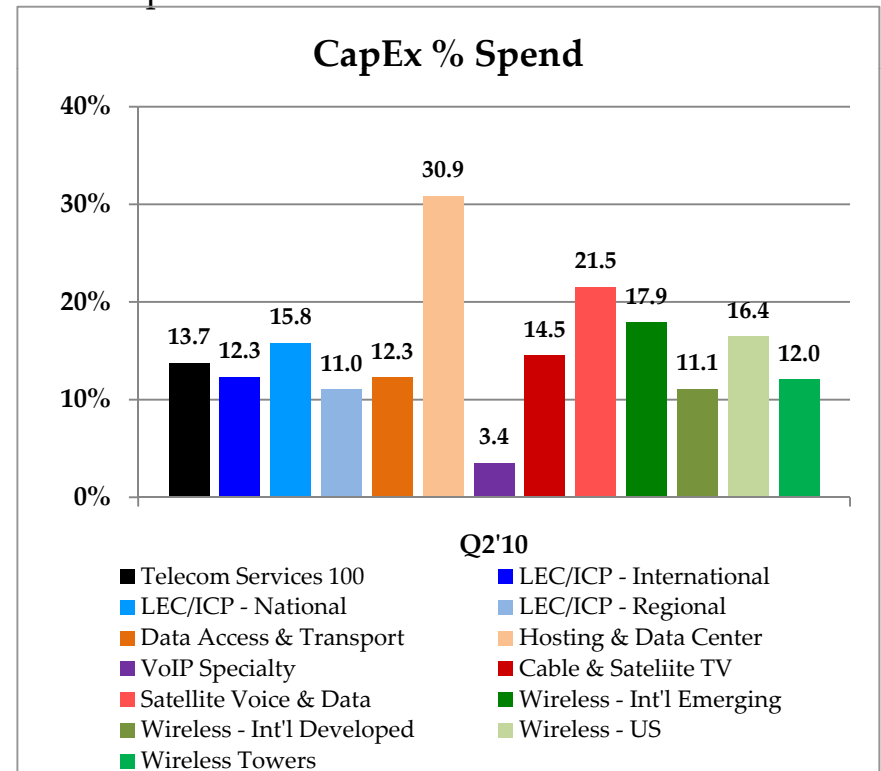
Source: SagePoint Advisors & Capital IQ

Operating Metrics – CapEx as a % of Revenues

- Median CapEx as % of revenue increased after a sharp drop in Q1
 - Aggregate CapEx increased 13.7% with major increases at US National LEC/ICP (+32.9%), US Regional LEC/ICP (+21.5%), VoIP Specialty (+35.2%), US Wireless (+28%) and Wireless Towers (+42%)
- Hosting & Data Center high CapEx % Spend on increased spending and flat revenue growth as vendors ramp scale to support strong growth expectations
- Most VoIP operators have very low CapEx requirements as only Cbeyond is facilities-based
 - This should translate into strong cash flows as these VoIP operators scale



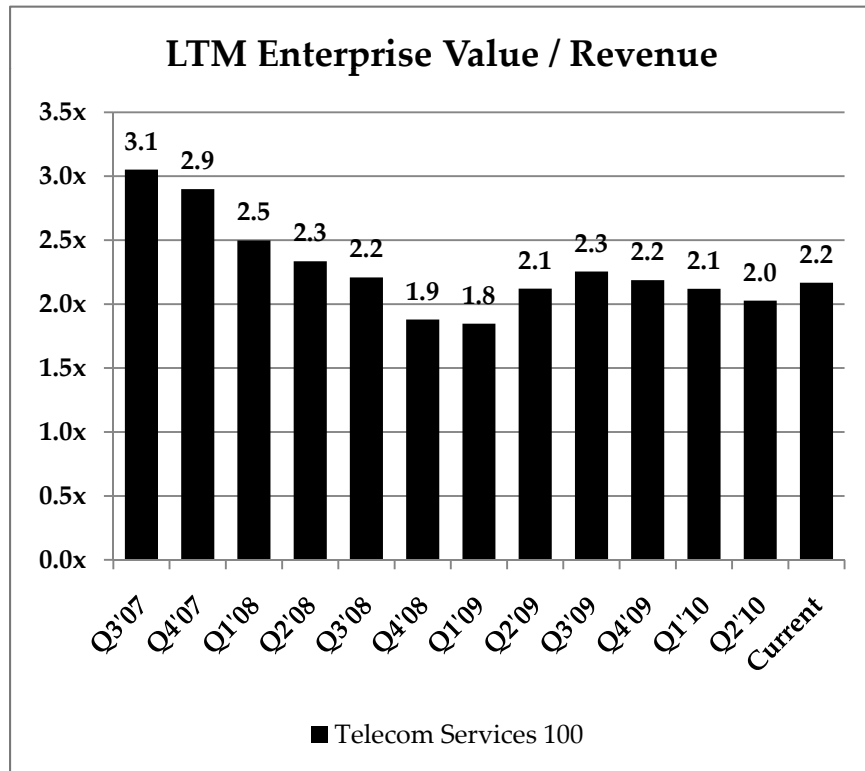
Source: SagePoint Advisors & Capital IQ



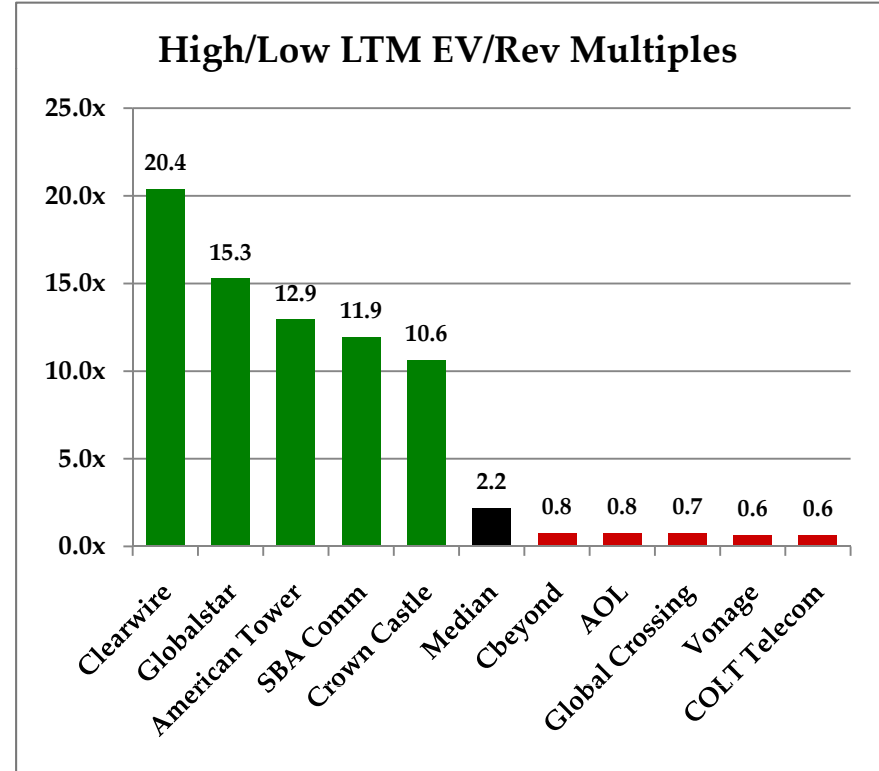
Source: SagePoint Advisors & Capital IQ

Valuation Metrics – LTM Revenue Multiples

- Median revenue multiples ended Q2 down for the third straight quarter amid European economic concerns but have bounced back to 2.2x
 - Clearwire trades at a premium as strong growth is expected as their rollout continues
 - Globalstar is expecting strong growth as it rapidly adds new subscribers and launches its second generation satellite network
 - The Wireless Tower companies command a premium due to very high operating leverage
- 12 of the Telecom Services 100 trade at less than 1x LTM revenue



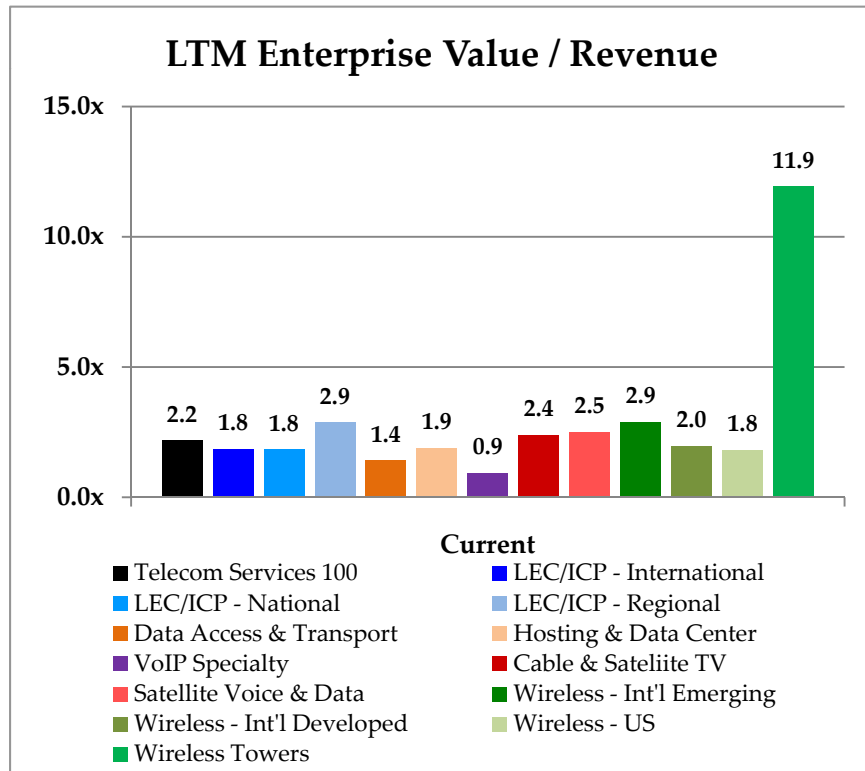
Source: SagePoint Advisors & Capital IQ



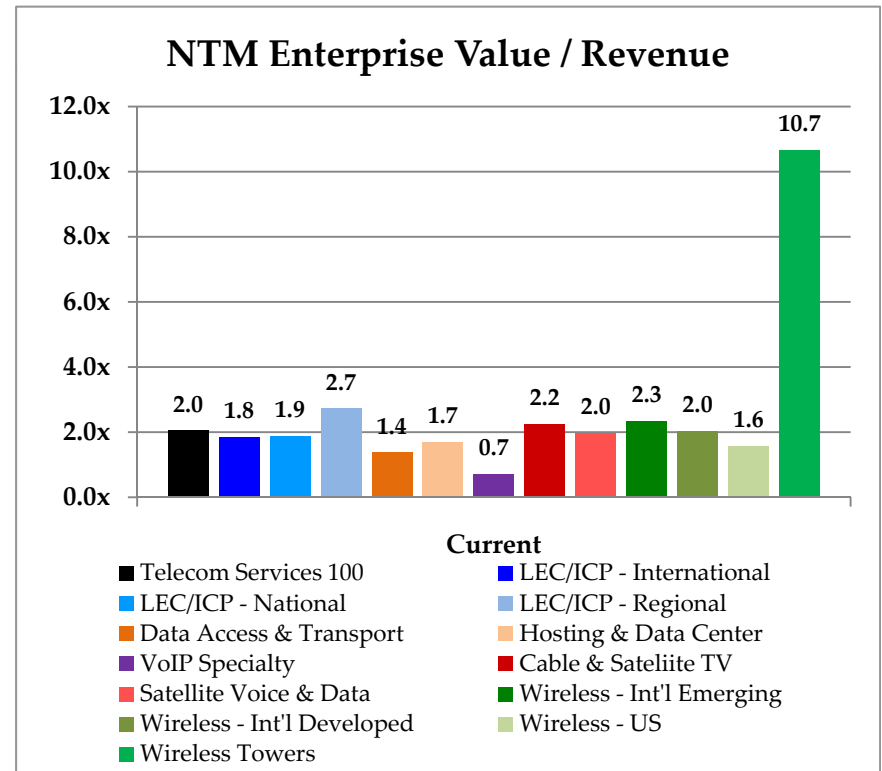
Source: SagePoint Advisors & Capital IQ

Valuation Metrics – Revenue Multiples By Segment

- NTM multiples generally trade in line or slightly below LTM as marginal growth is projected for most segments
 - Wireless Tower companies trade at a median of 11.9x revenues due to high EBITDA margins
 - Regional LEC/ICP trade at above median revenue multiples
 - VoIP Specialty remains the lowest revenue multiples as the business model is just beginning to scale



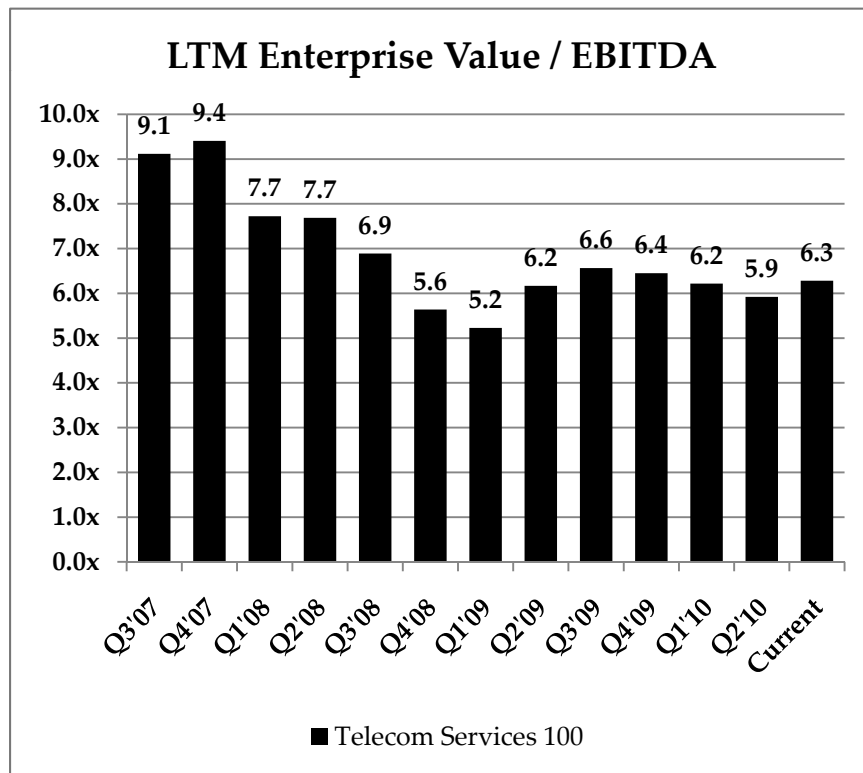
Source: SagePoint Advisors & Capital IQ



Source: SagePoint Advisors & Capital IQ

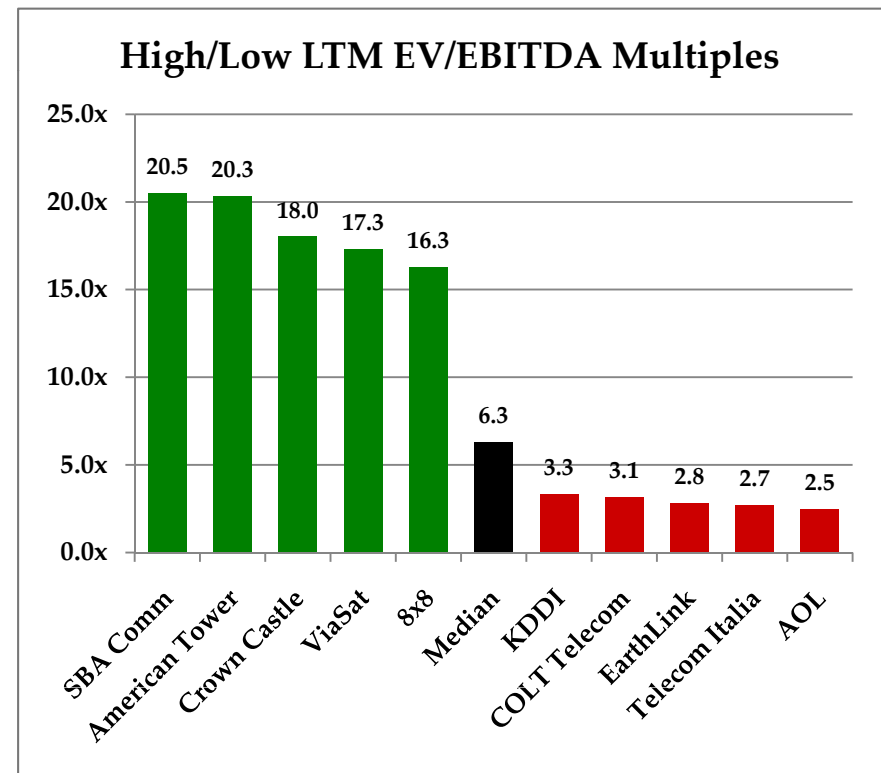
Valuation Metrics – LTM EBITDA Multiples

- Median EBITDA multiples have rebounded in recent months following three straight quarters of declines as valuations rebound from European economic concerns
 - Tower companies generate premium EBITDA multiples on strong, stable cash flows
 - ViaSat expects triple digit NTM EBITDA growth which is driving the premium multiple
 - 8x8 expects strong EBITDA growth on improving gross margins and opex savings
 - Earthlink and AOL trade at weak EBITDA multiples despite strong margins as revenues are expected to continue to decline as their core businesses erode



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM EBITDA margin below 5% and >20x mult

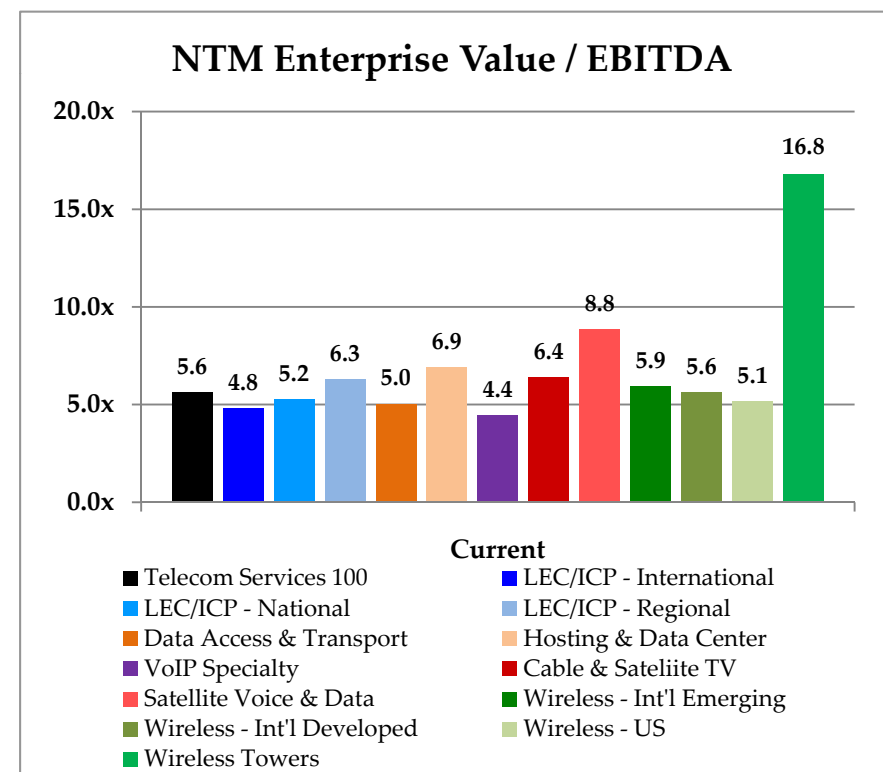
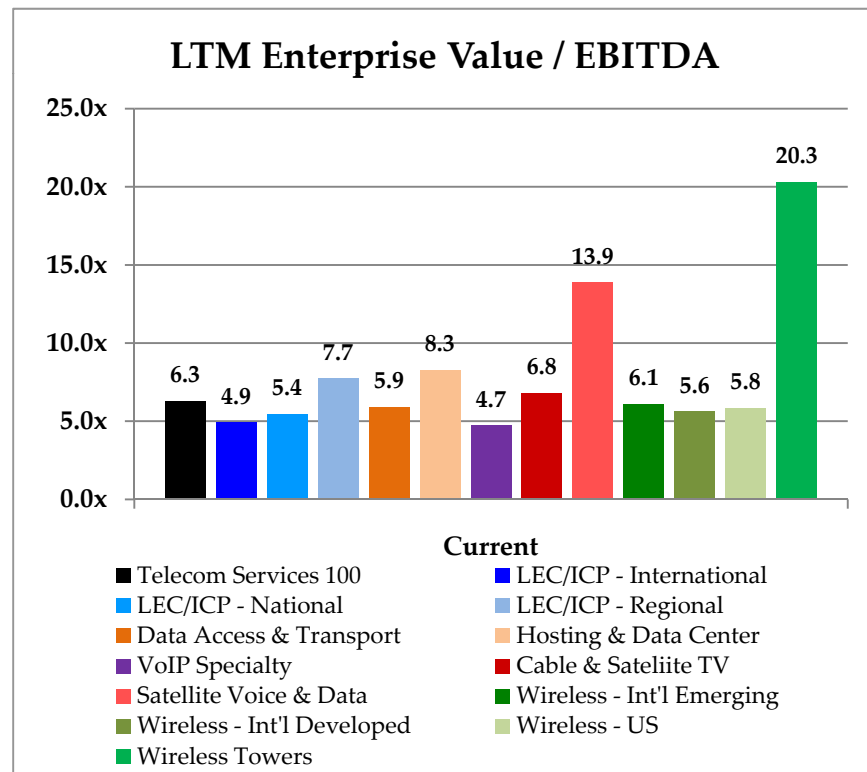


Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM EBITDA margin below 5% and >20x mult

Valuation Metrics – EBITDA Multiples By Segment

- The majority of segments trade at median NTM EBITDA multiples of ~4.5-6.5x
 - Wireless Tower trades at a premium median multiple due to strong, stable cash flows
 - Satellite Voice & Data achieve high multiples on expectations of future earnings as the model scales
 - Hosting & Data Center also trade at strong multiples on expectations of future growth
 - VoIP Specialty multiples lag, although 8x8 trades at 10x NTM as the only VoIP vendor with strong growth projections
 - Intl and US National LEC/ICP multiples lag on weak growth prospects



Source: SagePoint Advisors & Capital IQ

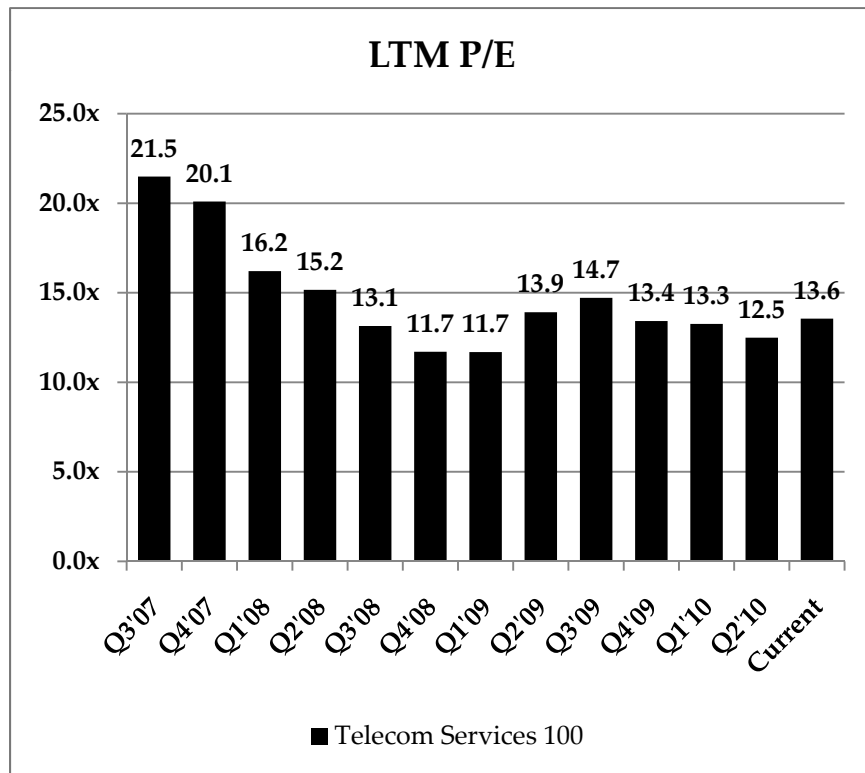
Note: Excludes companies with an LTM EBITDA margin below 5% and >20x mult

Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a NTM EBITDA margin below 5% and >20x mult

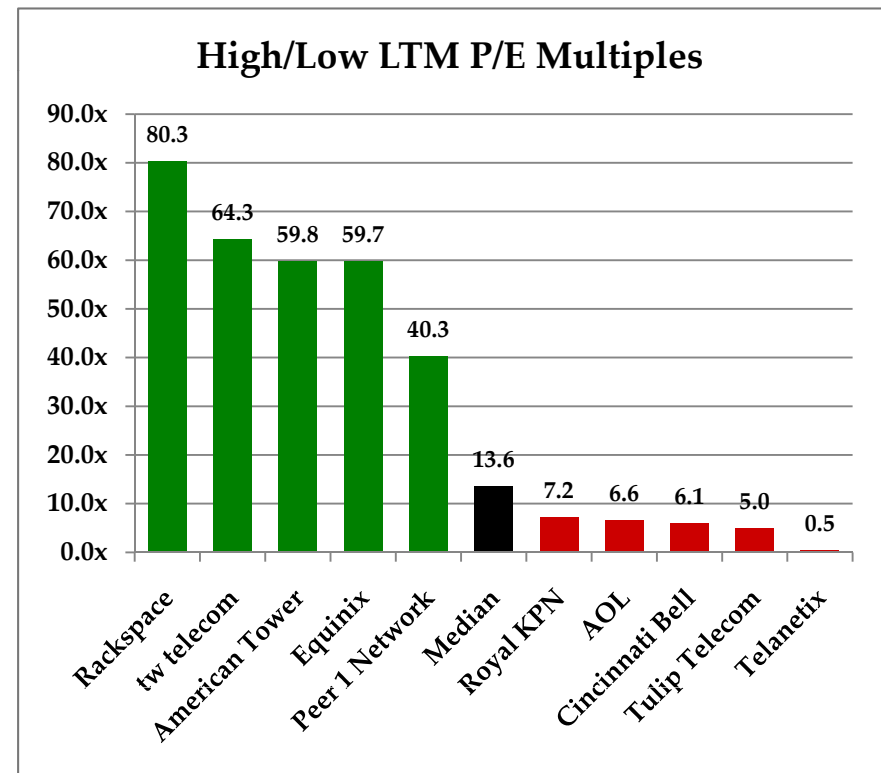
Valuation Metrics – LTM P/E Multiples

- Median P/E multiples have rebounded from Q2 drop due to European economic concerns and are back in line with recent norms
- Rackspace, American Tower and Equinix have very high P/E multiples but are really valued on NTM EBITDA multiples
- tw telecom's high P/E multiple is based on expectations of strong earnings growth of 135%
- Vendors trading at P/Es below 10x are generally projecting flat or contracting EPS



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM net margin below 2.5% and P/E >40x

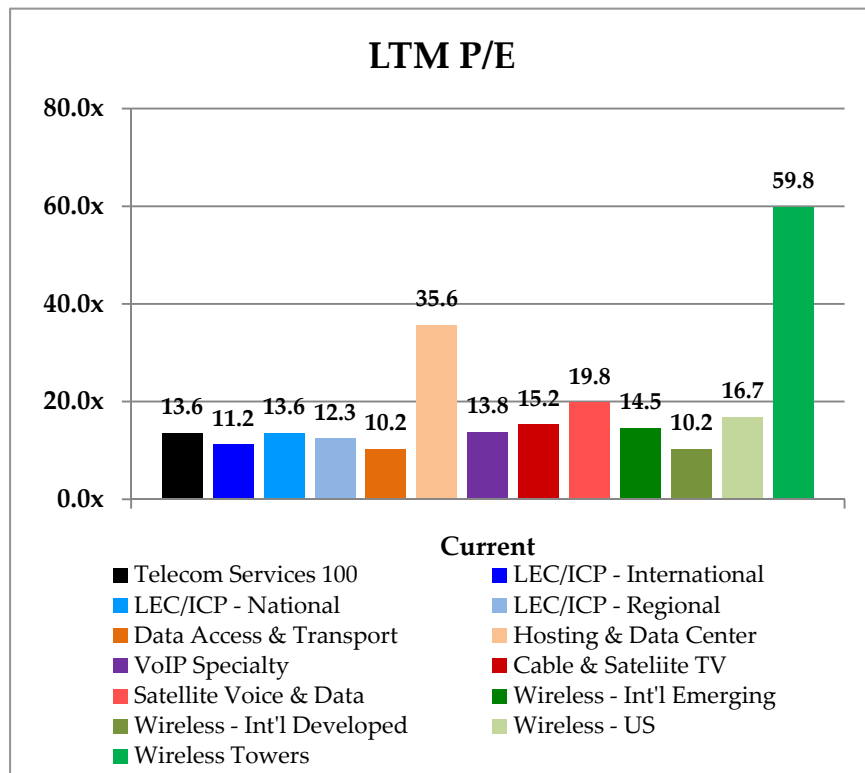


Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM net margin below 2.5% and P/E >40x

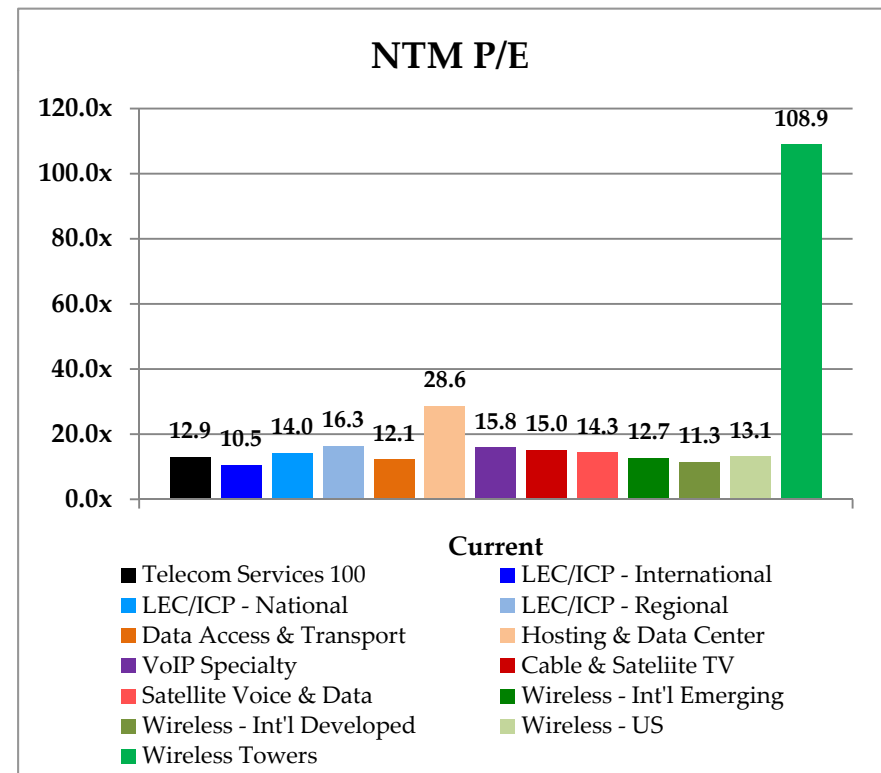
Valuation Metrics – P/E Multiples By Segment

- Wireless Towers command large median P/E multiples, though are really valued on EBITDA with high depreciation and interest expense resulting in the huge P/E multiples
- Hosting/Data Center is the only other segment with a median LTM P/E multiple above 20x as the segment projects strong EPS growth
- Other segments in Telecom Services primarily trade in the 11-16x NTM P/E range with only Regional LEC/ICP above those levels and Intl LEC/ICP below



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM net margin below 2.5% and P/E >40x

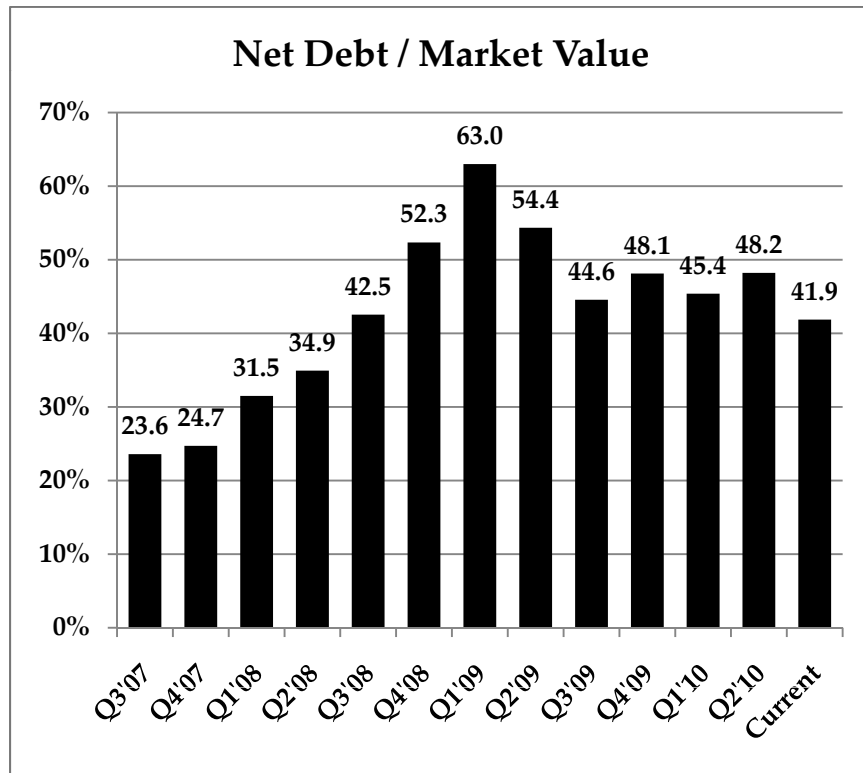


Source: SagePoint Advisors & Capital IQ

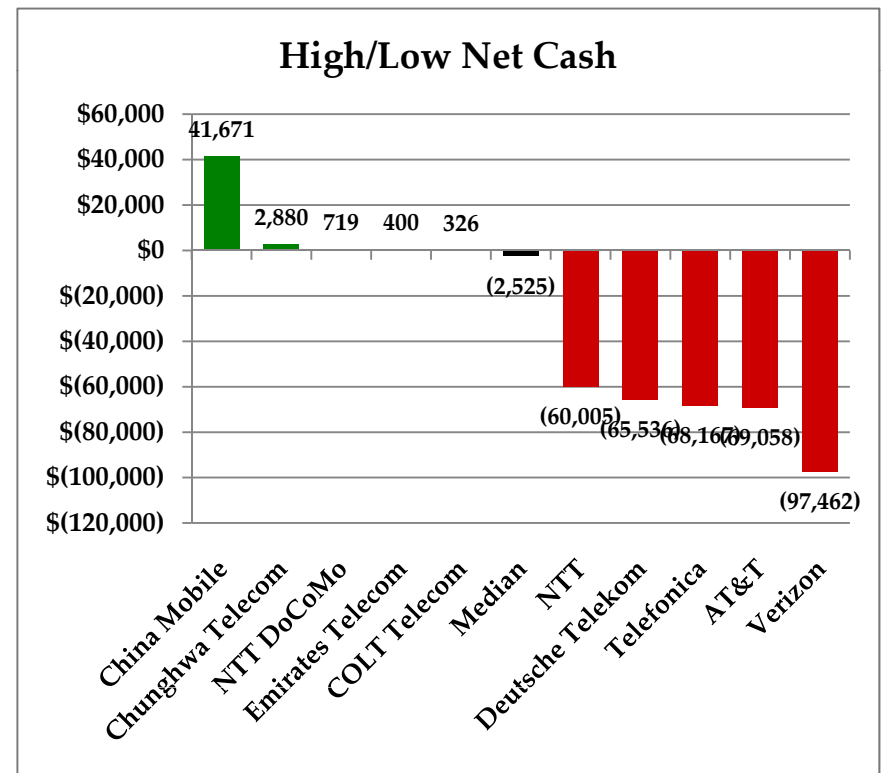
Note: Excludes companies with an NTM net margin below 2.5% and P/E >40x

Balance Sheet Strength – Net Debt Position

- Median Net Debt as a percent of Market Value has fallen to its lowest levels in the past two years, however leverage levels remain quite high at ~42%
 - Aggregate Net Debt was down slightly in Q2 relative to Q1, but Net Debt/Market Value rose as valuations were hurt by European economic concerns
- Very few Telecom Services 100 carriers have strong cash positions
 - Telecom veterans Verizon, Telefonica, AT&T, Deutsche Telekom and NTT all have sizable net debt as the companies increased debt to fund CapEx investments



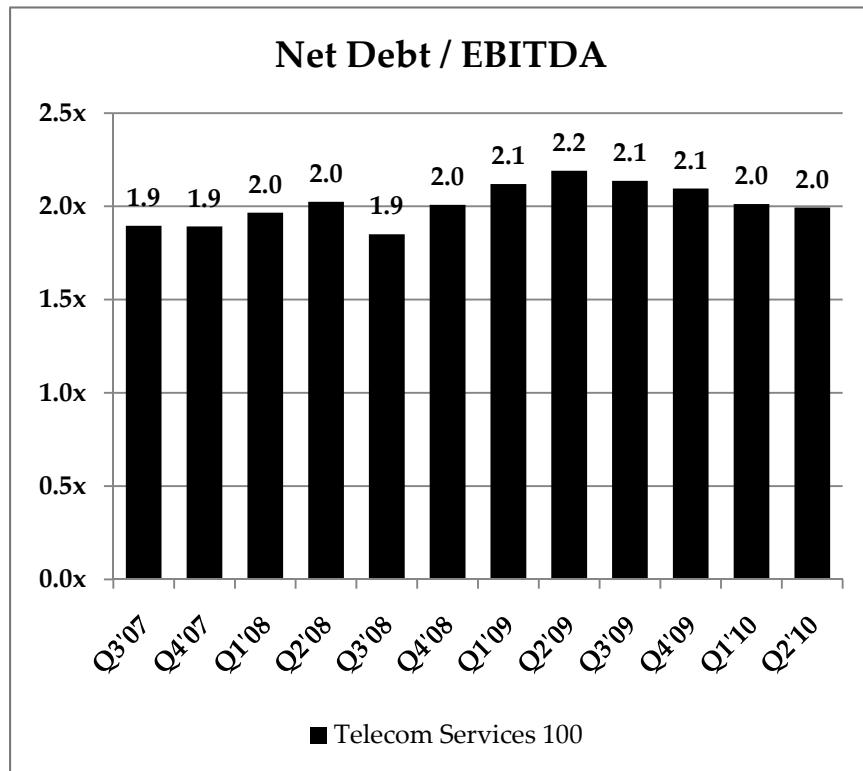
Source: SagePoint Advisors & Capital IQ



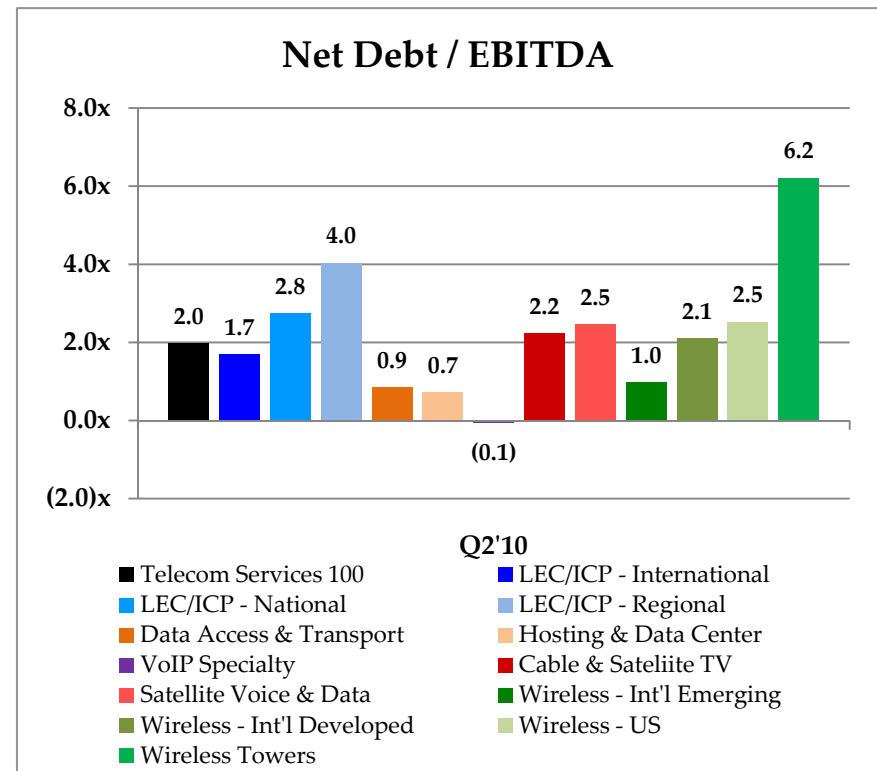
Source: SagePoint Advisors & Capital IQ

Balance Sheet Strength – Debt / EBITDA

- Median Net Debt/EBITDA fell very slightly but remains at 2x
 - It will be interesting to see if companies work to reduce debt loads or if healthier cash flows induce increased leverage to drive growth through greater capex investment and marketing spend
- Wireless Tower companies are able to highly leverage their predictable cash flows
- US LEC/ICP's and US Wireless also have high Debt/EBITDA with Regional LEC/ICP the highest at 4x



Source: SagePoint Advisors & Capital IQ



Source: SagePoint Advisors & Capital IQ

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/	CapEx/	
	9/13/10	Cap	Value	Cash		Debt	3/3/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue
Telecom Services 100																			
Telecom Services 100 Mean	20,079	28,882	2,175	10,978	4.1%	2.8 x	2.4 x	7.5 x	6.3 x	17.3 x	17.5 x	0.5	2.0 %	(24.3)%	(67.2)%	2.6 x	24.3 %	27.4 %	
Telecom Services 100 Median	7,245	13,373	487	3,956	3.4%	2.1 x	2.0 x	6.3 x	5.6 x	13.7 x	13.0 x	0.5	1.5 %	4.8 %	(41.8)%	2.0 x	21.2 %	13.1 %	

LEC/ICP - International																			
BCE	31.84	24,165	34,587	875	11,297	8.5 %	2.0 x	2.0 x	5.1 x	4.8 x	12.1 x	11.6 x	0.4 %	(0.2)%	6.2 %	(43.1)%	1.5 x	32.8 %	14.9 %
BT	2.21	17,182	32,522	3,664	19,005	17.8 %	1.0 x	1.1 x	4.2 x	3.7 x	8.7 x	8.7 x	0.9 %	1.1 %	5.8 %	(89.3)%	2.0 x	8.4 %	12.3 %
China Telecom	0.54	43,869	52,896	4,066	13,092	9.9 %	1.7 x	1.6 x	4.8 x	4.5 x	18.7 x	16.8 x	1.4 %	16.3 %	0.0 %	(20.6)%	0.8 x	18.9 %	NA
China Unicom	1.54	36,344	46,206	1,168	11,030	37.0 %	2.0 x	1.8 x	5.6 x	4.7 x	33.6 x	32.1 x	2.1 %	(0.8)%	0.0 %	(27.1)%	1.2 x	5.1 %	79.9 %
Chunghwa Telecom	2.16	20,989	18,109	3,108	228	10.7 %	2.9 x	2.9 x	6.3 x	7.3 x	13.8 x	14.3 x	5.8 %	NA	(16.3)%	13.7%	(1.0) x	13.3 %	10.4 %
Deutsche Telekom	13.49	58,829	124,364	5,706	71,242	(0.9)%	1.4 x	1.6 x	4.8 x	4.9 x	19.3 x	13.5 x	NA	NA	NA	(111.4)%	2.5 x	32.0 %	11.1 %
Emirates Telecom	2.78	21,955	21,555	3,043	2,643	(10.2)%	2.5 x	2.4 x	7.3 x	4.1 x	9.9 x	9.6 x	NA	NA	NA	1.8%	(0.1) x	0.9 %	7.5 %
France Telecom	21.06	55,736	97,042	10,352	51,657	(12.1)%	1.7 x	1.7 x	5.0 x	5.0 x	8.7 x	10.3 x	0.9 %	(0.1)%	0.0 %	(74.1)%	2.1 x	10.3 %	11.1 %
Hellenic Telecom	7.78	3,815	10,292	987	7,464	(37.4)%	1.3 x	1.4 x	3.7 x	4.2 x	10.0 x	8.8 x	(1.5)%	(0.9)%	568.4 %	(169.8)%	2.3 x	5.8 %	15.2 %
NTT	44.69	59,130	119,134	13,845	73,849	6.0 %	1.1 x	1.0 x	3.5 x	3.1 x	10.5 x	9.7 x	0.5 %	NA	NA	(101.5)%	1.7 x	28.8 %	15.8 %
Swisscom	391.76	20,292	29,466	612	9,786	7.2 %	2.6 x	2.5 x	6.4 x	6.4 x	11.8 x	10.5 x	NA	NA	NA	(45.2)%	2.0 x	12.4 %	14.4 %
Tele Norte	14.36	5,495	21,467	6,317	22,290	(18.7)%	1.3 x	1.2 x	3.4 x	3.6 x	9.3 x	6.4 x	(0.7)%	5.6 %	17.8 %	(290.7)%	2.6 x	22.1 %	9.0 %
Telecom Italia	1.35	24,364	71,732	6,026	53,394	(6.1)%	1.1 x	2.0 x	2.7 x	5.1 x	9.2 x	11.7 x	(0.7)%	2.2 %	0.0 %	(194.4)%	1.8 x	4.2 %	8.3 %
Telmex	0.90	16,281	18,338	413	2,469	(7.1)%	2.4 x	2.1 x	9.1 x	5.7 x	16.2 x	0.9 x	1.3 %	(7.6)%	NA	(12.6)%	1.0 x	23.7 %	17.2 %
Telstra	2.62	32,587	43,931	1,744	13,087	(4.4)%	2.0 x	1.9 x	4.4 x	4.7 x	9.5 x	10.5 x	NA	NA	NA	(34.8)%	1.1 x	3.5 %	8.4 %
TELUS	41.84	13,132	19,607	39	6,514	12.6 %	2.1 x	2.0 x	5.1 x	5.4 x	14.5 x	13.2 x	(0.6)%	(0.5)%	14.6 %	(49.3)%	1.7 x	7.5 %	16.6 %
Mean	28,385	47,578	3,873	23,065	0.8 %	1.8 x	1.8 x	5.1 x	4.8 x	13.5 x	11.8 x		0.8 %	1.5 %	59.6 %	(78.0)%	1.5 x	14.4 %	16.8 %
Median	23,060	33,555	3,076	12,192	2.6 %	1.8 x	1.8 x	4.9 x	4.8 x	11.2 x	10.5 x		0.7 %	(0.2)%	2.9 %	(47.3)%	1.7 x	11.4 %	12.3 %

(\$ 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
Telecom Services 100																		
Telecom Services 100 Mean	3,629	15,352	15,902	1,295	5,307	5,635	2.51	7.50	9.60	8.8%	9.0%	(1.4)%	10.7%	15.7%	36.1%	53.7 %	29.8 %	6.3 %
Telecom Services 100 Median	1,013	4,173	5,015	430	1,627	2,164	0.12	0.65	0.82	5.3%	6.9%	0.0%	5.3%	7.4%	8.7%	57.0 %	34.4 %	8.1 %

LEC/ICP - International																		
BCE	4,183	17,129.2	17,626.3	1,729	6,727.8	7,145.2	0.73	2.63	2.76	13.2%	12.6%	45.5%	2.9%	6.2%	4.6%	74.0 %	41.3 %	13.2 %
BT	7,493	32,125.8	30,328.0	2,079	7,656.0	8,733.4	0.07	0.25	0.26	(13.0)%	(2.9)%	29.1%	(5.6)%	14.1%	0.2%	11.4 %	27.7 %	7.1 %
China Telecom	8,122	31,393.6	34,051.5	2,931	11,062.8	11,780.6	0.01	0.03	0.03	6.2%	10.3%	NA	8.5%	6.5%	10.9%	63.0 %	36.1 %	7.5 %
China Unicom	6,146	23,429.6	25,712.8	2,252	8,222.8	9,794.1	0.01	0.05	0.05	9.3%	(1.5)%	(52.7)%	9.7%	19.1%	4.8%	62.3 %	36.6 %	3.4 %
Chunghwa Telecom	1,537	6,257.6	6,161.1	728	2,883.5	2,476.3	0.03	0.16	0.15	4.9%	(0.8)%	(11.2)%	(1.5)%	(14.1)%	(3.0)%	44.9 %	47.3 %	20.2 %
Deutsche Telekom	19,072	87,449.8	79,364.2	5,918	25,908.3	25,295.9	0.14	0.70	1.00	(16.2)%	(15.2)%	(19.7)%	(9.2)%	(2.4)%	43.0%	44.3 %	31.0 %	3.1 %
Emirates Telecom	2,196	8,738.8	8,820.4	743	2,935.8	5,227.0	0.06	0.28	0.29	(1.0)%	(7.5)%	(22.5)%	0.9%	78.0%	3.8%	51.0 %	33.8 %	23.2 %
France Telecom	13,596	56,769.9	56,603.7	4,788	19,508.2	19,389.8	0.58	2.42	2.04	(13.3)%	(9.7)%	(19.8)%	(0.3)%	(0.6)%	(15.7)%	38.9 %	35.2 %	11.3 %
Hellenic Telecom	1,668	7,950.5	7,184.1	563	2,814.3	2,465.7	0.14	0.77	0.88	(19.7)%	(23.8)%	NM	(9.6)%	(12.4)%	13.6%	58.8 %	33.8 %	4.0 %
NTT	28,225	111,679.6	122,738.3	9,285	34,487.0	38,032.4	1.33	4.24	4.61	8.6%	8.7%	21.6%	9.9%	10.3%	8.7%	61.7 %	32.9 %	6.2 %
Swisscom	2,778	11,453.0	11,854.7	1,141	4,600.4	4,578.0	8.83	33.06	37.29	0.6%	3.0%	(6.1)%	3.5%	(0.5)%	12.8%	57.5 %	41.1 %	16.5 %
Tele Norte	4,100	16,835.0	18,035.4	1,563	6,237.8	6,008.9	0.65	1.55	2.25	10.3%	12.8%	410.0%	7.1%	(3.7)%	45.4%	46.6 %	38.1 %	6.0 %
Telecom Italia	8,372	63,601.5	35,513.0	3,540	26,661.8	13,936.5	0.03	0.15	0.12	(13.0)%	(8.9)%	(14.1)%	(44.2)%	(47.7)%	(20.9)%	50.7 %	42.3 %	7.8 %
Telmex	1,907	7,666.7	8,720.3	524	2,021.4	3,214.0	0.03	0.06	1.02	15.3%	35.0%	139.3%	13.7%	59.0%	1,734.1%	36.7 %	27.5 %	25.7 %
Telstra	5,325	22,077.0	23,151.3	2,427	9,904.1	9,318.8	0.07	0.28	0.25	3.1%	4.4%	(0.9)%	4.9%	(5.9)%	(10.4)%	64.2 %	45.6 %	16.1 %
TELUS	2,260	9,172.2	9,619.8	884	3,874.0	3,632.3	0.84	2.88	3.17	10.6%	11.1%	37.4%	4.9%	(6.2)%	10.1%	46.6 %	39.1 %	11.9 %
Mean	7,311	32,108	30,968	2,568	10,969	10,689	0.85	3.09	3.51	0.4%	1.7%	38.3%	(0.3)%	6.2%	115.1%	50.8 %	36.8 %	11.5 %
Median	4,754	19,603	20,593	1,904	7,192	7,939	0.10	0.49	0.94	4.0%	1.1%	(3.5)%	3.2%	(0.5)%	6.7%	50.8 %	36.4 %	9.5 %

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 /	CapEx /
	9/13/10	Cap	Value	Cash	Debt	3/31/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
LEC/ICP - National																			
AT&T	27.93	165,038	234,096	1,377	70,435	8.1 %	1.9 x	1.9 x	5.6 x	5.3 x	12.5 x	11.6 x	(0.3)%	1.5 %	6.8 %	(41.8)%	1.6 x	24.3 %	15.9 %
Qwest	5.94	10,331	21,780	1,779	13,228	13.8 %	1.8 x	1.9 x	5.4 x	5.1 x	17.5 x	15.5 x	0.6 %	1.2 %	(5.1)%	(110.8)%	2.9 x	31.8 %	11.3 %
Verizon	30.90	87,354	184,816	5,225	102,687	(0.4)%	1.7 x	1.7 x	5.2 x	5.2 x	13.6 x	14.0 x	(0.9)%	0.0 %	4.0 %	(111.6)%	2.8 x	28.3 %	15.8 %
Mean		87,575	146,898	2,794	62,117	7.2 %	1.8 x	1.8 x	5.4 x	5.2 x	14.5 x	13.7 x	(0.2)%	0.9 %	1.9 %	(88.1)%	2.4 x	28.1 %	14.3 %
Median		87,354	184,816	1,779	70,435	8.1 %	1.8 x	1.9 x	5.4 x	5.2 x	13.6 x	14.0 x	(0.3)%	1.2 %	4.0 %	(110.8)%	2.8 x	28.3 %	15.8 %

LEC/ICP - Regional																			
Alaska Comm	9.81	438	976	14	552	20.8 %	2.9 x	2.9 x	8.3 x	7.8 x	NM	38.7 x	1.0 %	1.9 %	(1,923.5)%	(123.0)%	4.6 x	26.1 %	10.5 %
CenturyLink	36.92	11,129	18,625	186	7,681	4.1 %	2.6 x	2.7 x	5.0 x	5.3 x	10.1 x	11.4 x	0.2 %	0.0 %	4.3 %	(67.3)%	2.0 x	15.4 %	11.0 %
Cincinnati Bell	2.67	538	3,013	17	2,492	(21.7)%	2.2 x	2.2 x	6.2 x	5.9 x	6.1 x	6.6 x	2.8 %	7.7 %	7.0 %	(459.8)%	5.1 x	19.8 %	9.1 %
Consolidated Comm	18.08	539	1,406	54	920	(4.6)%	3.5 x	3.7 x	8.9 x	8.0 x	17.9 x	18.1 x	(1.0)%	5.8 %	15.6 %	(160.8)%	5.5 x	22.3 %	11.4 %
Frontier Comm	7.68	7,619	12,205	231	4,818	3.2 %	5.9 x	2.3 x	11.1 x	4.7 x	8.3 x	16.3 x	0.7 %	4.9 %	28.8 %	(60.2)%	4.2 x	18.4 %	16.7 %
General Comm	9.89	543	1,348	67	872	71.4 %	2.2 x	2.1 x	6.7 x	6.3 x	NM	NM	6.0 %	13.9 %	45.5 %	(148.4)%	4.0 x	33.7 %	14.5 %
PAETEC	4.26	618	1,468	126	975	(9.0)%	0.9 x	0.9 x	5.8 x	5.3 x	NM	NM	0.5 %	(0.1)%	(12.2)%	(137.4)%	3.4 x	34.5 %	7.9 %
tw telecom	18.91	2,866	3,722	487	1,343	4.1 %	3.0 x	2.8 x	8.8 x	7.7 x	64.3 x	42.2 x	0.6 %	(5.5)%	4.8 %	(29.9)%	2.0 x	24.2 %	26.8 %
Windstream	12.39	5,986	12,568	54	6,635	13.8 %	3.9 x	3.3 x	7.7 x	6.7 x	14.6 x	14.6 x	(0.6)%	6.1 %	10.1 %	(109.9)%	4.0 x	14.2 %	10.8 %
Mean		3,364	6,148	137	2,921	9.1 %	3.0 x	2.5 x	7.6 x	6.4 x	20.2 x	21.1 x	1.1 %	3.9 %	(202.2)%	(144.1)%	3.9 x	23.2 %	13.2 %
Median		618	3,013	67	1,343	4.1 %	2.9 x	2.7 x	7.7 x	6.3 x	12.3 x	16.3 x	0.6 %	4.9 %	7.0 %	(123.0)%	4.0 x	22.3 %	11.0 %

(\$ 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
LEC/ICP - National																		
AT&T	30,808	123,051.0	124,983.4	10,926	41,933.0	44,027.3	0.61	2.24	2.41	0.6%	5.6%	13.0%	1.6%	5.0%	7.4%	59.8 %	35.5 %	11.8 %
Qwest	2,930	11,944.0	11,450.2	994	4,012.0	4,251.0	0.09	0.34	0.38	(5.2)%	4.6%	(30.8)%	(4.1)%	6.0%	12.6%	67.9 %	33.9 %	5.4 %
Verizon	26,773	108,042.0	106,555.2	8,716	35,367.0	35,256.2	0.58	2.28	2.20	(0.3)%	(4.3)%	(7.9)%	(1.4)%	(0.3)%	(3.5)%	60.8 %	32.6 %	6.1 %
Mean	20,170	81,012	80,996	6,879	27,104	27,845	0.43	1.62	1.66	(1.6)%	2.0%	(8.6)%	(1.3)%	3.5%	5.5%	62.8 %	34.0 %	7.8 %
Median	26,773	108,042	106,555	8,716	35,367	35,256	0.58	2.24	2.20	(0.3)%	4.6%	(7.9)%	(1.4)%	5.0%	7.4%	60.8 %	33.9 %	6.1 %

LEC/ICP - Regional																		
Alaska Comm	85	341.3	339.6	30	117.8	124.8	(0.62)	(0.74)	0.25	(1.6)%	1.9%	(1,133.3)%	(0.5)%	6.0%	134.2%	62.1 %	36.0 %	(32.7)%
CenturyLink	1,772	7,275.8	6,865.5	922	3,704.6	3,528.3	0.88	3.66	3.23	179.3%	231.7%	6.0%	(5.6)%	(4.8)%	(11.9)%	67.4 %	52.0 %	14.9 %
Cincinnati Bell	339	1,345.2	1,382.5	125	487.9	514.6	0.11	0.44	0.40	3.4%	6.5%	0.0%	2.8%	5.5%	(8.5)%	56.9 %	37.0 %	6.7 %
Consolidated Comm	96	396.5	380.8	39	158.6	176.1	0.26	1.01	1.00	(6.2)%	(6.6)%	4.0%	(3.9)%	11.0%	(1.0)%	62.8 %	40.4 %	8.0 %
Frontier Comm	516	2,083.8	5,364.1	273	1,104.0	2,593.5	0.19	0.93	0.47	(3.0)%	(2.4)%	58.3%	157.4%	134.9%	(49.5)%	89.7 %	53.0 %	11.5 %
General Comm	162	613.1	636.8	56	201.6	215.2	0.04	0.09	0.14	9.1%	12.3%	(20.0)%	3.9%	6.7%	NM	68.1 %	34.4 %	1.3 %
PAETEC	396	1,571.9	1,634.1	62	251.7	277.5	(0.05)	(0.16)	(0.12)	0.2%	8.0%	(25.0)%	4.0%	10.3%	21.2%	50.3 %	15.7 %	(1.8)%
tw telecom	317	1,240.8	1,319.0	108	424.4	482.2	0.09	0.29	0.45	5.2%	5.3%	135.0%	6.3%	13.6%	52.3%	58.2 %	34.0 %	5.1 %
Windstream	917	3,253.9	3,820.4	439	1,627.2	1,880.2	0.22	0.85	0.85	21.8%	15.8%	4.8%	17.4%	15.5%	0.1%	62.0 %	47.9 %	11.1 %
Mean	511	2,014	2,416	228	898	1,088	0.12	0.71	0.74	23.1%	30.3%	(107.8)%	20.2%	22.1%	17.1%	64.2 %	38.9 %	2.7 %
Median	339	1,345	1,383	108	424	482	0.11	0.44	0.45	3.4%	6.5%	4.0%	3.9%	10.3%	(0.5)%	62.1 %	37.0 %	6.7 %

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price	Market	Enterprise	Cash	Debt	% Change	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash /	Net Debt /	SG&A /	CapEx /
	9/13/10	Cap	Value				LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
Data Access & Transport																			
Abovenet	52.45	1,320	1,202	173	55	3.4 %	3.1 x	2.8 x	7.5 x	6.4 x	17.4 x	22.4 x	1.4 %	7.2 %	13.2 %	9.0%	(0.7) x	22.8 %	29.9 %
AOL	22.93	2,448	2,125	392	69	(9.3)%	0.8 x	1.0 x	2.5 x	3.6 x	6.6 x	11.3 x	(3.1)%	(2.9)%	44.2 %	13.2%	(0.4) x	21.6 %	2.4 %
Cogent Comm	8.77	402	528	52	178	(15.8)%	2.1 x	1.9 x	8.2 x	6.7 x	NM	NM	0.2 %	4.3 %	54.6 %	(31.3)%	1.9 x	28.1 %	20.5 %
COLT Telecom	1.86	1,661	1,334	326	0	(3.4)%	0.6 x	0.6 x	3.1 x	3.1 x	12.6 x	12.9 x	0.2 %	0.1 %	NA	19.6%	(0.8) x	21.1 %	13.1 %
EarthLink	8.68	939	613	562	236	1.6 %	0.9 x	1.1 x	2.8 x	3.2 x	7.8 x	10.9 x	1.9 %	6.6 %	(4.9)%	34.7%	(1.5) x	15.9 %	1.8 %
Global Crossing	13.16	796	1,918	328	1,450	(13.1)%	0.7 x	0.7 x	5.6 x	4.4 x	NM	NM	(4.3)%	1.5 %	12.3 %	(141.0)%	3.3 x	16.8 %	7.8 %
Iliad	95.18	5,189	6,070	497	1,378	(7.8)%	2.3 x	2.3 x	5.9 x	6.1 x	13.1 x	15.4 x	NA	NA	NA	(17.0)%	0.9 x	7.1 %	46.6 %
Internap	4.56	237	198	79	40	(18.6)%	0.8 x	0.8 x	5.5 x	5.0 x	NM	NM	(1.5)%	12.5 %	287.5 %	16.2%	(1.1) x	26.1 %	40.6 %
Level 3 Comm	1.16	1,931	7,753	442	6,264	(28.4)%	2.1 x	2.1 x	10.0 x	9.4 x	NM	NM	0.1 %	(3.4)%	15.3 %	(301.5)%	7.5 x	37.2 %	11.5 %
Tiscali	0.14	253	533	9	289	(41.7)%	1.4 x	1.4 x	7.4 x	5.8 x	NM	NM	NA	NA	NA	(110.4)%	3.9 x	4.4 %	3.2 %
Tulip Telecom	3.84	556	744	75	263	2.6 %	1.7 x	1.4 x	7.1 x	4.8 x	5.0 x	8.3 x	NA	NA	NA	(33.8)%	1.8 x	11.9 %	NA
Mean	1,430	2,093	267	929	(11.9)%	1.5 x	1.5 x	6.0 x	5.3 x	10.4 x	13.5 x	(0.7)%	3.2 %	60.3 %	(49.3)%	1.3 x	19.4 %	17.7 %	
Median	939	1,202	326	236	(9.3)%	1.4 x	1.4 x	5.9 x	5.0 x	10.2 x	12.1 x	0.1 %	2.9 %	15.3 %	(17.0)%	0.9 x	21.1 %	12.3 %	

(\$ 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
Data Access & Transport																		
Abovenet	101	384.6	429.7	44	160.8	187.5	0.62	3.02	2.34	14.4%	22.5%	(36.4)%	11.7%	16.6%	(22.4)%	66.1 %	43.3 %	16.1 %
AOL	584	2,825.7	2,156.1	169	849.3	593.4	0.71	3.45	2.03	(26.2)%	(39.7)%	(41.2)%	(23.7)%	(30.1)%	(41.3)%	42.9 %	28.8 %	13.0 %
Cogent Comm	64	249.9	276.6	16	64.5	79.1	(0.02)	(0.16)	0.01	11.0%	11.6%	80.0%	10.7%	22.6%	109.2%	54.6 %	25.6 %	(1.4)%
COLT Telecom	488	2,136.3	2,082.8	97	424.2	430.2	0.03	0.15	0.14	(13.3)%	(12.4)%	(25.4)%	(2.5)%	1.4%	(2.5)%	41.0 %	19.9 %	5.7 %
EarthLink	153	649.3	540.4	55	215.6	193.7	0.26	1.11	0.80	(17.6)%	(15.9)%	(10.3)%	(16.8)%	(10.1)%	(28.2)%	49.7 %	36.0 %	18.5 %
Global Crossing	630	2,572.0	2,658.2	93	343.0	434.5	(0.79)	(3.93)	(2.41)	(0.5)%	0.0%	(332.4)%	3.4%	26.7%	38.6%	31.6 %	14.8 %	(7.6)%
Iliad	623	2,662.0	2,656.7	276	1,031.8	996.8	1.85	7.29	6.20	(8.3)%	29.4%	103.5%	(0.2)%	(3.4)%	(15.0)%	50.1 %	44.3 %	16.9 %
Internap	61	251.9	247.4	8	35.8	39.5	0.03	0.02	0.04	(6.0)%	55.7%	200.0%	(1.8)%	10.2%	NM	40.1 %	14.0 %	2.5 %
Level 3 Comm	908	3,658.0	3,681.1	196	779.0	826.9	(0.10)	(0.42)	(0.41)	(3.6)%	(13.3)%	(11.1)%	0.6%	6.2%	2.5%	58.8 %	21.6 %	(18.3)%
Tiscali	88	382.0	378.8	11	72.0	92.5	(0.00)	(0.35)	0.01	(19.2)%	(64.7)%	98.8%	(0.8)%	28.5%	101.4%	21.8 %	12.9 %	(5.8)%
Tulip Telecom	113	435.9	544.0	30	104.6	154.6	0.09	0.76	0.46	23.0%	71.2%	(7.1)%	24.8%	47.9%	(39.3)%	29.7 %	26.3 %	12.2 %
Mean	347	1,473	1,423	90	371	366	0.24	0.99	0.84	(4.2)%	4.0%	1.7%	0.5%	10.6%	10.3%	44.2 %	26.1 %	4.7 %
Median	153	649	544	55	216	194	0.03	0.15	0.14	(6.0)%	0.0%	(10.3)%	(0.2)%	10.2%	(8.8)%	42.9 %	25.6 %	5.7 %

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 /	CapEx /
	9/13/10	Cap	Value	Cash	Debt	3/31/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
Hosting & Data Center																			
Equinix	96.14	4,383	5,725	717	2,059	(1.2)%	5.6 x	4.0 x	14.1 x	9.3 x	59.7 x	51.7 x	0.3 %	(7.6)%	(14.8)%	(30.6)%	3.3 x	28.1 %	50.2 %
Internap	4.56	237	198	79	40	(18.6)%	0.8 x	0.8 x	5.5 x	5.0 x	NM	NM	(1.5)%	12.5 %	287.5 %	16.2%	(1.1) x	26.1 %	40.6 %
NaviSite	3.46	130	181	8	59	34.6 %	1.3 x	1.4 x	6.3 x	6.5 x	NM	NM	NA	NA	0.0 %	(39.0)%	1.8 x	34.6 %	NA
Peer 1 Network	1.41	169	181	4	16	34.1 %	1.9 x	1.6 x	7.4 x	5.7 x	40.3 x	28.2 x	NA	NA	NA	(7.4)%	0.5 x	32.1 %	NA
Rackspace	22.48	2,809	2,831	148	170	20.0 %	4.1 x	3.3 x	14.7 x	9.9 x	80.3 x	47.3 x	0.2 %	0.7 %	(0.9)%	(0.8)%	0.1 x	37.4 %	15.5 %
SAVVIS	19.33	1,068	1,683	119	734	17.2 %	1.9 x	1.7 x	9.1 x	6.8 x	NM	NM	0.9 %	3.8 %	7.6 %	(57.7)%	3.3 x	24.1 %	23.2 %
Telety	8.14	1,592	1,663	55	126	26.5 %	5.9 x	5.0 x	14.8 x	11.7 x	30.9 x	29.1 x	NA	NA	NA	(4.4)%	0.6 x	13.9 %	30.9 %
Terremark	9.58	630	1,095	52	517	36.7 %	3.6 x	3.0 x	15.4 x	10.0 x	NM	NM	0.3 %	(1.3)%	(12.1)%	(73.9)%	6.6 x	24.1 %	53.9 %
United Internet	13.85	3,048	3,485	90	527	(8.5)%	1.4 x	1.4 x	6.5 x	7.0 x	8.7 x	11.6 x	NA	NA	NA	(14.3)%	0.8 x	20.1 %	4.0 %
Web.com	5.14	137	94	43	0	(5.7)%	0.9 x	0.5 x	7.3 x	3.0 x	9.3 x	7.4 x	(1.2)%	(4.2)%	7.7 %	31.1%	(3.3) x	39.7 %	NA
Mean		1,420	1,714	131	425	13.5 %	2.7 x	2.3 x	10.1 x	7.5 x	38.2 x	29.2 x	(0.2)%	0.7 %	39.3 %	(18.1)%	1.3 x	28.0 %	31.2 %
Median		849	1,379	67	148	18.6 %	1.9 x	1.7 x	8.3 x	6.9 x	35.6 x	28.6 x	0.2 %	(0.3)%	0.0 %	(10.9)%	0.7 x	27.1 %	30.9 %
VoIP Specialty																			
8x8	1.66	106	87	18	0	14.5 %	1.4 x	1.2 x	16.3 x	10.1 x	23.7 x	15.1 x	3.7 %	NA	100.0 %	17.1%	(3.4) x	55.6 %	3.7 %
Cbeyond	12.56	387	335	52	0	(8.2)%	0.8 x	0.7 x	4.7 x	4.4 x	NM	NM	(1.1)%	(0.0)%	60.5 %	13.4%	(0.7) x	55.5 %	13.1 %
Telnetix	0.04	12	32	1	21	(61.0)%	1.1 x	NA	NM	NA	0.5 x	NA	NA	NA	NA	(163.6)%	66.0 x	50.8 %	3.2 %
Vonage	2.34	496	580	126	210	73.3 %	0.6 x	0.6 x	4.1 x	4.1 x	13.8 x	16.5 x	(0.7)%	11.6 %	92.2 %	(16.9)%	0.6 x	48.9 %	2.4 %
Mean		250	258	49	58	4.7 %	1.0 x	0.9 x	8.4 x	6.2 x	12.7 x	15.8 x	0.6 %	5.8 %	84.2 %	(37.5)%	15.6 x	52.7 %	5.6 %
Median		246	211	35	10	3.1 %	0.9 x	0.7 x	4.7 x	4.4 x	13.8 x	15.8 x	(0.7)%	5.8 %	92.2 %	(1.8)%	(0.1) x	53.1 %	3.4 %

(\$ 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
Hosting & Data Center																		
Equinix	296	1,014.9	1,431.4	114	405.4	614.2	0.22	1.61	1.86	38.9%	32.5%	(50.0)%	41.0%	51.5%	15.5%	45.1 %	38.5 %	3.2 %
Internap	61	251.9	247.4	8	35.8	39.5	0.03	0.02	0.04	(6.0)%	55.7%	200.0%	(1.8)%	10.2%	NM	40.1 %	14.0 %	2.5 %
NaviSite	32	138.0	133.2	6	28.7	27.7	(0.02)	(0.24)	(0.03)	(15.2)%	(18.1)%	75.0%	(3.5)%	(3.4)%	87.2%	49.8 %	19.9 %	(5.2)%
Peer 1 Network	26	97.9	110.4	7	24.4	31.9	0.01	0.04	0.05	13.7%	19.2%	0.0%	NA	NA	NA	40.7 %	26.9 %	2.5 %
Rackspace	187	698.0	853.1	56	193.1	285.6	0.08	0.28	0.47	23.2%	29.5%	100.0%	22.2%	47.9%	69.6%	67.2 %	29.8 %	5.7 %
SAVVIS	222	871.4	973.5	48	185.3	248.4	(0.18)	(0.67)	(0.41)	0.9%	1.7%	(50.0)%	11.7%	34.1%	38.7%	45.8 %	21.7 %	(4.5)%
Telety	70	280.9	334.7	28	112.5	141.6	0.05	0.26	0.28	3.6%	17.4%	(18.3)%	19.1%	25.8%	6.1%	54.3 %	40.4 %	13.3 %
Terremark	79	305.6	363.9	16	71.0	109.0	(0.16)	(0.41)	(0.24)	20.2%	12.4%	(166.7)%	19.1%	53.5%	41.2%	44.8 %	20.6 %	(13.2)%
United Internet	575	2,420.8	2,444.9	106	537.4	496.8	0.21	1.59	1.19	0.9%	(11.0)%	(24.7)%	1.0%	(7.6)%	(25.2)%	37.4 %	18.5 %	8.1 %
Web.com	25	102.3	172.6	3	12.9	30.9	0.12	0.55	0.69	(6.4)%	(31.2)%	(20.0)%	68.7%	139.5%	25.6%	59.1 %	10.4 %	12.3 %
Mean	157	618	706	39	161	203	0.04	0.30	0.39	7.4%	10.8%	4.5%	19.7%	39.1%	32.4%	48.4 %	24.1 %	2.5 %
Median	75	293	349	22	92	125	0.04	0.15	0.17	2.3%	14.9%	(19.2)%	19.1%	34.1%	32.2%	45.4 %	21.2 %	2.9 %
VoIP Specialty																		
8x8	17	64.7	71.3	1	5.4	8.6	0.02	0.07	0.11	8.2%	56.4%	100.0%	10.3%	60.7%	57.1%	67.9 %	6.6 %	7.7 %
Cbeyond	112	435.9	471.7	18	71.3	75.8	(0.00)	0.03	(0.00)	9.7%	33.4%	95.9%	8.2%	6.3%	NM	68.4 %	16.5 %	(0.1)%
Telnetix	7	29.3	NA	0	0.3	NA	0.11	0.08	NA	5.5%	NM	153.5%	NA	NM	NA	58.6 %	2.4 %	48.0 %
Vonage	225	898.3	892.2	38	139.9	142.3	0.05	0.17	0.14	2.4%	29.6%	NM	(0.7)%	1.7%	(16.4)%	65.8 %	16.9 %	4.7 %
Mean	90	357	478	14	54	76	0.04	0.09	0.08	6.5%	39.8%	116.5%	5.9%	22.9%	20.4%	65.2 %	10.6 %	15.1 %
Median	64	250	472	10	38	76	0.04	0.07	0.11	6.9%	33.4%	100.0%	8.2%	6.3%	20.4%	66.8 %	11.5 %	6.2 %

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price	Market Cap	Enterprise Value	Cash	Debt	% Change	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash /	Net Debt /	SG&A /	CapEx /
	9/13/10	Cap	Value			3/31/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
Cable & Satellite TV																			
British Sky	11.05	19,272	21,381	1,570	3,679	21.0 %	2.3 x	2.2 x	12.1 x	9.8 x	14.3 x	18.7 x	NA	NA	NA	(10.9)%	1.2 x	17.8 %	NA
Cablevision	27.49	8,379	19,726	517	11,865	13.9 %	2.6 x	2.7 x	7.6 x	7.4 x	21.1 x	16.7 x	1.6 %	2.6 %	33.1 %	(135.4)%	4.4 x	22.6 %	11.6 %
Charter Comm	35.00	4,014	16,681	40	12,707	1.4 %	2.4 x	2.3 x	6.7 x	6.3 x	12.4 x	NA	NA	NA	(213.0)%	(315.5)%	5.1 x	20.6 %	19.1 %
Comcast	18.42	50,943	78,153	4,081	31,291	(2.2)%	2.1 x	2.0 x	5.5 x	5.3 x	15.2 x	14.2 x	2.7 %	3.0 %	3.0 %	(53.4)%	1.9 x	20.6 %	11.9 %
DIRECTV	40.39	35,010	42,369	2,000	9,359	19.5 %	1.8 x	1.7 x	7.0 x	6.4 x	21.3 x	15.5 x	2.1 %	0.9 %	0.8 %	(21.0)%	1.2 x	23.2 %	10.4 %
Dish Netw ork	18.60	8,251	12,164	2,594	6,507	(10.7)%	1.0 x	1.0 x	6.4 x	4.1 x	9.4 x	9.1 x	1.3 %	12.9 %	12.9 %	(47.4)%	2.1 x	16.4 %	6.8 %
Liberty Global	29.43	7,164	26,025	3,680	22,541	0.9 %	2.5 x	2.8 x	5.9 x	6.3 x	NM	NM	1.3 %	(1.4)%	(1,037.6)%	(263.3)%	4.3 x	19.3 %	20.0 %
Rogers	36.51	21,113	29,956	115	8,957	7.1 %	2.6 x	2.5 x	6.9 x	6.5 x	13.1 x	12.7 x	0.0 %	2.2 %	17.5 %	(41.9)%	2.0 x	50.2 %	14.5 %
Shaw Comm	21.77	9,473	13,373	56	3,956	10.1 %	3.9 x	3.5 x	8.3 x	7.7 x	18.2 x	15.9 x	(0.4)%	(0.0)%	8.9 %	(41.2)%	2.4 x	7.8 %	18.2 %
Time Warner Cable	56.47	20,064	40,801	814	21,551	5.9 %	2.2 x	2.1 x	6.0 x	5.8 x	16.1 x	14.5 x	1.1 %	1.7 %	3.8 %	(103.4)%	3.1 x	16.1 %	15.5 %
Mean		18,368	30,063	1,547	13,241	6.7 %	2.4 x	2.3 x	7.3 x	6.6 x	15.7 x	14.7 x	1.2 %	2.7 %	(130.1)%	(103.3)%	2.8 x	21.4 %	14.2 %
Median		14,373	23,703	1,192	10,612	6.5 %	2.4 x	2.2 x	6.8 x	6.4 x	15.2 x	15.0 x	1.3 %	1.9 %	3.8 %	(50.4)%	2.2 x	19.9 %	14.5 %

Satellite Voice & Data																			
Globalstar	1.58	483	1,016	87	621	16.2 %	15.3 x	NA	NM	NA	NM	NA	NA	NA	NA	(110.6)%	NA	57.4 %	312.7 %
Hughes	25.79	558	1,077	222	742	(7.4)%	1.1 x	1.0 x	6.2 x	4.3 x	NM	18.7 x	(1.2)%	3.4 %	41.2 %	(93.0)%	3.0 x	19.5 %	22.9 %
Inmarsat	11.11	5,117	6,459	142	1,483	(3.1)%	5.9 x	5.4 x	12.4 x	9.3 x	24.8 x	10.2 x	NA	NA	NA	(26.2)%	2.6 x	6.9 %	8.1 %
Loral	52.81	1,595	1,453	142	0	50.4 %	1.4 x	1.3 x	15.4 x	NA	9.0 x	7.5 x	NA	NA	NA	8.9%	(1.5) x	7.6 %	6.1 %
SES	23.44	9,237	14,033	436	5,232	(5.4)%	NA	6.1 x	NA	8.4 x	14.7 x	14.3 x	NA	NA	NA	(51.9)%	NA	NA	NA
ViaSat	38.08	1,544	1,792	57	306	10.0 %	2.5 x	2.0 x	17.3 x	9.5 x	26.3 x	21.9 x	(8.9)%	(13.6)%	(38.4)%	(16.1)%	2.4 x	20.0 %	21.5 %
Mean		3,089	4,305	181	1,397	10.1 %	5.2 x	3.2 x	12.8 x	7.9 x	18.7 x	14.5 x	(5.0)%	(5.1)%	1.4 %	(48.2)%	1.6 x	22.3 %	74.3 %
Median		1,569	1,623	142	681	3.4 %	2.5 x	2.0 x	13.9 x	8.8 x	19.8 x	14.3 x	(5.0)%	(5.1)%	1.4 %	(39.1)%	2.5 x	19.5 %	21.5 %

(\$ 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
Cable & Satellite TV																		
British Sky	2,289	9,198.8	9,834.4	468	1,761.2	2,173.5	0.29	0.77	0.59	2.1%	13.3%	242.9%	6.9%	23.4%	(23.4)%	13.7 %	20.4 %	22.0 %
Cablevision	1,802	7,539.4	7,348.4	669	2,594.0	2,671.6	0.50	1.30	1.64	5.8%	11.3%	72.4%	(2.5)%	3.0%	26.3%	59.7 %	37.1 %	8.4 %
Charter Comm	1,771	6,909.0	7,246.3	641	2,502.0	2,627.9	(0.41)	2.83	NA	4.8%	1.4%	(37.6)%	4.9%	5.0%	NA	56.7 %	36.2 %	(2.6)%
Comcast	9,525	36,710.0	38,231.7	3,737	14,118.0	14,696.2	0.33	1.21	1.30	6.1%	5.7%	0.0%	4.1%	4.1%	7.5%	59.8 %	39.2 %	9.8 %
DIRECTV	5,848	22,902.0	24,659.8	1,635	6,049.0	6,626.7	0.60	1.90	2.60	12.1%	18.4%	50.0%	7.7%	9.6%	37.0%	51.1 %	28.0 %	9.3 %
Dish Netw ork	3,169	12,081.6	12,779.5	596	1,903.5	2,935.8	0.61	1.98	2.03	9.1%	19.8%	5.2%	5.8%	54.2%	2.8%	42.3 %	18.8 %	8.6 %
Liberty Global	2,173	10,215.9	9,207.3	952	4,412.4	4,126.1	(2.46)	(4.64)	(2.08)	20.0%	22.2%	(432.4)%	(9.9)%	(6.5)%	55.2%	63.1 %	43.8 %	(29.1)%
Rogers	2,855	11,438.4	12,191.5	1,122	4,326.2	4,635.5	0.75	2.78	2.88	14.9%	21.9%	34.9%	6.6%	7.1%	3.8%	89.5 %	39.3 %	15.3 %
Shaw Comm	901	3,431.0	3,817.8	393	1,603.9	1,740.5	0.35	1.20	1.37	14.6%	16.8%	26.9%	11.3%	8.5%	14.5%	40.2 %	43.7 %	17.0 %
Time Warner Cable	4,734	18,363.0	19,200.8	1,749	6,751.0	7,008.8	0.97	3.50	3.91	5.8%	6.0%	6.6%	4.6%	3.8%	11.6%	53.0 %	36.9 %	7.4 %
Mean	3,507	13,879	14,452	1,196	4,602	4,924	0.15	1.28	1.58	9.5%	13.7%	(3.1)%	3.9%	11.2%	15.0%	52.9 %	34.3 %	6.6 %
Median	2,572	10,827	11,013	811	3,460	3,531	0.43	1.60	1.64	7.6%	15.0%	16.7%	5.3%	6.1%	11.6%	54.9 %	37.0 %	9.0 %

Satellite Voice & Data																		
Globalstar	18	66.6	NA	(3)	(18.0)	NA	(0.07)	(0.42)	NA	12.1%	54.5%	40.7%	NA	NA	NA	40.7 %	(16.7)%	(112.1)%
Hughes	252	1,009.2	1,068.0	50	173.3	250.8	0.08	(0.22)	1.38	(1.4)%	29.4%	NM	5.8%	44.8%	NM	29.1 %	19.8 %	0.7 %
Inmarsat	285	1,096.3	1,198.6	168	522.8	697.6	0.12	0.45	1.09	12.2%	18.7%	44.3%	9.3%	33.4%	143.2%	66.7 %	59.0 %	18.7 %
Loral	280	1,018.3	1,131.0	31	94.5	NA	(0.66)	5.89	7.03	3.1%	NM	(126.6)%	11.1%	NA	19.3%	15.5 %	11.0 %	(7.1)%
SES	573	NA	2,296.1	420	NA	1,674.3	0.33	1.59	1.64	NA	NA	NA	NA	NM	2.8%	73.1 %	73.3 %	25.0 %
ViaSat	192	721.7	910.3	33	103.6	188.7	0.23	1.45	1.74	21.2%	86.0%	(30.3)%	26.1%	82.1%	20.1%	30.3 %	17.1 %	5.0 %
Mean	267	782	1,321	116	175	703	0.00	1.46	2.58	9.5%	47.2%	(18.0)%	13.1%	53.4%	46.3%	42.6 %	27.2 %	(11.6)%
Median	266	1,009	1,131	41	104	474	0.10	0.95	1.64	12.1%	42.0%	5.2%	10.2%	44.8%	19.7%	35.5 %	18.5 %	2.9 %

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 9/13/10	Market Cap	Enterprise Value	Cash	Debt	% Change 3/31/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	CapEx / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
Wireless - Int'l Emerging																			
America Movil	2.49	100,899	106,563	12,050	17,715	(1.2)%	3.4 x	2.7 x	8.5 x	6.6 x	14.2 x	12.6 x	(1.8)%	(1.9)%	2.7 %	(5.6)%	0.4 x	15.7 %	23.6 %
Bharti Airtel	7.52	28,530	28,265	1,659	1,395	8.3 %	3.1 x	2.4 x	8.1 x	6.6 x	16.0 x	16.9 x	NA	NA	NA	0.9%	(0.1) x	15.1 %	17.9 %
China Mobile	10.02	200,982	159,311	46,786	5,115	4.1 %	2.3 x	2.2 x	4.6 x	4.4 x	11.6 x	11.3 x	0.3 %	3.7 %	1.4 %	20.7%	(1.2) x	0.8 %	26.8 %
China Unicom	1.54	36,344	46,206	1,168	11,030	37.0 %	2.0 x	1.8 x	5.6 x	4.7 x	33.6 x	32.1 x	2.1 %	(0.8)%	0.0 %	(27.1)%	1.2 x	5.1 %	79.9 %
Maroc Telecom	17.13	15,051	16,527	103	1,579	(10.6)%	4.5 x	4.5 x	7.7 x	7.7 x	14.5 x	14.2 x	NA	NA	NA	(9.8)%	0.7 x	NA	24.6 %
Mobile Telecom	4.45	17,209	22,582	602	5,975	(5.3)%	3.6 x	NA	9.3 x	NA	27.6 x	NA	NA	NA	NA	(31.2)%	2.2 x	32.0 %	22.6 %
Mobile Telesystems	21.56	20,664	26,205	2,888	8,429	(2.9)%	2.3 x	2.2 x	5.2 x	4.9 x	15.9 x	9.7 x	0.9 %	(0.5)%	(65.0)%	(26.8)%	1.1 x	28.2 %	8.9 %
MTN Group	17.55	32,308	33,070	3,945	4,706	15.1 %	2.2 x	1.9 x	5.4 x	4.6 x	16.0 x	11.8 x	NA	NA	NA	(2.4)%	0.1 x	13.8 %	15.2 %
Perusahaan Telekom	1.00	19,669	21,826	954	3,110	12.9 %	2.9 x	2.7 x	5.3 x	4.8 x	16.2 x	13.7 x	1.8 %	6.5 %	11.3 %	(11.0)%	0.5 x	3.9 %	17.4 %
Reliance	3.51	7,245	12,475	1,169	6,399	(7.7)%	2.9 x	2.5 x	8.4 x	7.7 x	11.1 x	15.4 x	NA	NA	NA	(72.2)%	3.5 x	21.3 %	174.1 %
Saudi Telecom	10.64	21,281	29,900	1,746	10,364	(16.0)%	2.2 x	2.1 x	6.0 x	5.5 x	8.7 x	8.6 x	NA	NA	NA	(40.5)%	1.7 x	21.3 %	10.2 %
Singapore Telecom	2.30	36,606	40,109	1,275	4,778	1.4 %	3.2 x	3.0 x	11.2 x	10.7 x	13.2 x	11.9 x	NA	NA	NA	(9.6)%	1.0 x	5.8 %	11.3 %
Telenor	15.10	24,817	30,480	2,356	8,019	11.3 %	1.9 x	1.8 x	6.1 x	6.3 x	9.4 x	12.7 x	NA	NA	NA	(22.8)%	1.1 x	11.3 %	13.1 %
Mean		43,200	44,117	5,900	6,817	3.6 %	2.8 x	2.5 x	7.0 x	6.2 x	16.0 x	14.2 x	0.7 %	1.4 %	(9.9)%	(18.3)%	1.0 x	14.5 %	34.3 %
Median		24,817	29,900	1,659	5,975	1.4 %	2.9 x	2.3 x	6.1 x	5.9 x	14.5 x	12.7 x	0.9 %	(0.5)%	1.4 %	(11.0)%	1.0 x	14.5 %	17.9 %

(\$ 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
Wireless - Int'l Emerging																		
America Movil	7,855	31,759.8	40,191.4	3,260	12,593.5	16,094.1	0.05	0.18	0.20	14.8%	11.2%	(13.8)%	26.5%	27.8%	13.4%	44.3 %	41.5 %	18.6 %
Bharti Airtel	2,634	9,025.1	11,554.4	972	3,503.2	4,294.5	0.10	0.47	0.45	21.8%	10.8%	(29.5)%	28.0%	22.6%	(5.1)%	52.0 %	36.9 %	13.7 %
China Mobile	16,937	68,788.7	73,750.9	8,526	34,968.0	36,034.1	0.23	0.86	0.88	8.7%	6.9%	17.0%	7.2%	3.0%	2.3%	90.5 %	50.3 %	28.0 %
China Unicom	6,146	23,429.6	25,712.8	2,252	8,222.8	9,794.1	0.01	0.05	0.05	9.3%	(1.5)%	(52.7)%	9.7%	19.1%	4.8%	62.3 %	36.6 %	3.4 %
Maroc Telecom	863	3,705.1	3,649.6	503	2,143.3	2,153.6	0.28	1.18	1.21	(4.7)%	(4.5)%	(12.4)%	(1.5)%	0.5%	2.3%	75.4 %	58.3 %	28.8 %
Mobile Telecom	1,177	6,325.4	NA	506	2,417.1	NA	0.08	0.16	NA	7.8%	(6.3)%	77.9%	NA	NA	NA	74.2 %	42.9 %	26.1 %
Mobile Telesystems	2,772	11,378.4	11,830.9	1,235	5,077.0	5,333.9	0.18	1.36	2.22	37.1%	29.5%	(70.0)%	4.0%	5.1%	63.6%	75.1 %	44.6 %	6.2 %
MTN Group	3,663	14,862.9	17,122.6	1,586	6,121.2	7,203.2	0.28	1.09	1.49	(1.3)%	(0.1)%	9.6%	15.2%	17.7%	35.7%	63.8 %	43.3 %	14.5 %
Perusahaan Telekom	1,950	7,488.4	8,206.2	1,075	4,100.0	4,514.2	0.02	0.06	0.07	17.4%	13.5%	2.1%	9.6%	10.1%	17.8%	61.6 %	55.1 %	18.3 %
Reliance	1,100	4,323.8	5,014.8	351	1,485.8	1,625.1	0.03	0.32	0.23	(5.9)%	(32.2)%	(84.4)%	16.0%	9.4%	(28.0)%	73.6 %	31.9 %	4.9 %
Saudi Telecom	3,357	13,610.0	14,058.4	1,201	5,019.1	5,419.0	0.27	1.22	1.24	(0.7)%	(12.3)%	(31.3)%	3.3%	8.0%	0.9%	57.0 %	35.8 %	16.4 %
Singapore Telecom	3,073	12,348.8	13,291.3	904	3,568.5	3,752.2	0.04	0.17	0.19	15.7%	15.8%	3.6%	7.6%	5.1%	10.4%	28.7 %	29.4 %	22.0 %
Telenor	3,880	16,287.0	16,540.6	1,083	5,002.9	4,824.9	0.88	1.61	1.19	2.0%	(11.6)%	561.6%	1.6%	(3.6)%	(26.6)%	59.3 %	27.9 %	37.7 %
Mean	4,262	17,179	20,077	1,804	7,248	8,420	0.19	0.67	0.78	9.4%	1.5%	29.1%	10.6%	10.4%	7.6%	62.9 %	41.1 %	18.3 %
Median	3,073	12,349	13,675	1,083	5,003	5,079	0.10	0.47	0.66	8.7%	(0.1)%	(12.4)%	8.6%	8.7%	3.5%	62.3 %	41.5 %	18.3 %

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 9/13/10	Market Cap	Enterprise Value	Cash	Debt	% Change 3/31/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	CapEx / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
Wireless - Int'l Developed																			
Deutsche Telekom	13.49	58,829	124,364	5,706	71,242	(0.9)%	1.4 x	1.6 x	4.8 x	4.9 x	19.3 x	13.5 x	NA	NA	NA	(111.4)%	2.5 x	32.0 %	11.1 %
France Telecom	21.06	55,736	97,042	10,352	51,657	(12.1)%	1.7 x	1.7 x	5.0 x	5.0 x	8.7 x	10.3 x	0.9 %	(0.1)%	0.0 %	(74.1)%	2.1 x	10.3 %	11.1 %
KDDI	4,999.70	22,269	33,690	1,284	12,705	(3.5)%	0.9 x	0.8 x	3.3 x	3.2 x	10.1 x	7.9 x	NA	NA	NA	(51.3)%	1.1 x	21.2 %	9.1 %
NTT DoCoMo	1,731.40	72,036	71,317	7,899	7,181	13.6 %	1.5 x	1.4 x	4.3 x	3.9 x	13.4 x	12.0 x	2.4 %	(0.7)%	NA	1.0%	(0.0) x	26.1 %	10.5 %
Rogers	36.51	21,113	29,956	115	8,957	7.1 %	2.6 x	2.5 x	6.9 x	6.5 x	13.1 x	12.7 x	0.0 %	2.2 %	17.5 %	(41.9)%	2.0 x	50.2 %	14.5 %
Royal KPN	14.67	23,177	38,333	1,994	17,150	(7.5)%	2.1 x	2.3 x	5.6 x	5.6 x	7.2 x	10.3 x	NA	NA	NA	(65.4)%	2.2 x	8.9 %	11.4 %
SOFTBANK	29.97	32,443	59,995	6,916	34,469	21.6 %	2.0 x	1.7 x	6.7 x	5.9 x	34.1 x	15.3 x	NA	NA	NA	(84.9)%	3.1 x	33.8 %	8.4 %
Telecom Italia	1.35	24,364	71,732	6,026	53,394	(6.1)%	1.1 x	2.0 x	2.7 x	5.1 x	9.2 x	11.7 x	(0.7)%	2.2 %	0.0 %	(194.4)%	1.8 x	4.2 %	8.3 %
Telefonica	23.22	105,829	173,995	10,699	78,866	(2.1)%	2.1 x	2.1 x	5.7 x	5.6 x	9.7 x	9.2 x	3.8 %	2.4 %	3.9 %	(64.4)%	2.2 x	(1.4)%	NA
TeliaSonera	7.48	33,607	41,605	1,465	9,463	5.1 %	2.8 x	2.8 x	8.0 x	8.0 x	12.3 x	11.3 x	NA	NA	NA	(23.8)%	1.5 x	21.6 %	11.4 %
Vodafone	2.47	130,406	184,140	7,300	61,033	7.2 %	2.6 x	2.7 x	8.0 x	8.2 x	10.2 x	10.4 x	3.4 %	NA	NA	(41.2)%	2.3 x	18.7 %	NA
Mean	52,710	84,197	5,432	36,920	2.0 %	1.9 x	2.0 x	5.6 x	5.6 x	13.4 x	11.3 x	1.6 %	1.2 %	5.3 %	(68.3)%	1.9 x	20.5 %	10.6 %	
Median	33,607	71,317	6,026	34,469	(0.9)%	2.0 x	2.0 x	5.6 x	5.6 x	10.2 x	11.3 x	1.6 %	2.2 %	1.9 %	(64.4)%	2.1 x	21.2 %	11.1 %	

(\$ 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
Wireless - Int'l Developed																		
Deutsche Telekom	19,072	87,449.8	79,364.2	5,918	25,908.3	25,295.9	0.14	0.70	1.00	(16.2)%	(15.2)%	(19.7)%	(9.2)%	(2.4)%	43.0%	44.3 %	31.0 %	3.1 %
France Telecom	13,596	56,769.9	56,603.7	4,788	19,508.2	19,389.8	0.58	2.42	2.04	(13.3)%	(9.7)%	(19.8)%	(0.3)%	(0.6)%	(15.7)%	38.9 %	35.2 %	11.3 %
KDDI	9,782	37,928.0	40,945.0	2,719	10,161.6	10,637.5	182.38	492.84	629.60	10.4%	0.0%	(9.5)%	8.0%	4.7%	27.7%	49.0 %	27.8 %	8.3 %
NTT DoCoMo	12,303	47,090.8	51,500.3	4,502	16,635.8	18,517.2	38.59	129.43	144.07	9.2%	3.0%	5.3%	9.4%	11.3%	11.3%	62.7 %	36.6 %	13.1 %
Rogers	2,855	11,438.4	12,191.5	1,122	4,326.2	4,635.5	0.75	2.78	2.88	14.9%	21.9%	34.9%	6.6%	7.1%	3.8%	89.5 %	39.3 %	15.3 %
Royal KPN	4,111	18,168.4	16,669.2	1,645	6,829.4	6,847.8	0.36	2.05	1.43	(13.9)%	(11.0)%	14.9%	(8.3)%	0.3%	(30.2)%	45.9 %	40.0 %	13.9 %
SOFTBANK	7,916	30,709.2	35,007.5	2,551	8,940.0	10,107.5	0.20	0.88	1.96	14.4%	34.0%	(22.6)%	14.0%	13.1%	122.8%	56.2 %	32.2 %	2.8 %
Telecom Italia	8,372	63,601.5	35,513.0	3,540	26,661.8	13,936.5	0.03	0.15	0.12	(13.0)%	(8.9)%	(14.1)%	(44.2)%	(47.7)%	(20.9)%	50.7 %	42.3 %	7.8 %
Telefonica	18,794	81,431.8	81,241.5	6,919	30,348.6	31,046.6	0.55	2.39	2.53	(4.4)%	(10.6)%	(6.1)%	(0.2)%	2.3%	6.0%	76.6 %	36.8 %	13.3 %
TeliaSonera	3,473	14,803.1	15,088.9	1,185	5,176.7	5,214.6	0.15	0.61	0.66	(1.8)%	12.1%	17.0%	1.9%	0.7%	8.3%	43.7 %	34.1 %	19.4 %
Vodafone	16,858	69,833.4	69,347.4	5,661	22,956.1	22,592.4	0.06	0.24	0.24	(5.8)%	(9.1)%	9.4%	NA	NA	NA	32.5 %	33.6 %	17.7 %
Mean	10,648	47,202	44,861	3,686	16,132	15,293	20.35	57.68	71.50	(1.8)%	0.6%	(0.9)%	(2.2)%	(1.1)%	15.6%	53.6 %	35.4 %	11.4 %
Median	9,782	47,091	40,945	3,540	16,636	13,936	0.36	2.05	1.96	(4.4)%	(8.9)%	(6.1)%	0.8%	1.5%	7.1%	49.0 %	35.2 %	13.1 %

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 /	CapEx /
	9/13/10	Cap	Value	Cash	Debt	3/3/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
Wireless - US																			
AT&T	27.93	165,038	234,096	1,377	70,435	8.1 %	1.9 x	1.9 x	5.6 x	5.3 x	12.5 x	11.6 x	(0.3)%	1.5 %	6.8 %	(41.8)%	1.6 x	24.3 %	15.9 %
Atlantic Tele	46.81	718	959	58	299	4.2 %	2.8 x	1.3 x	7.9 x	5.1 x	22.6 x	13.1 x	16.9 %	9.3 %	(64.6)%	(33.6)%	2.0 x	35.1 %	21.4 %
Clearwire	7.36	1,782	7,707	2,236	8,161	2.8 %	20.4 x	7.7 x	NM	NM	NM	NM	(6.8)%	NA	0.9 %	(332.5)%	NA	242.9 %	582.3 %
Leap Wireless	11.16	874	3,118	550	2,794	(31.8)%	1.3 x	1.2 x	6.1 x	5.0 x	NM	NM	(5.6)%	3.2 %	(1.4)%	(256.6)%	4.4 x	29.3 %	14.4 %
MetroPCS	9.86	3,489	6,088	1,076	3,675	39.3 %	1.6 x	1.4 x	5.9 x	4.1 x	16.7 x	12.8 x	2.3 %	22.9 %	73.1 %	(74.5)%	2.5 x	15.9 %	19.2 %
NTELOS	16.42	685	1,251	60	626	(7.7)%	2.3 x	2.2 x	5.8 x	5.4 x	12.7 x	12.8 x	(3.9)%	(2.4)%	(3.1)%	(82.7)%	2.6 x	27.8 %	17.0 %
Shenandoah	18.14	431	435	27	31	(3.5)%	2.6 x	2.0 x	6.1 x	5.1 x	16.8 x	14.3 x	1.0 %	(2.2)%	4.8 %	(1.0)%	0.1 x	25.5 %	22.9 %
Sprint Nextel	4.53	13,520	29,544	4,277	20,301	19.2 %	0.9 x	0.9 x	4.9 x	5.1 x	NM	NM	0.1 %	2.0 %	2.1 %	(118.5)%	2.7 x	28.6 %	5.2 %
US Cellular	44.57	3,840	4,399	369	927	7.7 %	1.1 x	1.1 x	5.3 x	5.5 x	26.7 x	25.3 x	(3.1)%	(17.5)%	(31.6)%	(14.5)%	0.7 x	43.2 %	13.0 %
Verizon	30.90	87,354	184,816	5,225	102,687	(0.4)%	1.7 x	1.7 x	5.2 x	5.2 x	13.6 x	14.0 x	(0.9)%	0.0 %	4.0 %	(111.6)%	2.8 x	28.3 %	15.8 %
Mean		27,773	47,241	1,525	20,994	3.8 %	3.7 x	2.1 x	5.9 x	5.1 x	17.4 x	14.8 x	(0.0)%	1.9 %	(0.9)%	(106.7)%	2.2 x	50.1 %	72.7 %
Median		2,636	5,243	813	3,234	3.5 %	1.8 x	1.6 x	5.8 x	5.1 x	16.7 x	13.1 x	(0.6)%	1.5 %	1.5 %	(78.6)%	2.5 x	28.5 %	16.4 %
Wireless Towers																			
American Tower	49.00	19,656	23,493	331	4,168	15.0 %	12.9 x	11.4 x	20.3 x	16.8 x	59.8 x	53.0 x	1.0 %	1.5 %	21.3 %	(19.5)%	3.3 x	11.4 %	16.5 %
Crown Castle	42.53	12,346	18,852	242	6,748	11.2 %	10.6 x	9.9 x	18.0 x	15.8 x	NM	164.8 x	2.1 %	2.3 %	186.7 %	(52.7)%	6.2 x	8.9 %	12.0 %
GTL Infrastructure	1.01	964	1,392	272	700	8.1 %	NA	NA	NA	NA	NA	NA	NA	NA	NA	(44.3)%	NA	56.0 %	NA
SBA Comm	38.58	4,423	6,999	232	2,808	7.0 %	11.9 x	10.7 x	20.5 x	17.1 x	NM	NM	2.0 %	1.6 %	1.4 %	(58.2)%	7.5 x	8.9 %	9.9 %
Mean		9,347	12,684	269	3,606	10.3 %	11.8 x	10.6 x	19.6 x	16.6 x	59.8 x	108.9 x	1.7 %	1.8 %	69.8 %	(43.7)%	5.7 x	21.3 %	12.8 %
Median		8,384	12,925	257	3,488	9.7 %	11.9 x	10.7 x	20.3 x	16.8 x	59.8 x	108.9 x	2.0 %	1.6 %	21.3 %	(48.5)%	6.2 x	10.2 %	12.0 %

(\$ 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
Wireless - US																		
AT&T	30,808	123,051.0	124,983.4	10,926	41,933.0	44,027.3	0.61	2.24	2.41	0.6%	5.6%	13.0%	1.6%	5.0%	7.4%	59.8 %	35.5 %	11.8 %
Atlantic Tele	164	344.6	767.1	37	121.1	186.8	0.28	2.07	3.58	172.1%	32.2%	(55.6)%	122.6%	54.3%	73.2%	68.8 %	22.7 %	2.6 %
Clearwire	123	377.9	1,003.3	(391)	(1,314.6)	(1,429.9)	(0.52)	(1.93)	(2.57)	92.7%	(100.2)%	(59.5)%	165.5%	(8.8)%	(33.2)%	(75.9)%	(318.8)%	(87.1)%
Leap Wireless	634	2,486.3	2,650.7	161	509.3	619.3	(0.24)	(2.81)	(1.29)	6.0%	26.6%	53.8%	6.6%	21.6%	53.9%	54.7 %	25.5 %	(2.9)%
MetroPCS	1,013	3,808.6	4,327.3	312	1,025.6	1,486.7	0.23	0.59	0.77	17.8%	40.2%	228.6%	13.6%	45.0%	30.8%	46.6 %	30.8 %	8.1 %
NTELOS	132	538.9	562.6	52	214.5	230.3	0.31	1.29	1.28	(5.5)%	(13.3)%	(22.5)%	4.4%	7.4%	(0.9)%	68.9 %	39.4 %	9.8 %
Shenandoah	42	164.2	214.4	16	71.8	85.3	0.29	1.08	1.27	5.3%	(18.2)%	0.0%	30.6%	18.8%	17.6%	63.8 %	38.2 %	16.3 %
Sprint Nextel	8,025	32,020.0	32,059.6	1,585	6,028.0	5,829.8	(0.17)	(0.64)	(0.71)	(1.4)%	(10.4)%	(325.0)%	0.1%	(3.3)%	(11.5)%	47.3 %	19.8 %	(6.3)%
US Cellular	1,030	4,173.2	4,187.3	209	826.4	793.3	0.47	1.67	1.76	(1.2)%	(25.3)%	(51.0)%	0.3%	(4.0)%	5.5%	63.5 %	20.3 %	4.0 %
Verizon	26,773	108,042.0	106,555.2	8,716	35,367.0	35,256.2	0.58	2.28	2.20	(0.3)%	(4.3)%	(7.9)%	(1.4)%	(0.3)%	(3.5)%	60.8 %	32.6 %	6.1 %
Mean	6,874	27,501	27,731	2,162	8,478	8,709	0.18	0.58	0.87	28.6%	(6.7)%	(22.6)%	34.4%	13.6%	13.9%	45.8 %	(5.4)%	(3.8)%
Median	823	3,147	3,419	185	668	706	0.29	1.19	1.27	3.0%	(7.3)%	(15.2)%	5.5%	6.2%	6.4%	60.3 %	28.1 %	5.0 %
Wireless Towers																		
American Tower	470	1,816.4	2,065.8	299	1,156.6	1,396.2	0.25	0.82	0.92	11.0%	11.2%	92.3%	13.7%	20.7%	12.7%	76.1 %	63.7 %	21.5 %
Crown Castle	456	1,773.1	1,903.8	270	1,046.1	1,191.9	0.05	(0.03)	0.26	11.3%	13.8%	(70.6)%	7.4%	13.9%	NM	68.1 %	59.2 %	3.1 %
GTL Infrastructure	40	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NM	NM	89.0 %	46.4 %	(10.8)%
SBA Comm	155	586.7	655.8	90	341.2	409.8	(0.29)	(1.23)	(0.75)	13.5%	14.0%	(11.5)%	11.8%	20.1%	39.1%	67.7 %	58.4 %	(21.7)%
Mean	280	1,392	1,542	220	848	999	0.00	(0.15)	0.14	11.9%	13.0%	3.4%	11.0%	18.2%	25.9%	75.2 %	56.9 %	(2.0)%
Median	305	1,773	1,904	270	1,046	1,192	0.05	(0.03)	0.26	11.3%	13.8%	(11.5)%	11.8%	20.1%	25.9%	72.1 %	58.8 %	(3.8)%



Introduction to SagePoint Advisors

Introduction to SagePoint Advisors

SagePoint Advisors is a boutique investment banking firm providing merger, acquisition and strategic advisory services to technology and telecom companies and their venture backers.

Mission	To deliver the senior-level attention, trusted relationships and market insight on \$10-100 million M&A transactions that other investment banks reserve only for much larger transactions.
Services	Sell Side Advisory; Divestitures; Buy Side Advisory; Strategic Investments
Industry Focus	Software, hardware and services in the Wireless, VoIP, IP Video, Networking, Internet, Telecom Equipment, IT Infrastructure and Enabling Technology sectors
Offices	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

Value Chain	Wireless	VoIP	Video	Data
Services	Mobile messaging, content, search, LBS, social networking, gaming, etc.	VoIP service providers, voice search, website voice enablement, etc.	Cable & DBS, Internet video, conferencing, video delivery networks, etc.	Internet access, web hosting, co-location, SaaS delivery networks, etc.
Software	Mobile and fixed wireless application and infrastructure software, etc.	VoIP softphone client and server software, FMC software, etc.	Video encoding, transcoding, editing, sharing and player software, etc.	Networking & Internet client and server software, etc.
Equipment	Handsets and modules, fixed and mobile wireless equipment, etc.	VoIP handsets, gateways, IP-PBXs, SBCs, media servers, etc.	Cable & IPTV equipment, video conferencing, VOD, DVRs, STBs, etc.	WAN, LAN and optical data networking and telecom equipment, etc.
Semiconductors	3G/4G, WiMax, WLAN, & WPAN RF & BB ICs, etc.	VoIP DSPs and ASICs	Video encode/decode, processing and transport ICs, etc.	WAN, LAN, I/O storage and security networking ICs

Transaction Experience of SagePoint Team






































 <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 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>  August 2004	 <i>has been acquired by</i>  \$122,500,000 April 2004	 <i>has been acquired by</i>  March 2004
 <i>has been acquired by</i>  August 2003	 <i>has been acquired by</i>  December 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	 Private Placement \$11,000,000 Placement Agent May 2000	 <i>has merged with</i>  \$157,000,000 March 2000

Transaction Experience by Market Segment

SagePoint's Founder has led more than 75 M&A and fund raising engagements with deal experience across the entire communications and networking value chain.

Value Chain	Wireless	VoIP	Video	Data
Services	<ul style="list-style-type: none"> • Sale of Xumii to Myriad Group • Capital Raise for InfoSonics 	<ul style="list-style-type: none"> • Sale of AccessLine to Telanetix • Strategic Advisory for Voice 2.0 Service Provider 	<ul style="list-style-type: none"> • Strategic Advisory for DirecTV Reseller 	<ul style="list-style-type: none"> • Sale of Compute Intensive to Verio • Sale of GeoNet to Level 3 • Capital Raise for Speakeasy
Software	<ul style="list-style-type: none"> • Sale of Neven Vision to Google • Sale of SKY MobileMedia; 	<ul style="list-style-type: none"> • Sale of CrystalVoice to Global IP Solutions • Buyside Advisory for VOIP Softphone Vendor 	<ul style="list-style-type: none"> • IPO for Divx • Strategic Advisory for Mobile Video SW Vendor 	<ul style="list-style-type: none"> • Sale of LVL7 to Broadcom • Sale of Neteon to CA
Equipment	<ul style="list-style-type: none"> • Sale of Strix to Idream • Sale of Aiprime to Sierra Wireless 	<ul style="list-style-type: none"> • Strategic Advisory for Unified Messaging Vendor • Strategic Advisory for IP-PBX Vendor 	<ul style="list-style-type: none"> • Sale of Gyration to Philips • Sale of TIR to Philips 	<ul style="list-style-type: none"> • Sale of Network Physics to OpNet • Capital Raise for Raptor Networks • Sale of Procom to Sun
Semis	<ul style="list-style-type: none"> • Sale of CommAsic to Freescale • Peregrine Strategic Investment • Sale of Synad to ST 	<ul style="list-style-type: none"> • Strategic Advisory for Noise Cancellation IC Vendor 	<ul style="list-style-type: none"> • Sale of Vativ to Entropic • Strategic Advisory for Video Processing IC Vendor 	<ul style="list-style-type: none"> • Strategic Advisory for Storage Networking IC Vendor

Representative Buyer Relationships

Internet / Media	Service Providers	Communications Software / SaaS	Communications Equipment	Communications Semiconductors
         	         	         	        	         

Why Work With SagePoint?

- SagePoint delivers the senior-level attention, trusted relationships and market insight on \$10-100M transactions that larger investment banks reserve only for much larger transactions
- SagePoint's domain knowledge is world-class across the entire communications and networking value chain
- SagePoint has developed trusted relationships with the most active strategic buyers across the communications 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