

SagePoint Telecom Services 100

Q3 2010 Performance Review

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

December 2010

Prepared By:

SAGEPOINT



ADVISORS

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SagePoint Telecom Services 100 Universe

Q3 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					

Q3 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

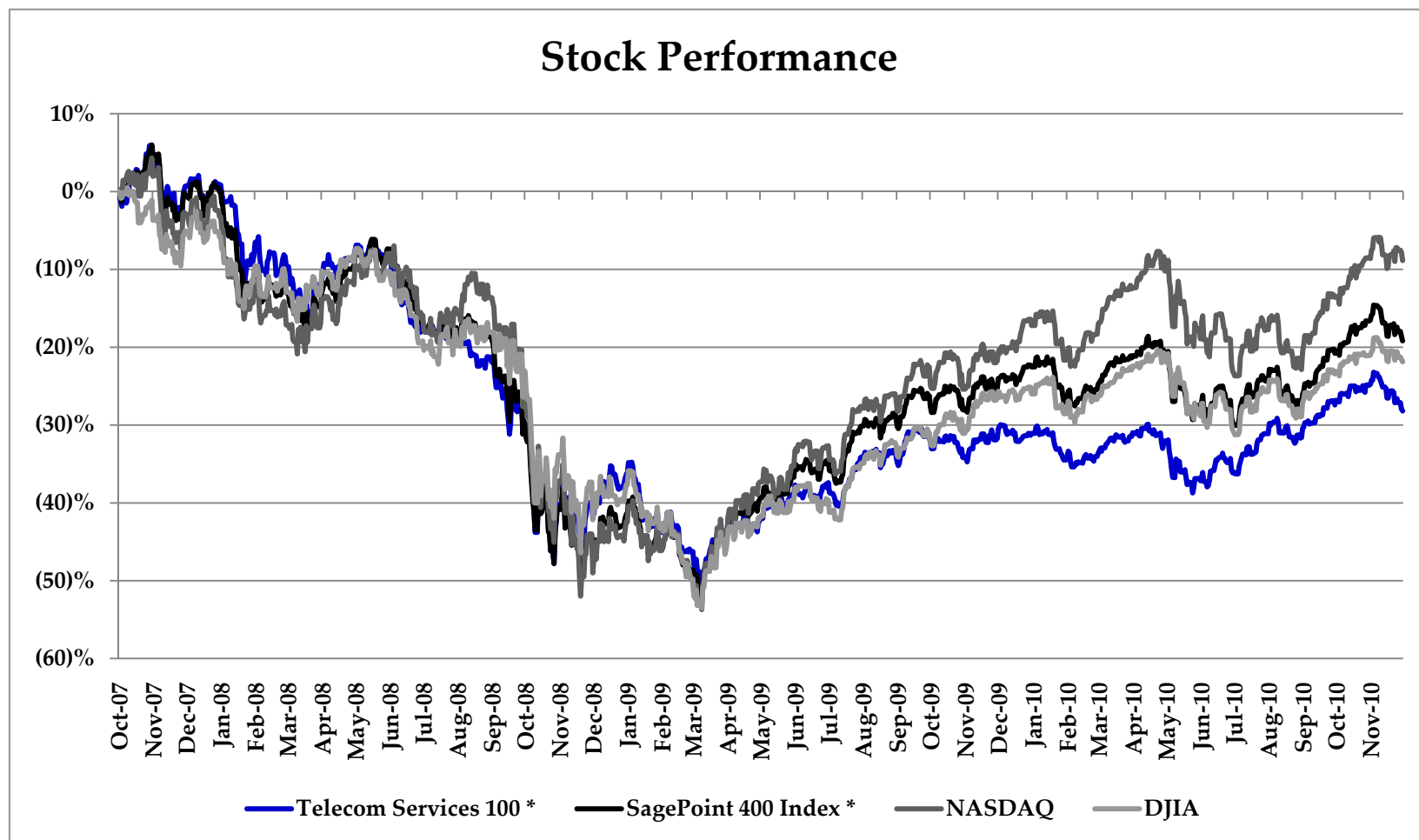
- Telecom Services is up 12.4% since the beginning of Q3, though it has underperformed the SagePoint 400 (+15.0%), NASDAQ (+18.4%) and DJIA (+12.6%)
 - Telecom Services rallied in advance of the broader markets, outperforming in July and August, but underperformed in September and October as SagePoint 400, NASDAQ and DJIA surged
 - Telecom Services took a much harder hit in November, dropping 6.5% since its recent high in early Nov.
 - The SagePoint Telecom Services 100 generally performed well with a median gain of 13.4% despite recent contraction in market values
- The vast majority of Telecom Services companies are meeting or beating expectations
 - 88% of the Telecom Services 100 met or beat Q3 revenue targets, with beats nearly doubling misses
 - On the EBITDA side, 83% of companies met or beat expectations beats outnumbering misses 2.7 to 1
- Telecom Services 100 remains in moderate growth mode up a median of 5.9% in Q3 and projected to remain steady with 6.1% growth projected NTM
 - Wireless Towers and Hosting & Data Center posted double digit revenue growth and project the same
 - Only National LEC/ICP posted revenue contraction with slight contraction expected NTM
 - Satellite Voice & Data expects double digit growth NTM
 - Data Access & Transport, VoIP Specialty and US Wireless all had growth of ~2% or less but expect above median growth NTM
- Telecom Services 100 median EBITDA growth remains stable at 6.5% in Q3
 - EBITDA growth is projected to improve slightly, up 9.7% over the next twelve months with all segments expecting EBITDA growth
 - Satellite Voice & Data led MRQ/PYQ growth with strong growth of 47% ahead

SagePoint's Viewpoint - Key Takeaways Continued

- Telecom Services operating models appear healthy in Q3
 - Median gross margins of 57.6% are within historic norms and up slightly from Q2
 - Median SG&A as a % of revenue remains at 21.2% in Q3
 - EBITDA margins were about flat at 34.1%
 - Median CapEx as % of revenue increased slightly to 14.1% with aggregate CapEx up 7.8% on major increases at US Regional LEC/ICP (+28.4%), Intl Emerging Wireless (+17.6%) and Wireless Towers (+17.1%)
- Valuation multiples are up from Q2 and appear strong despite November drop in values
 - Median revenue multiple at 2.2x LTM
 - Median EBITDA multiple at 6.5x LTM
- Improving EBITDA and Q3 market rally has improved leverage levels
 - Median Net Debt as a % of Market Cap dropped to its lowest level in two years but remains high at 43.1%
 - Median Net Debt/EBITDA fell slightly and stands at 2.0x, returning to historic norms
- Telecom Services M&A activity volume was up in Q3 though dollar volume fell with just one megamerger for the quarter
 - PE buyers have been very active recently with 4 of the top 7 biggest deals going to financial buyers
 - Telefonica's \$9.8B bid for Portugal Telecom's half of Brasilcel finally ended the bidding saga
 - Other notable transactions include CVC Capital Partners/Sunrise Communications (\$3.3B), Windstream/Q-Comm (\$778M), Court Square Capital Partners/Fibertech (\$500M), GI Partners/SoftLayer (\$475M), PAETEC/Cavalier Telephone (\$460M) and Welsh, Carson, Anderson & Stowe/Peak 10 (\$400M)
 - SagePoint expects deal activity to continue at a strong pace for Q4 and throughout 2011

SagePoint Telecom Services 100 Index Performance

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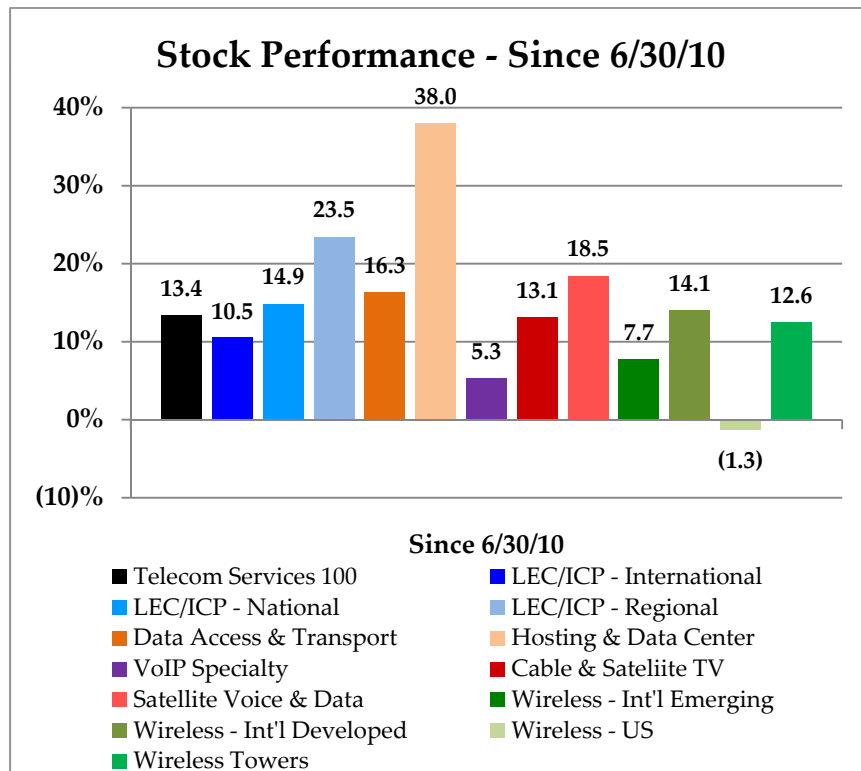


* Market Value weighted index

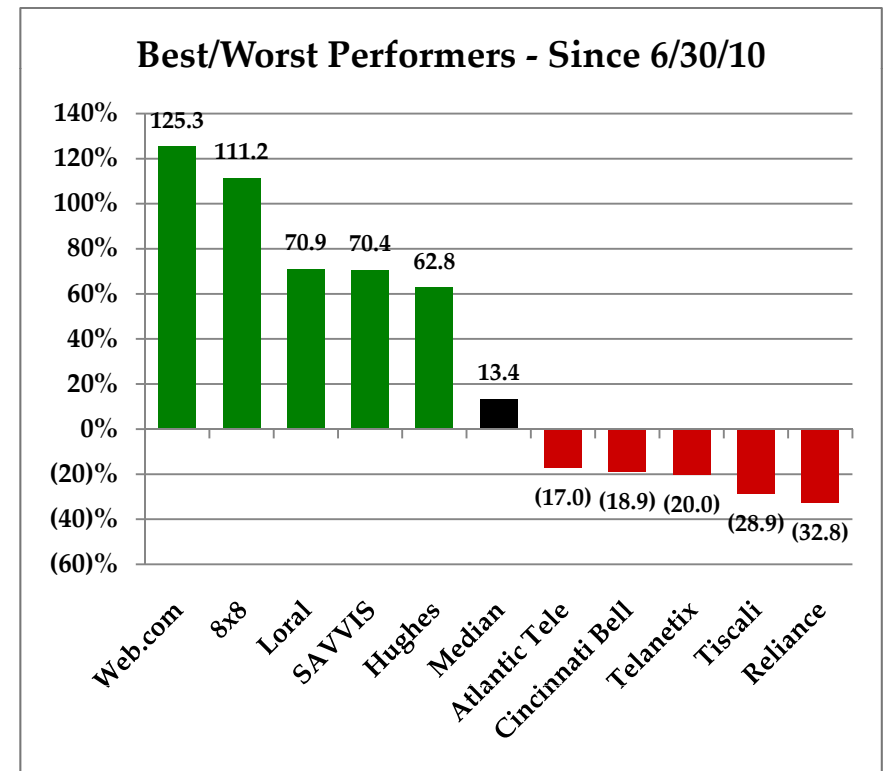
SagePoint Telecom Services 100 – Q3 2010

Stock Performance Since Beginning of Q3

- The SagePoint Telecom Services 100 generally performed well with a median gain of 13.4% despite recent contraction in market values
 - Hosting & Data Center led gains again, up 38%, with strong growth in traffic expected with Web.com and SAVVIS leading the segment and only Equinix (-4.5%) not up 20%+
 - Regional LEC/ICPs have outperformed, up 23.5% on stronger growth prospects than National LEC/ICPs
 - Wireless US has contracted as difficulty growing revenue in a saturated, highly competitive market has impacted valuations
 - 8x8 more than doubled as their model is scaling better than expected with strong earnings



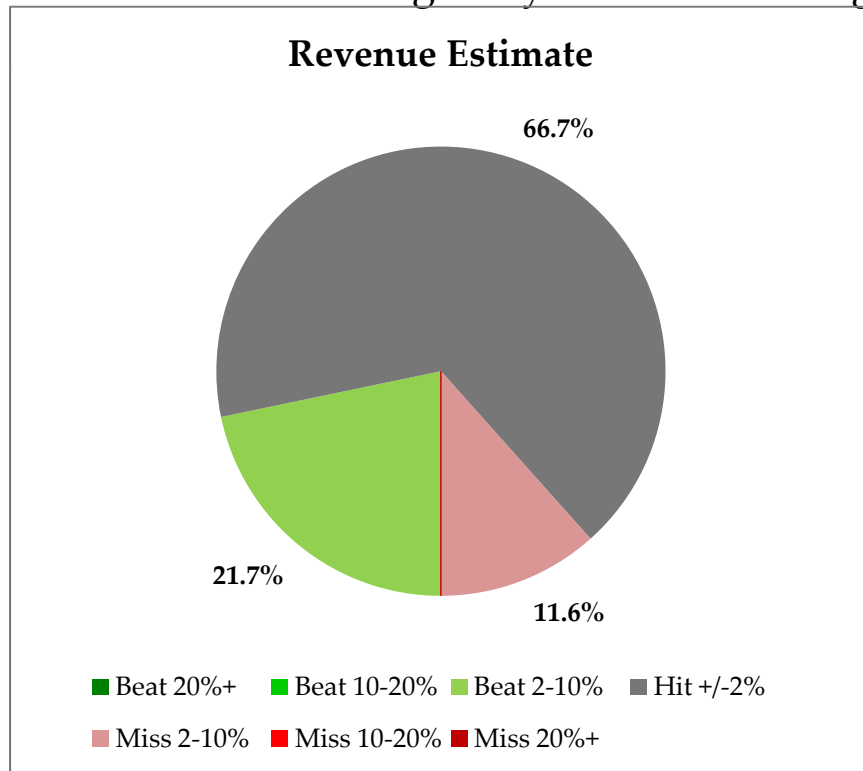
Source: SagePoint Advisors & Capital IQ



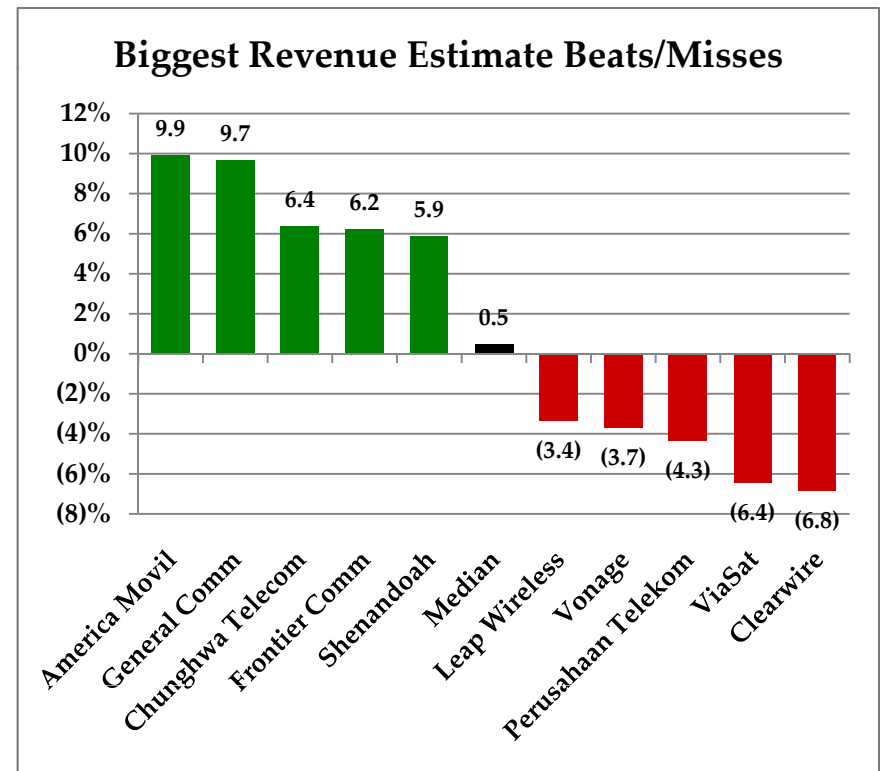
Source: SagePoint Advisors & Capital IQ

Performance Versus Analyst Estimates – Revenue

- The vast majority of the Telecom Services 100 (~88%) met or beat estimates
 - Positive surprises outnumbered negative nearly 2 to 1 with no one beat or missing by more than 10%
- America Movil beat on strong subscriber growth, though the 9.9% is exaggerated as many analysts had difficulty forecasting consolidated Telmex/Telmex Intl revenue
- General Comm’s beat by more than 5% again this quarter with the big surprise came from strong consumer growth with data/wireless and commercial also showing strong growth
- Chunghwa Telecom beat by more than 5% again this quarter while ViaSat and Clearwire both missed revenue targets by more than 5% again



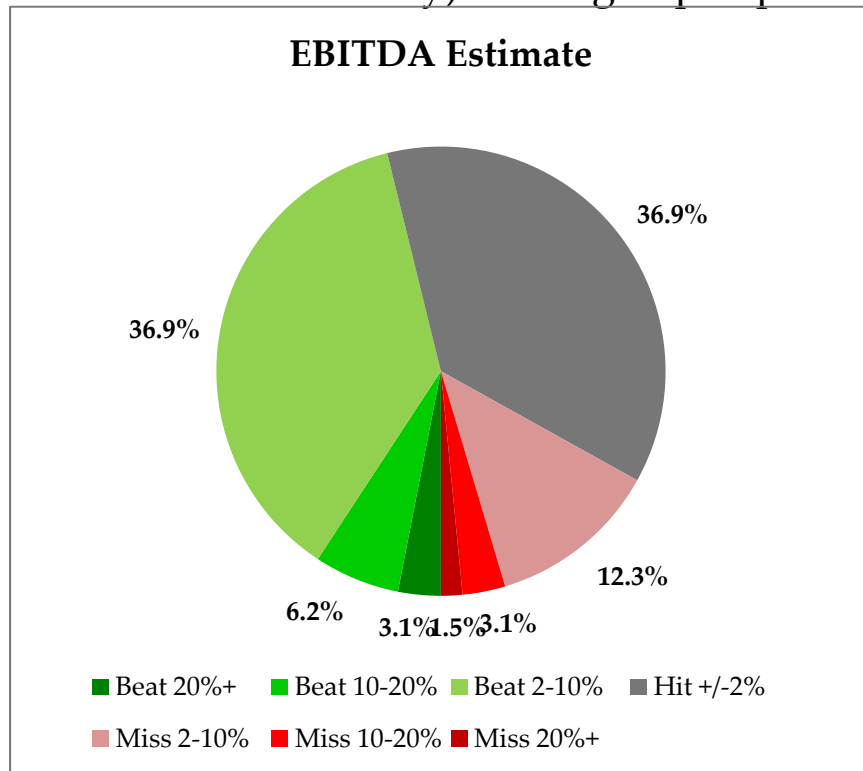
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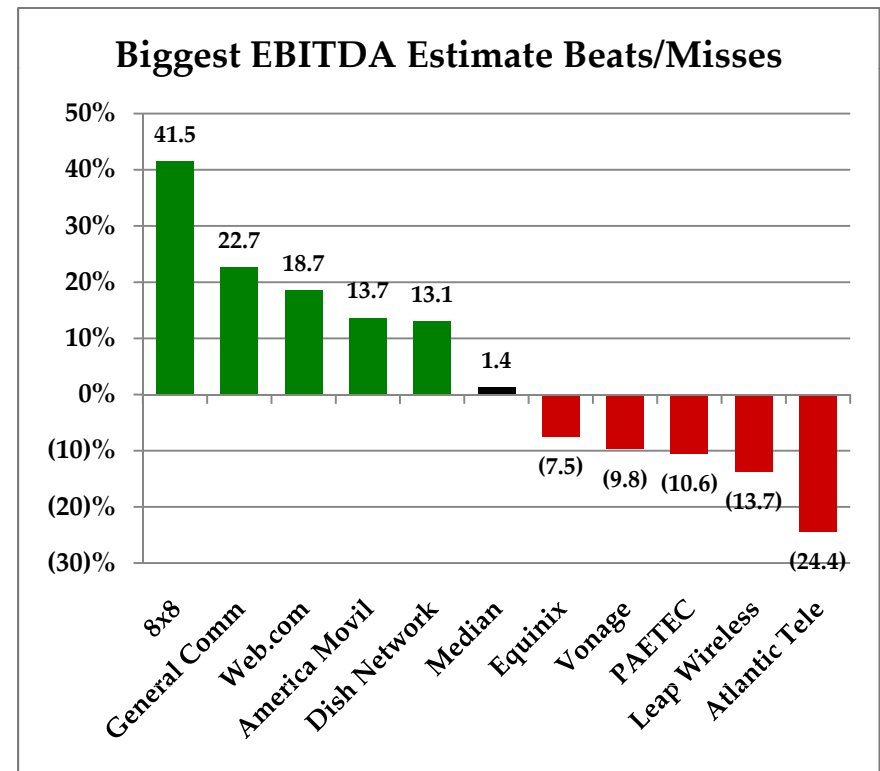
Source: SagePoint Advisors & Capital IQ

Performance Versus Analyst Estimates – EBITDA

- 83% of the Telecom Services 100 met or beat EBITDA estimates
 - Nearly half of reports were positive surprises, outnumbering negative 2.7 to 1
- 8x8 posted strong EBITDA growth as increased leverage from growing revenues drives profits
- General Comm’s strong revenue growth drove improved profitability
- Web.com came in ahead of estimates mostly due to the earlier than expected close of Register.com which drove higher than expected revenue and synergies
- Atlantic Tele miss mostly due to higher \$10M in additional sales and marketing expenses (over half handset subsidy) relating to postpaid customer renewals and extensions at Alltel



Source: SagePoint Advisors & Capital IQ

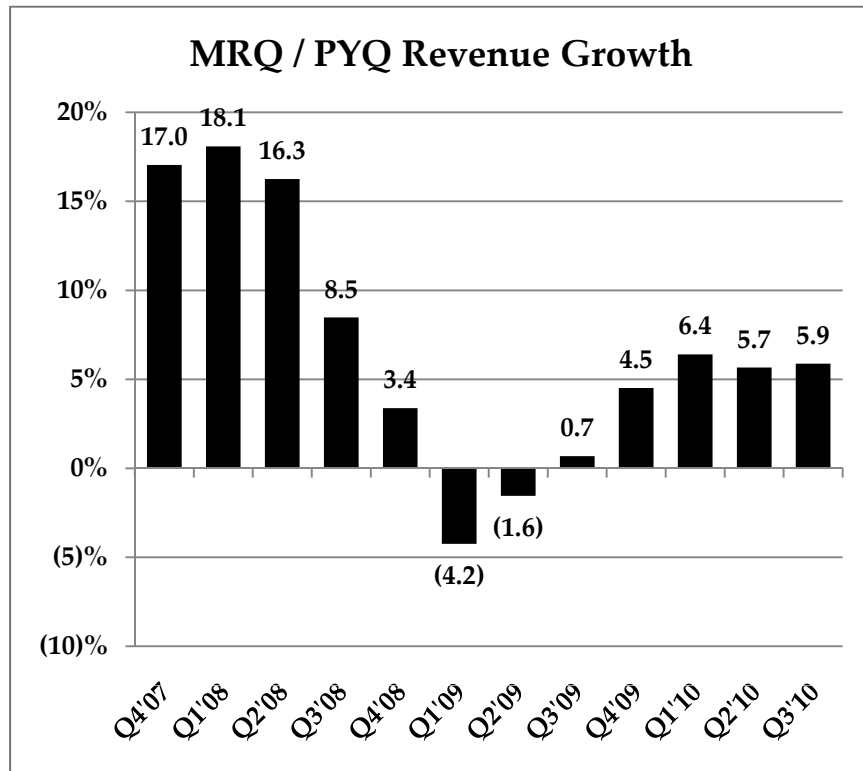


Source: SagePoint Advisors & Capital IQ

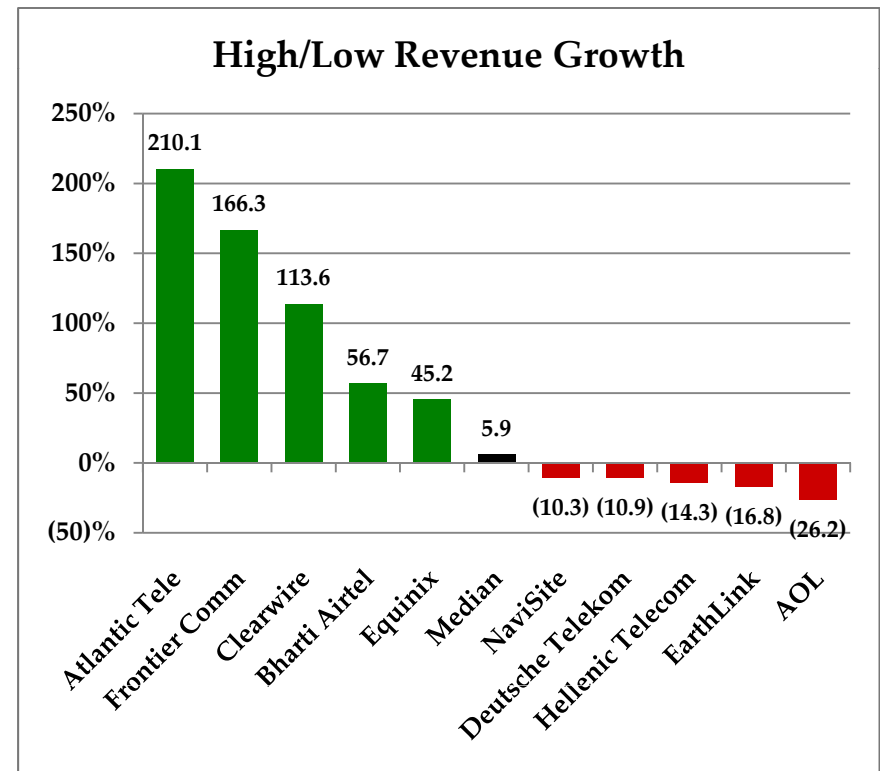
Note: Excludes companies projected to have EBITDA margin between -2% and 2%

Operating Metrics – Revenue Growth

- Telecom Services 100 remains in moderate growth mode, up a median 5.9%
 - Atlantic Tele, Frontier Comm and Bharti Airtel growth driven by acquisitions of Alltel, Verizon Wireless Assets and Zain Africa, 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



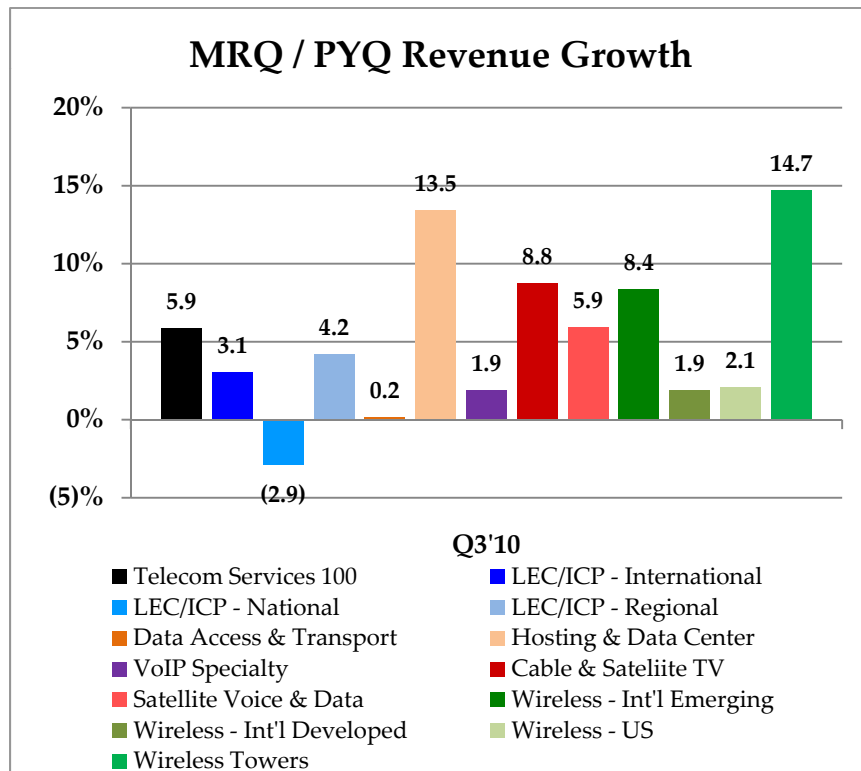
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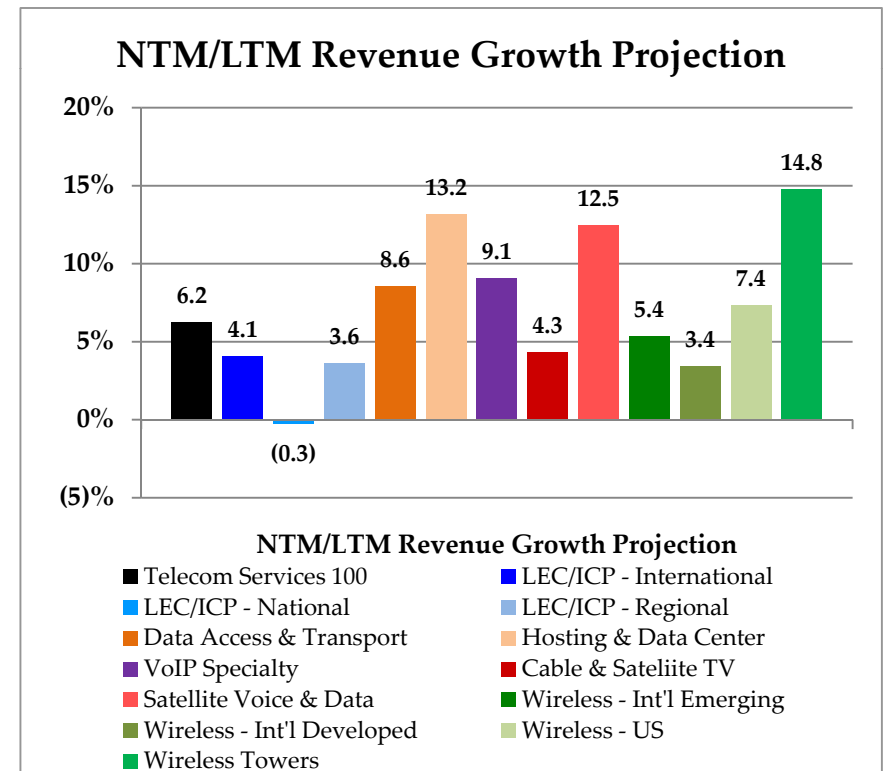
Source: SagePoint Advisors & Capital IQ

Operating Metrics – Revenue Growth by Segment

- Wireless Towers and Hosting & Data Center posted double digit revenue growth and expect the same NTM
- Only National LEC/ICP posted revenue contraction with slight contraction expected NTM
- Satellite Voice & Data expects double digit growth NTM
- Data Access & Transport, VoIP Specialty and US Wireless all had growth of ~2% or less but expect above median growth NTM



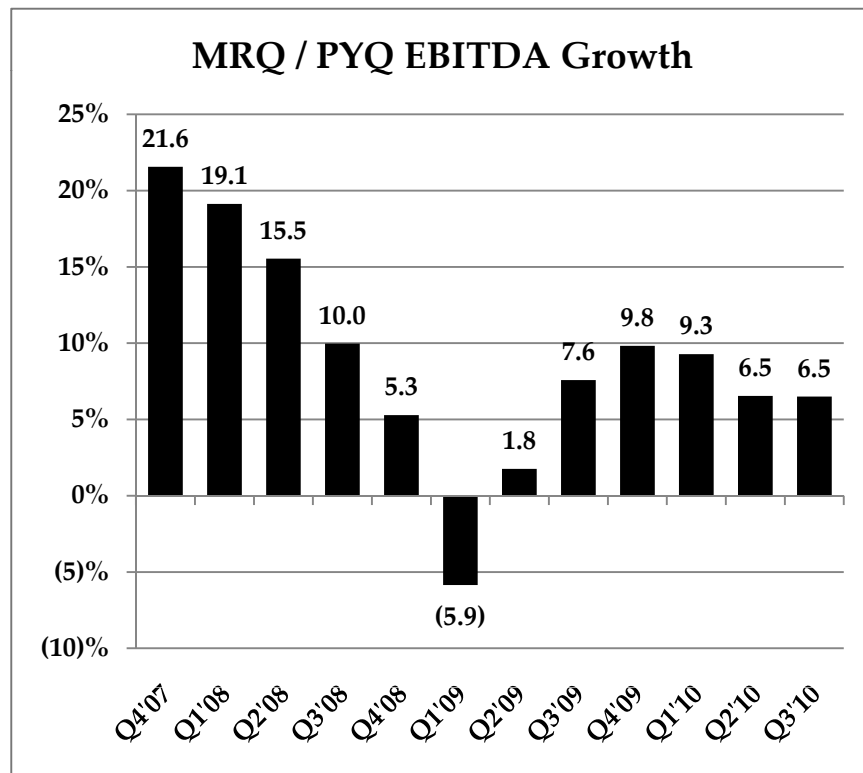
Source: SagePoint Advisors & Capital IQ



Source: SagePoint Advisors & Capital IQ

Operating Metrics – EBITDA Growth

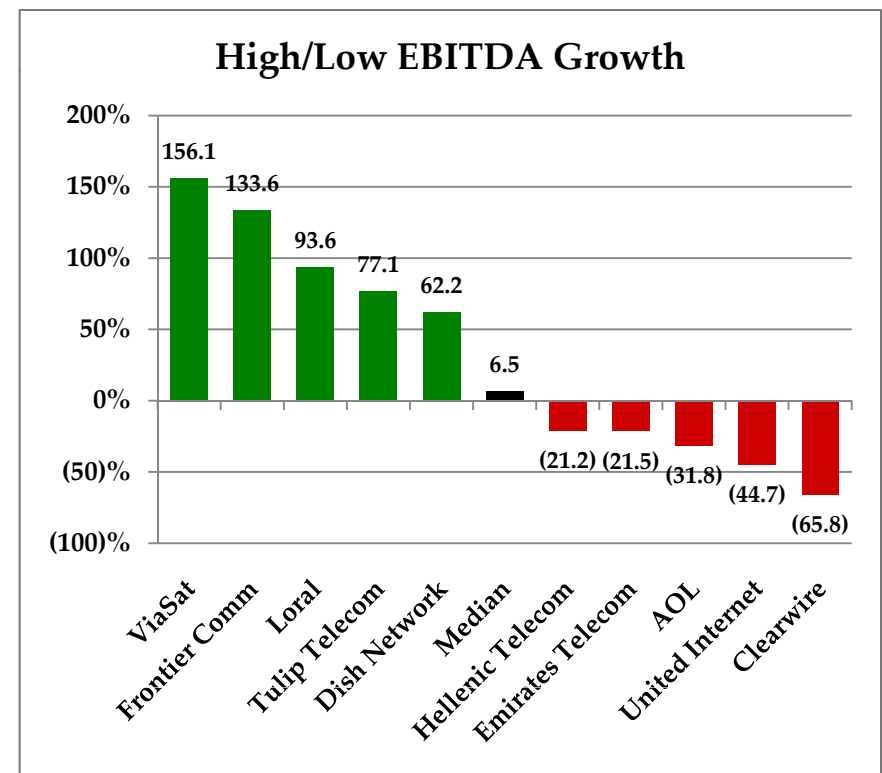
- Telecom Services 100 median EBITDA growth remains stable at 6.5% in Q3
 - ViaSat and Tulip EBITDA up Y/Y as the businesses scale
 - Frontier Comm growth driven by Verizon Wireless Assets acquisition
 - Loral EBITDA growth driven by strong revenue growth and improving margins
 - Clearwire EBITDA contraction as the company boosts SG&A and network-related opex to support marketing and network build-out
 - United Internet drop exaggerated due to PYQ gain from sale of freenet shares, down 12% excluding



Source: SagePoint Advisors & Capital IQ

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

SagePoint Telecom Services 100 – Q3 2010

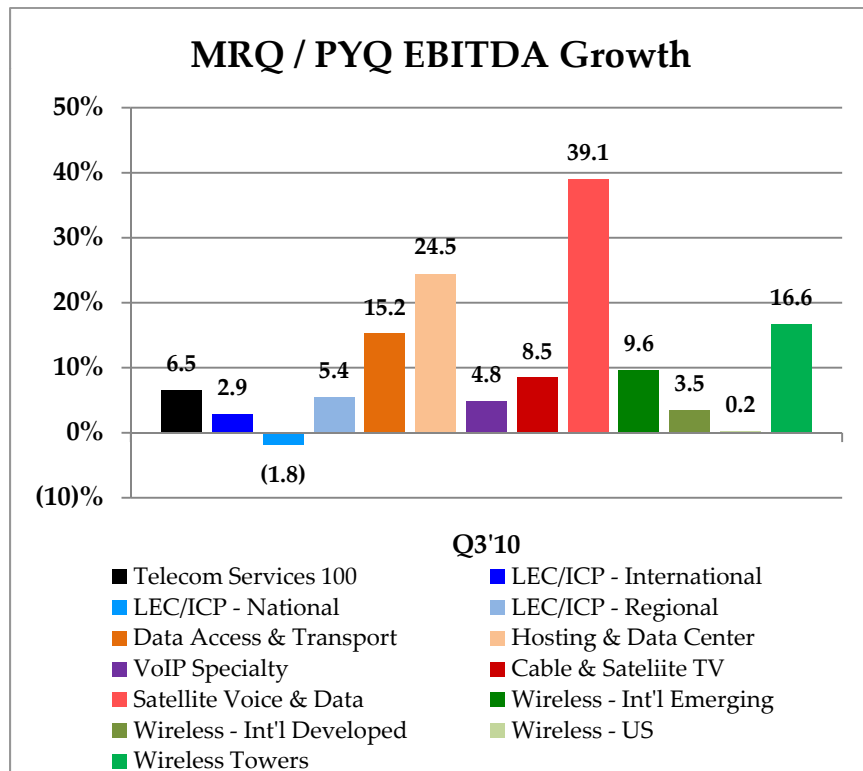


Source: SagePoint Advisors & Capital IQ

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

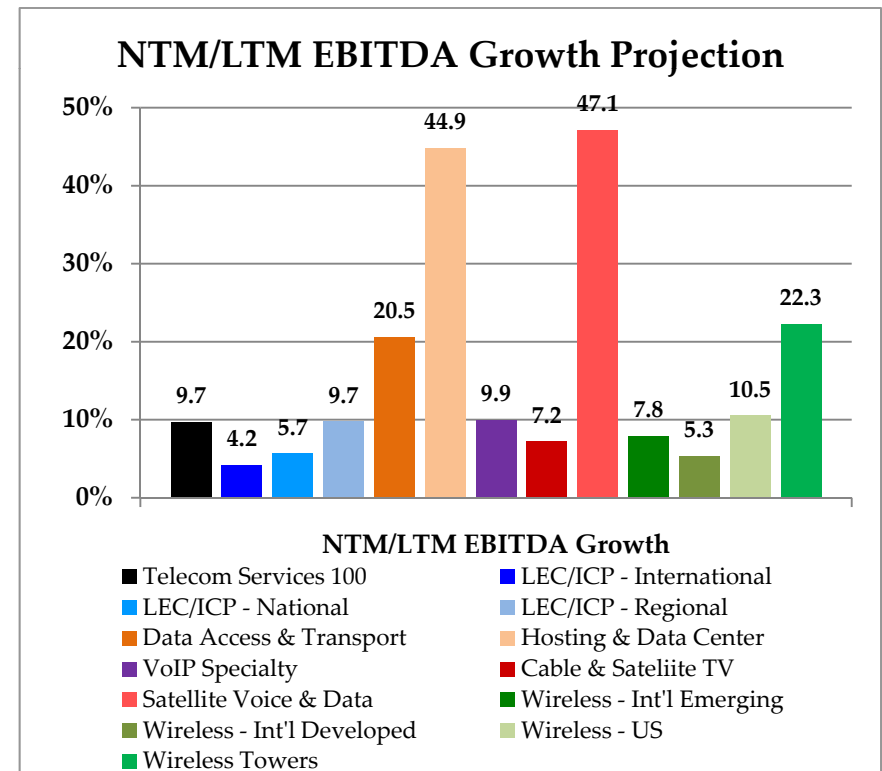
Operating Metrics – EBITDA Growth by Segment

- EBITDA growth is projected to improve slightly, up 9.7% over the next twelve months with all segments expecting EBITDA growth
- Satellite Voice & Data led MRQ/PYQ growth with stronger growth of 47% ahead as the business continues to develop
- Hosting & Data Center also posted strong growth with 45% EBITDA growth projected
- Data Access & Transport and Wireless Towers current growth in the mid teens with 20%+ NTM
- National LEC/ICP and US Wireless were flat or down but expect 5-10% growth NTM



Source: SagePoint Advisors & Capital IQ

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

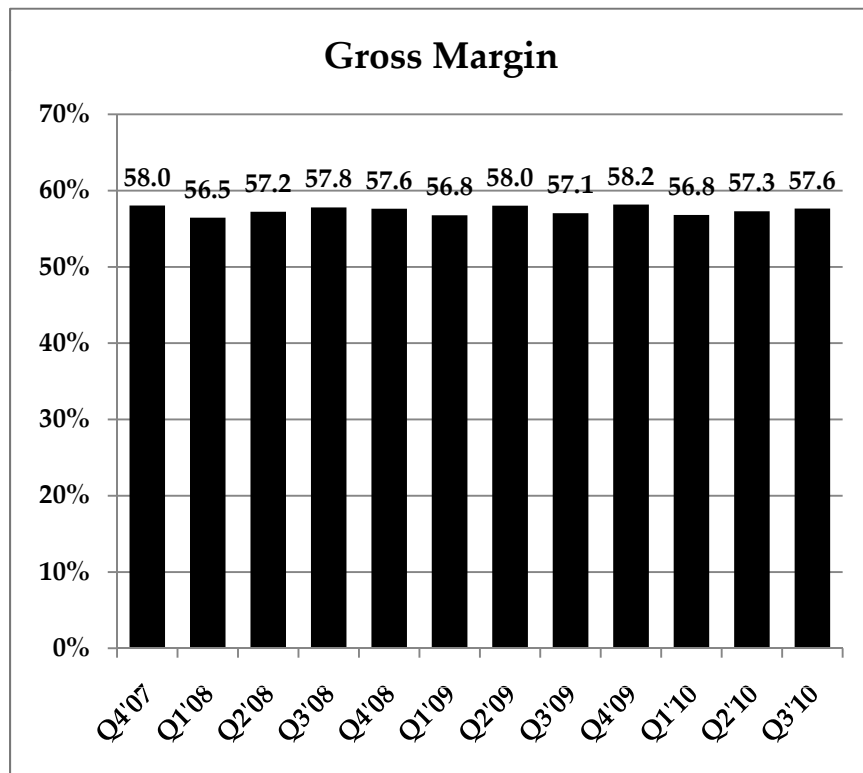


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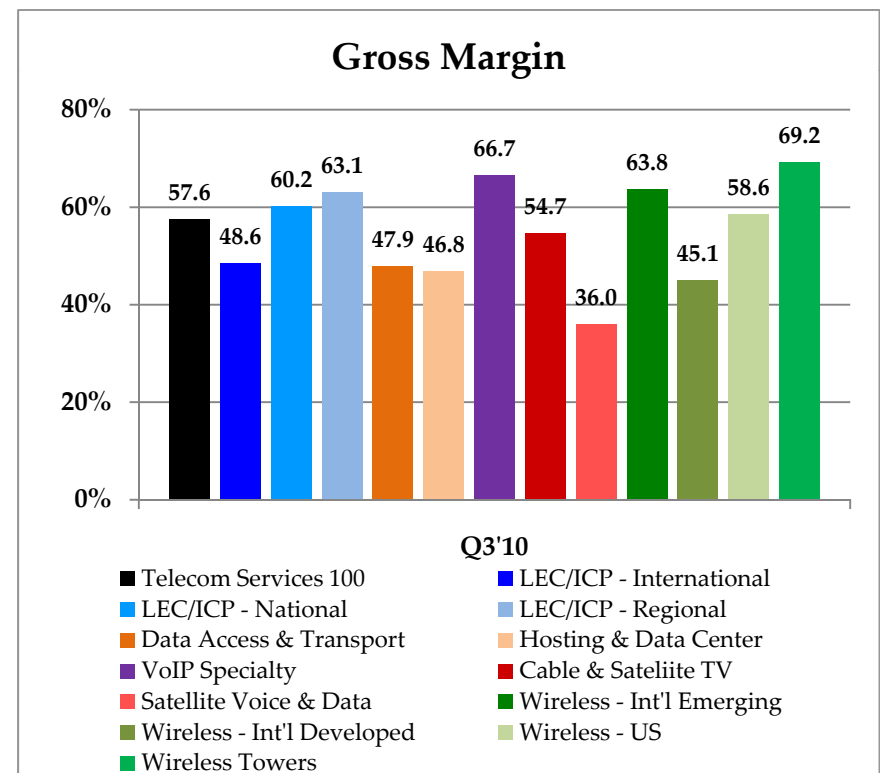
Note: Excludes companies with a EBITDA margin between -2% and 2% in the PYQ

Operating Metrics – Gross Margins

- Telecom Services median gross margins were up slightly again to 57.6%, in line with historic norms
- Wireless Towers and VoIP Specialty are the only segments with gross margins above 65% while US LEC/ICPs, US Wireless and Int'l Emerging Wireless post gross margins above 60%
- International LEC/IVP, Data Access/Transport, Hosting/Data Center and Int'l Developed Wireless lag the median in the 40-50% range
- Satellite Voice & Data generates the lowest gross margins at 36.0%



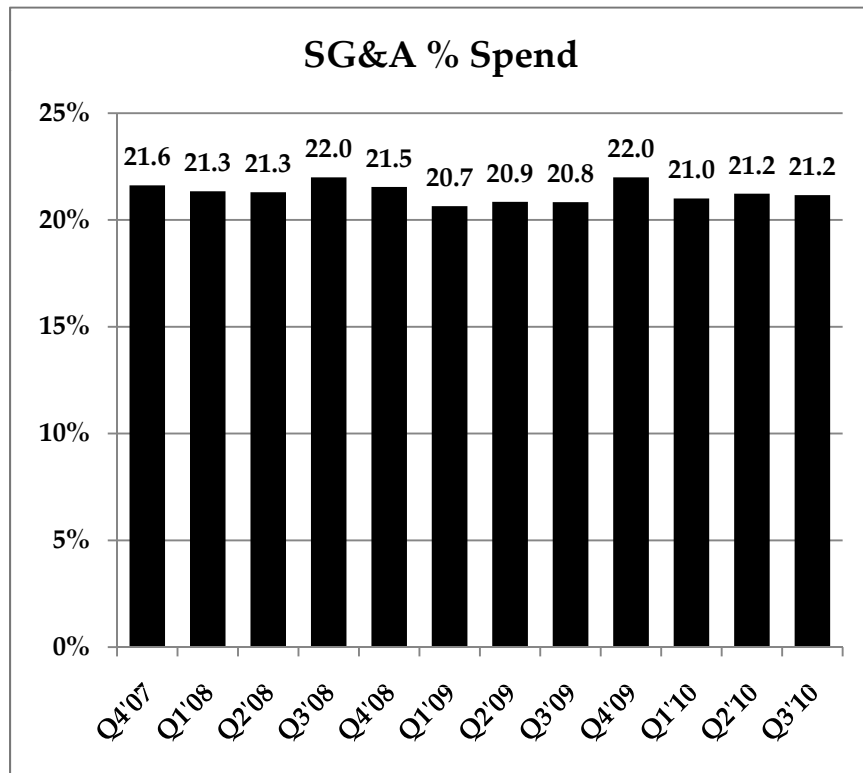
Source: SagePoint Advisors & Capital IQ



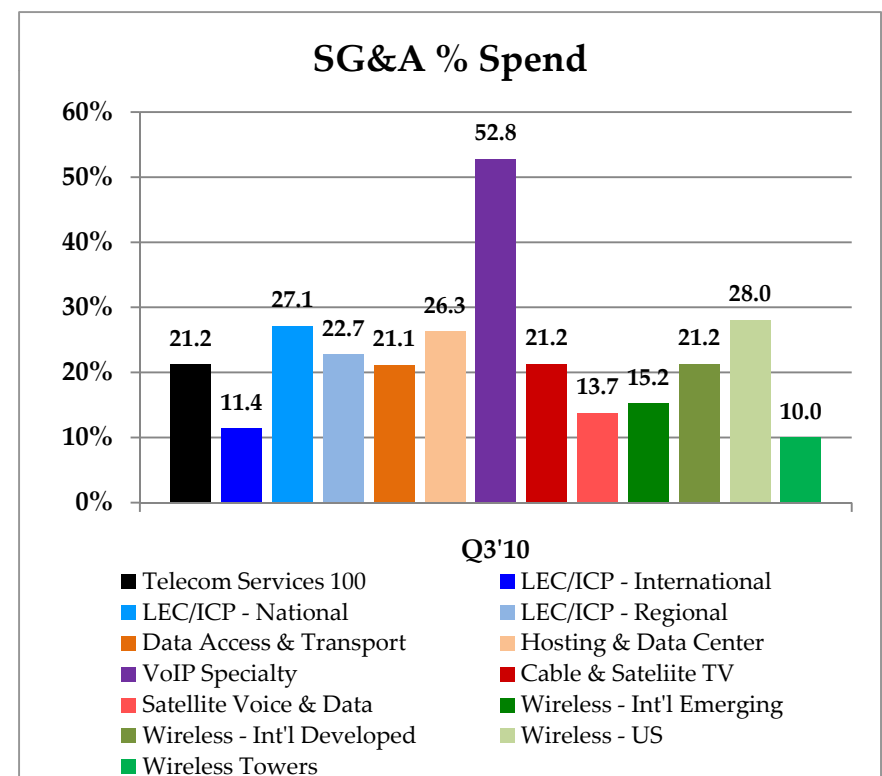
Source: SagePoint Advisors & Capital IQ

Operating Metrics – SG&A as a % of Revenues

- SG&A as a % of revenues remained flat for Q3 in line with historic norms
 - Aggregate SG&A increased 1.2% with companies increasing SG&A outnumbering decrease almost 3 to 1
- 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



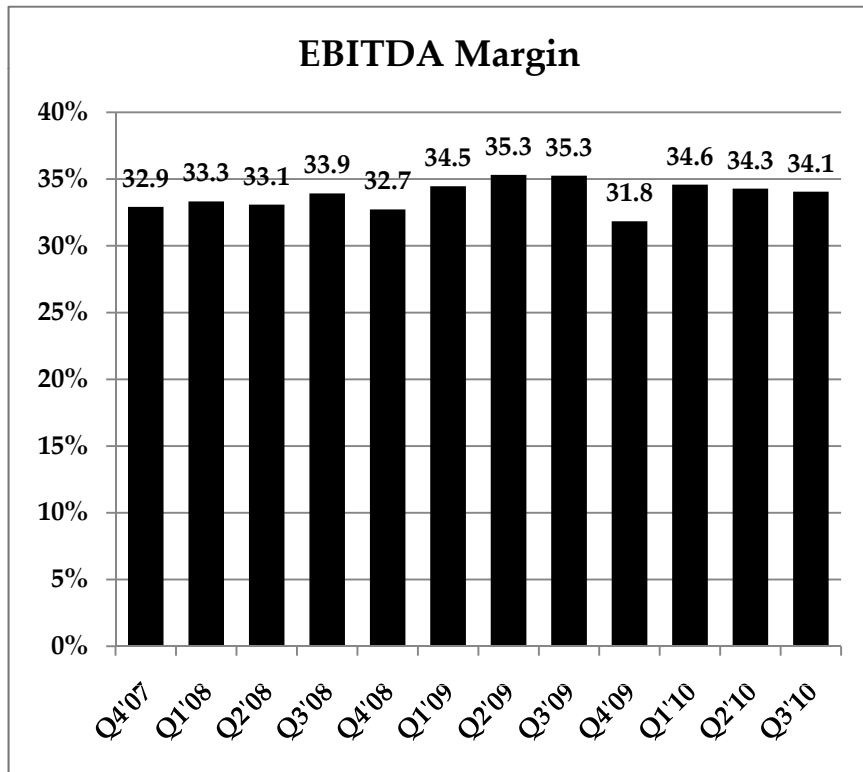
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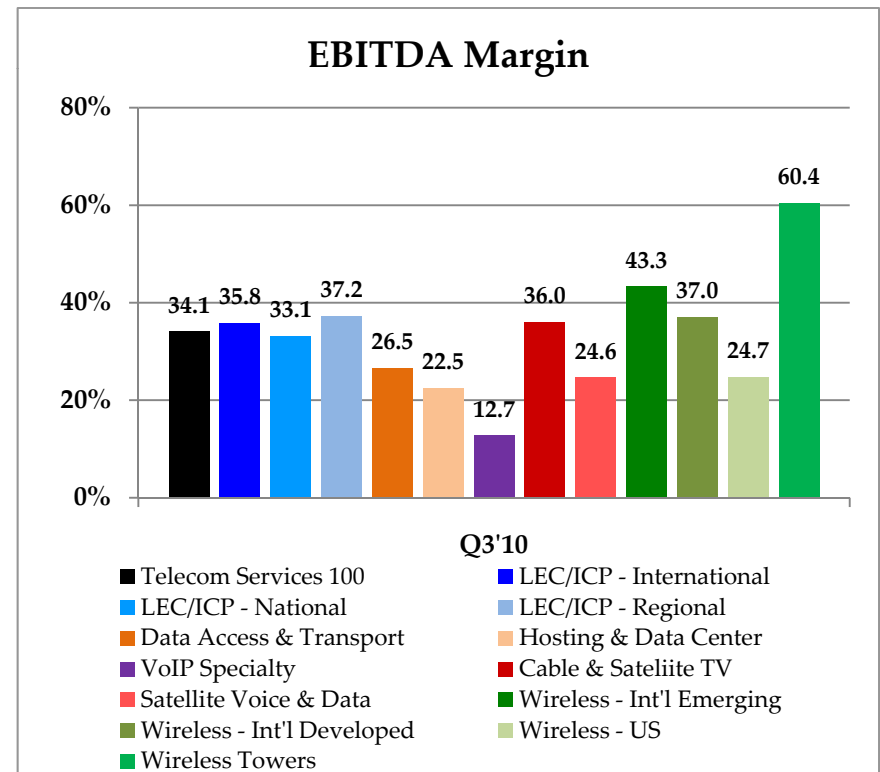
Source: SagePoint Advisors & Capital IQ

Operating Metrics – EBITDA Margins

- Q3 EBITDA margins remained relatively flat at 34.1%
- 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 increased 6% to 24.6% as scale drives profits
- Intl Emerging Wireless increased from 36.9% to 43.3% on revenue growth and improved GMs



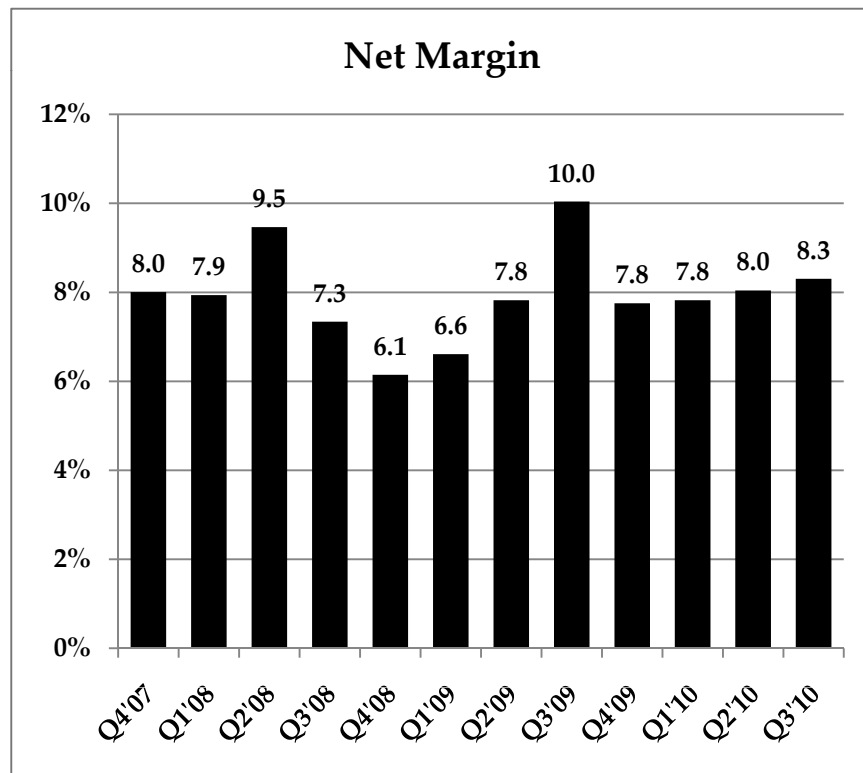
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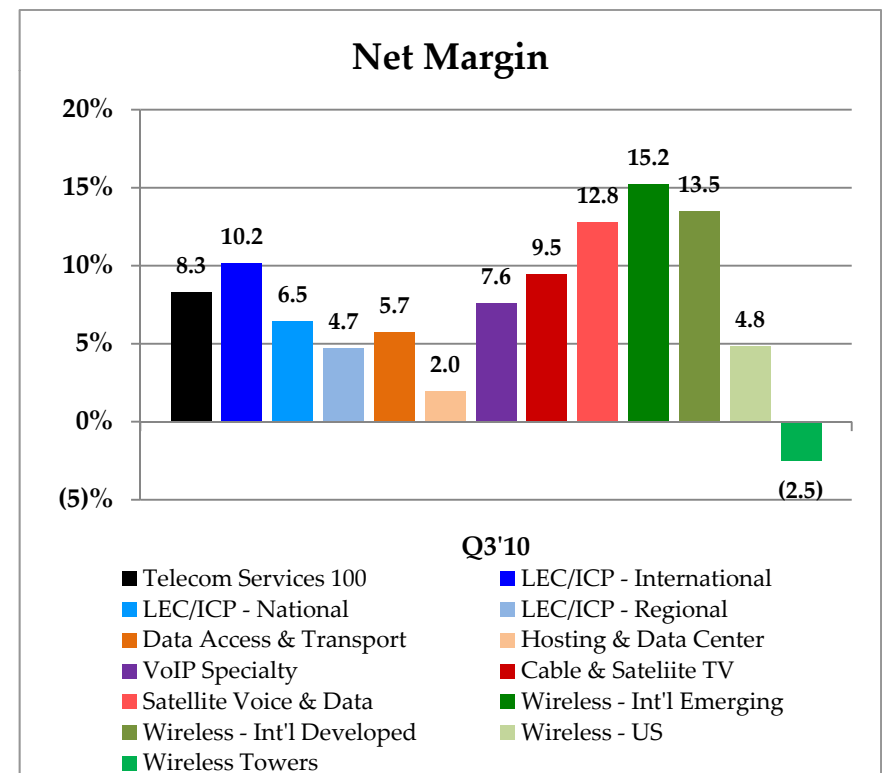
Source: SagePoint Advisors & Capital IQ

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, Intl Developed Wireless and Satellite Voice & Data the only other segments in double digits
 - Hosting & Data Center generated slim net margins of 2%
 - Wireless Towers segment has a negative median net margin despite strong EBITDA margins due to high depreciation and interest costs



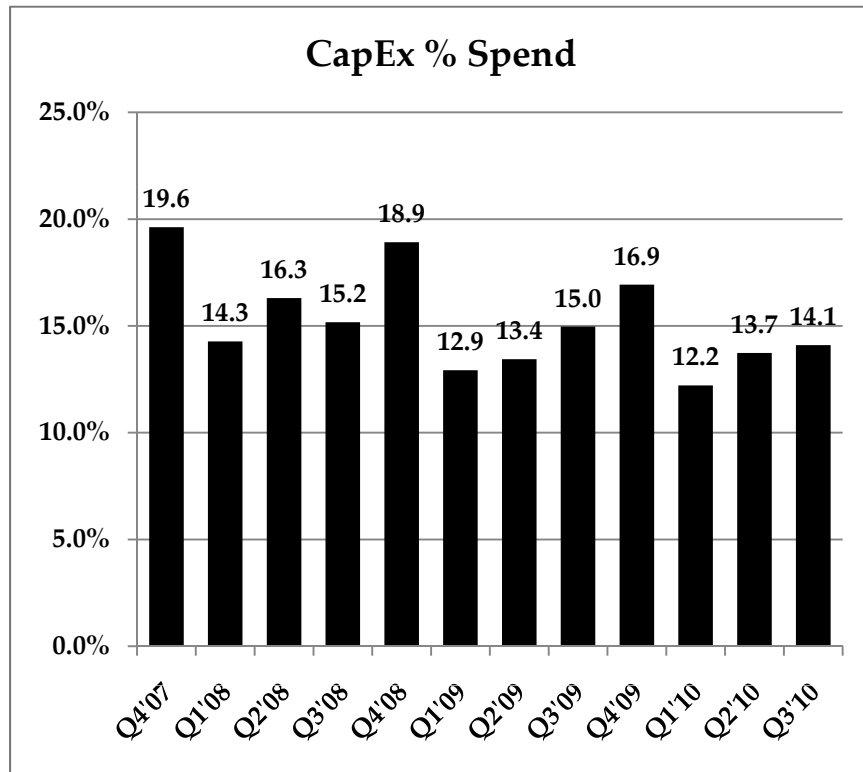
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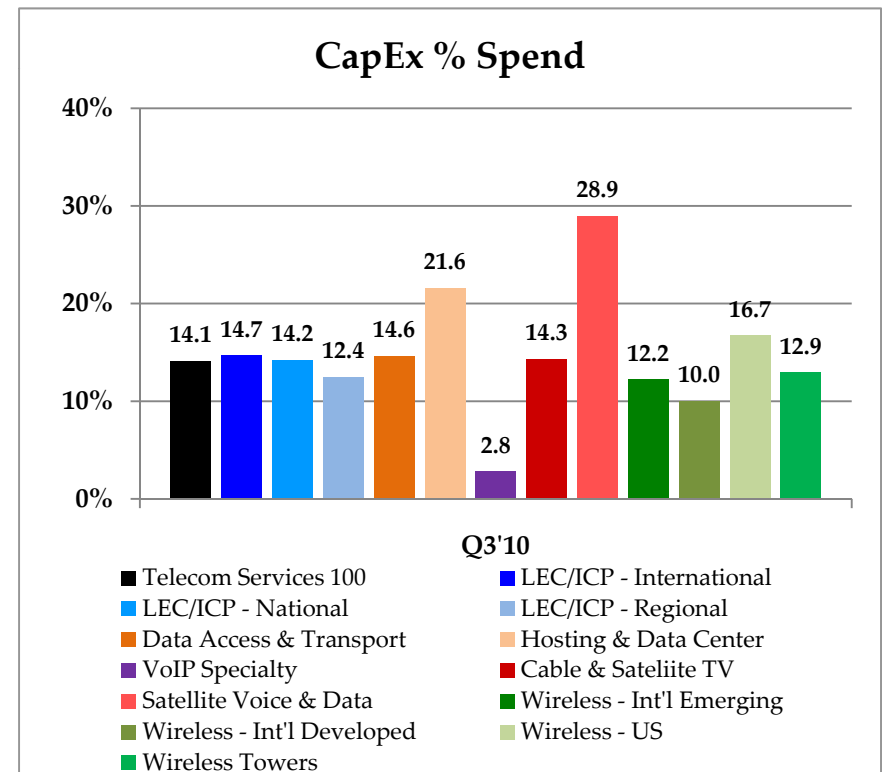
Source: SagePoint Advisors & Capital IQ

Operating Metrics – CapEx as a % of Revenues

- Median CapEx as % of revenue increased slightly to 14.1%
 - Aggregate CapEx increased 7.8% with major increases at US Regional LEC/ICP (+28.4%), Intl Emerging Wireless (+17.6%) and Wireless Towers (+17.1%)
- Satellite Voice & Data CapEx % increased to 28.9% from 21.5% last quarter
- Hosting & Data Center CapEx % still high at 21.6%, but down significantly from 28.4% in Q2
- Most VoIP operators have very low CapEx requirements as only Cbeyond is facilities-based



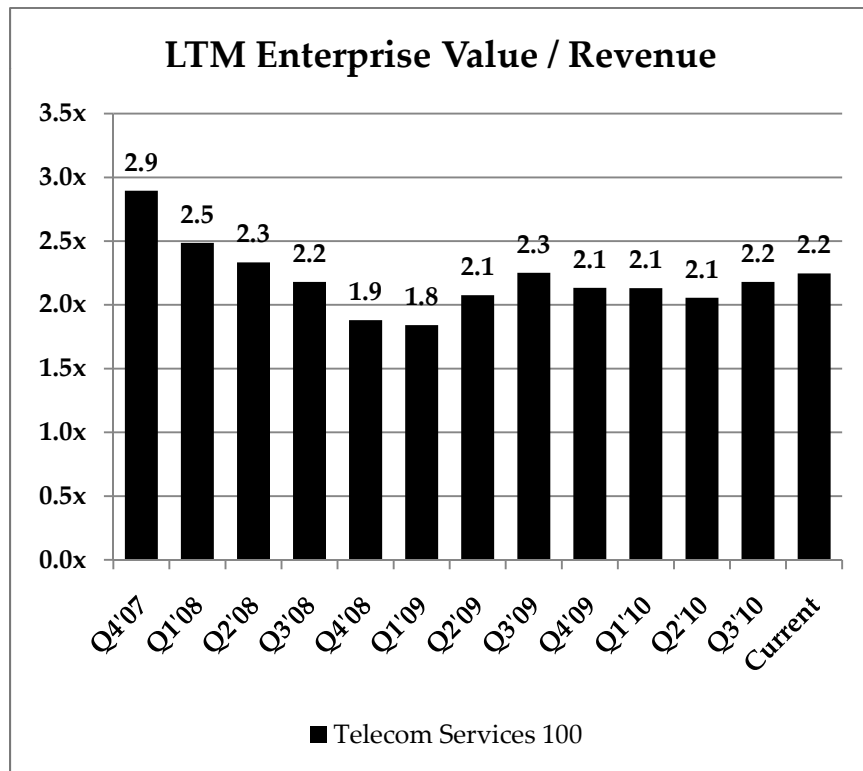
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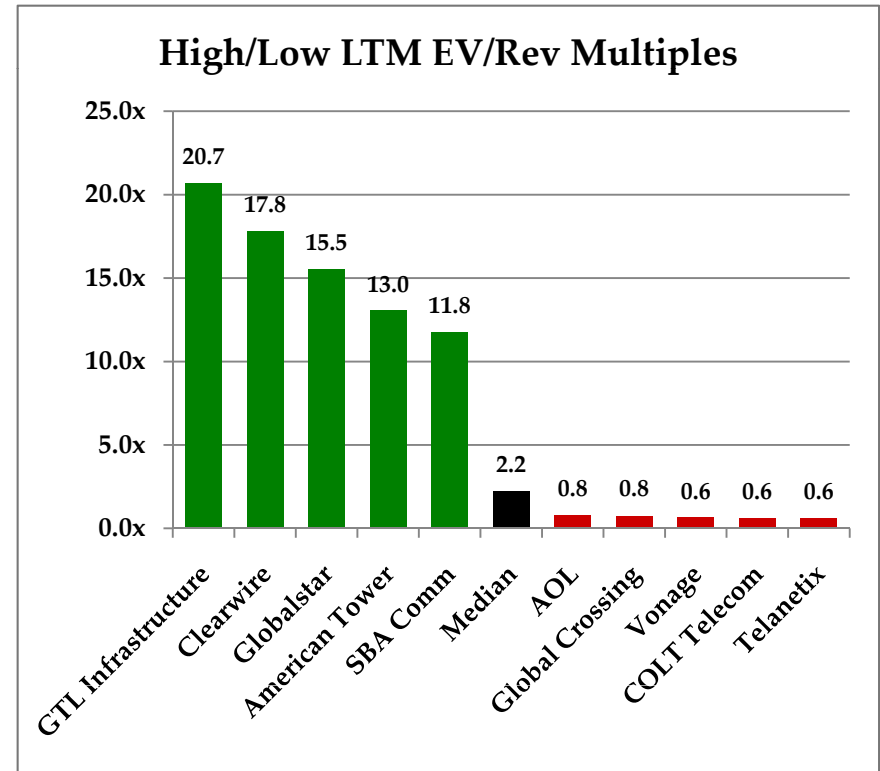
Source: SagePoint Advisors & Capital IQ

Valuation Metrics – LTM Revenue Multiples

- Median revenue multiples rose to 2.2x, nearing their two year high
 - GTL Infrastructure’s multiple displays investors belief in future potential in the Indian market
 - 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 or below 1x LTM revenue



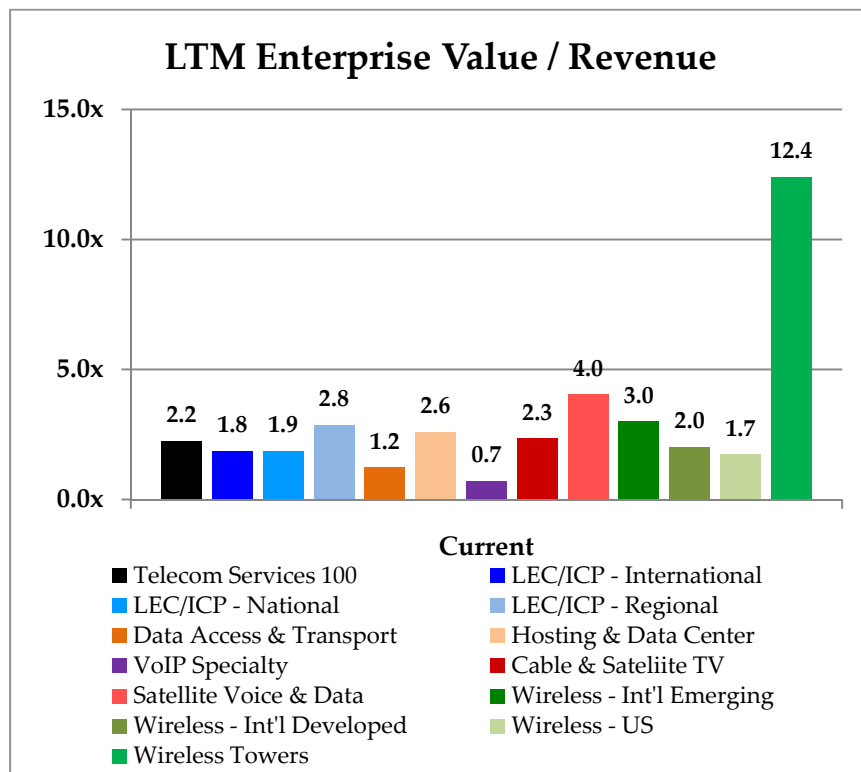
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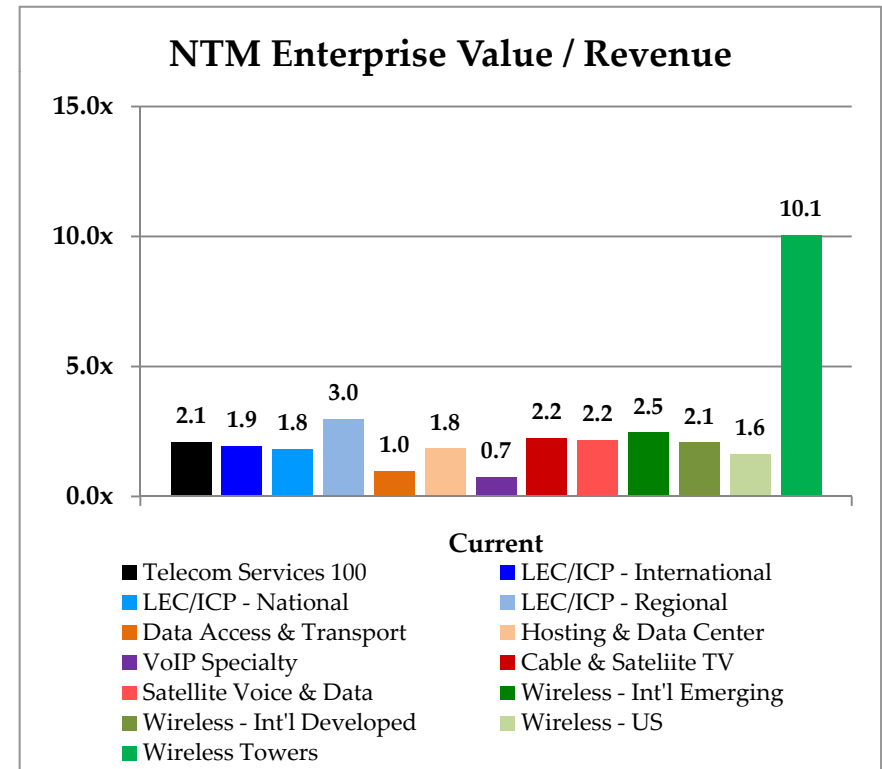
Source: SagePoint Advisors & Capital IQ

Valuation Metrics – Revenue Multiples By Segment

- Median NTM multiples mostly trade in a fairly tight range from 1.8-2.2x
- NTM multiples generally trade slightly below LTM with marginal growth projected for most segments
 - Wireless Tower companies trade at a median of double digit multiples due to high EBITDA margins
 - Regional LEC/ICP trade at above median revenue multiples, NTM multiple is higher as CenturyLink and Consolidated Comm project revenue contraction
 - VoIP Specialty remains the lowest revenue multiples as the business model is just beginning to scale



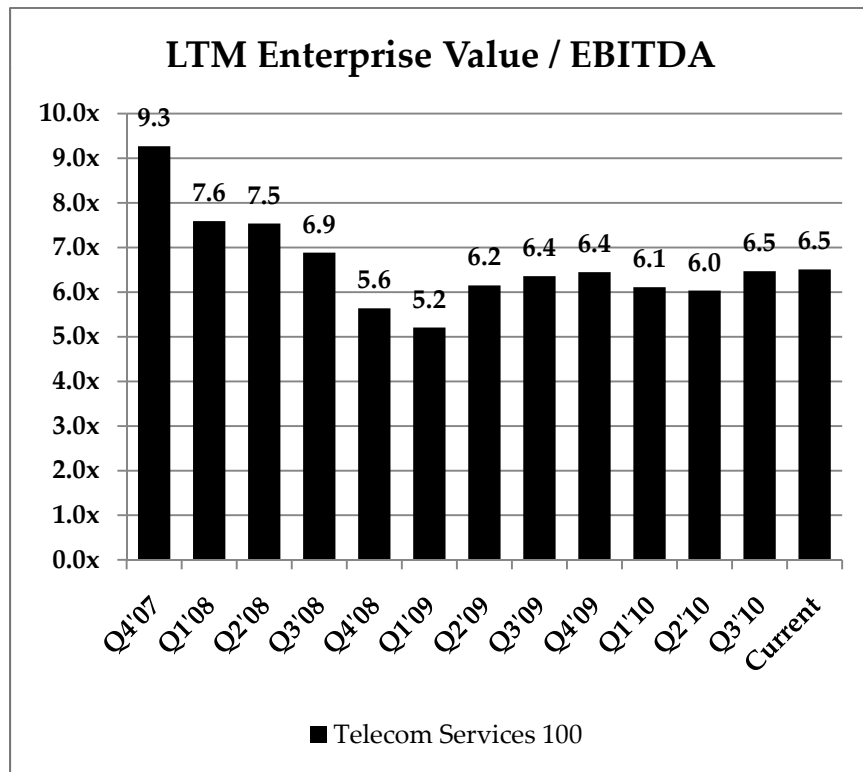
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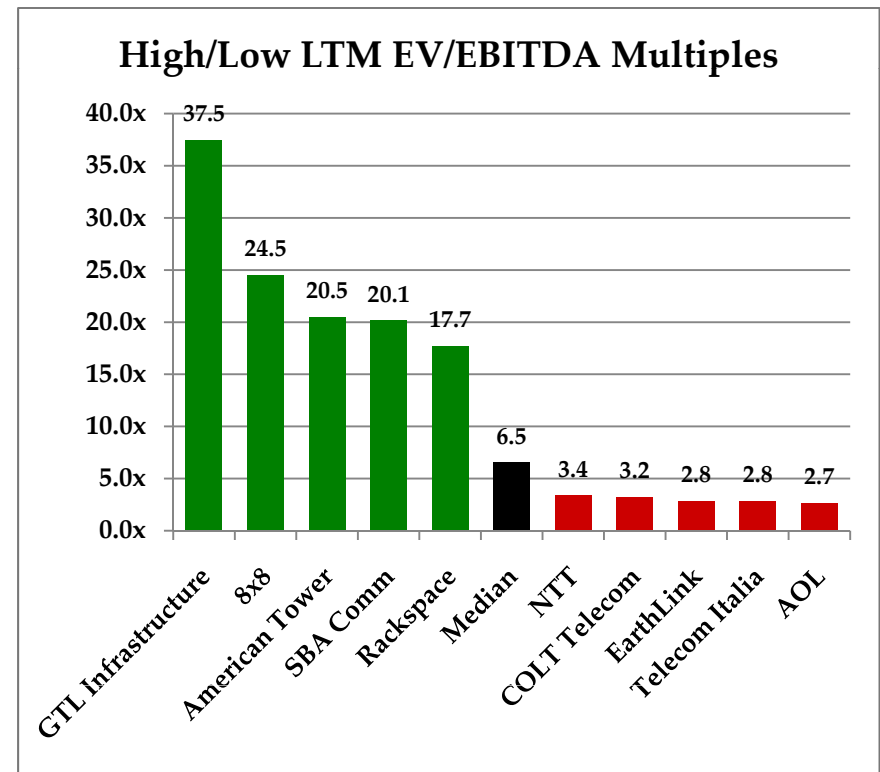
Valuation Metrics – LTM EBITDA Multiples

- Median EBITDA multiples rebounded strongly during Q3 following two quarters of depressed multiples
 - GTL Infrastructure’s multiple is based on growth potential in the Indian market
 - Tower companies generate premium EBITDA multiples on strong, stable cash flows
 - 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%

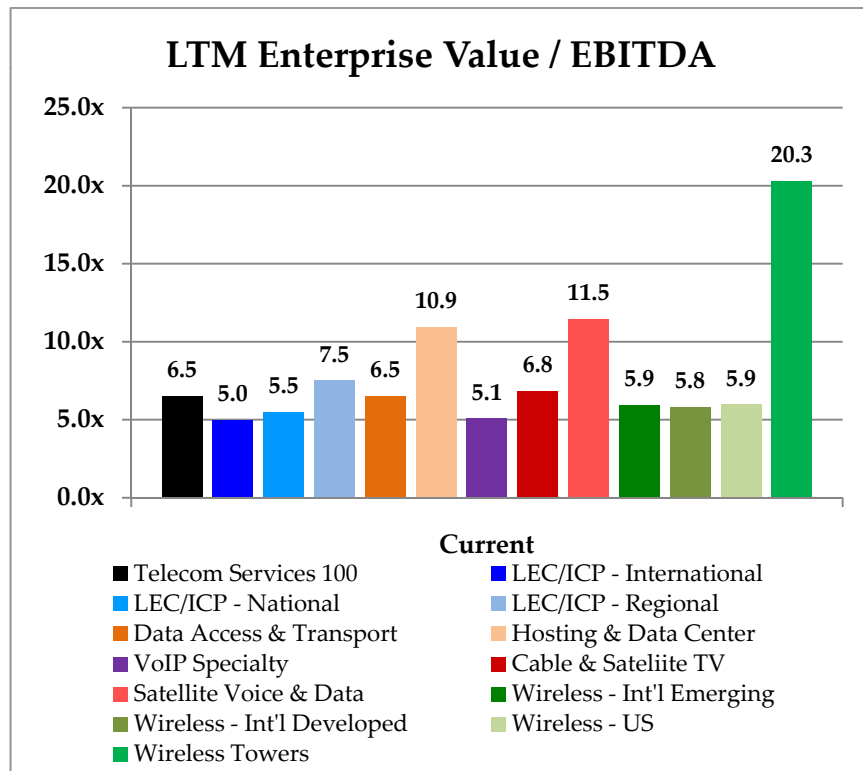


Source: SagePoint Advisors & Capital IQ

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

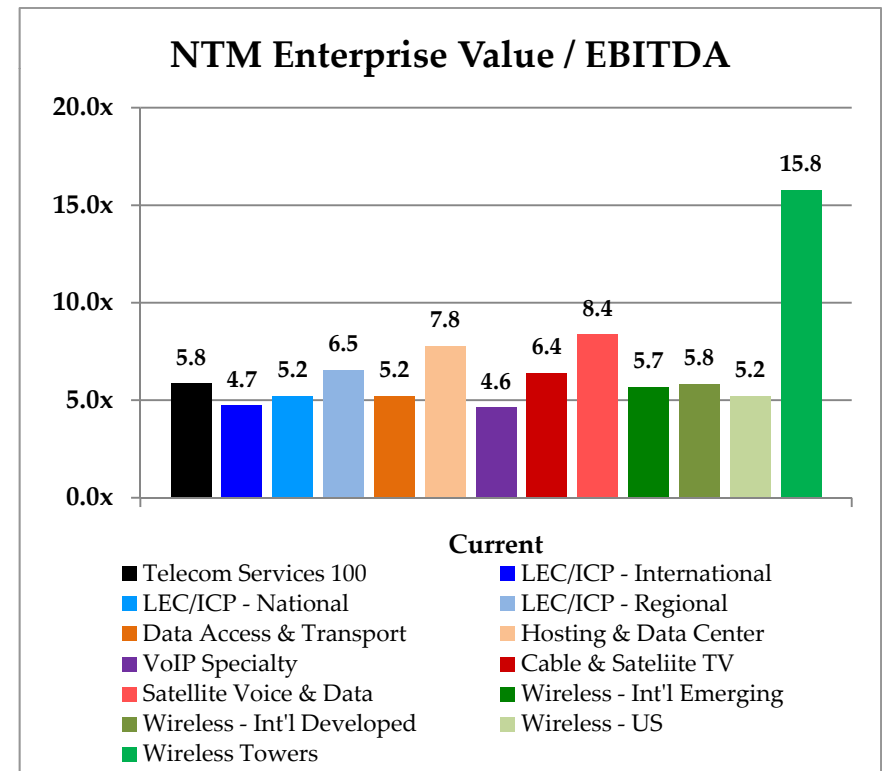
Valuation Metrics – EBITDA Multiples By Segment

- The majority of segments trade at median NTM EBITDA multiples of 5-6x
 - 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 12.6x 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%

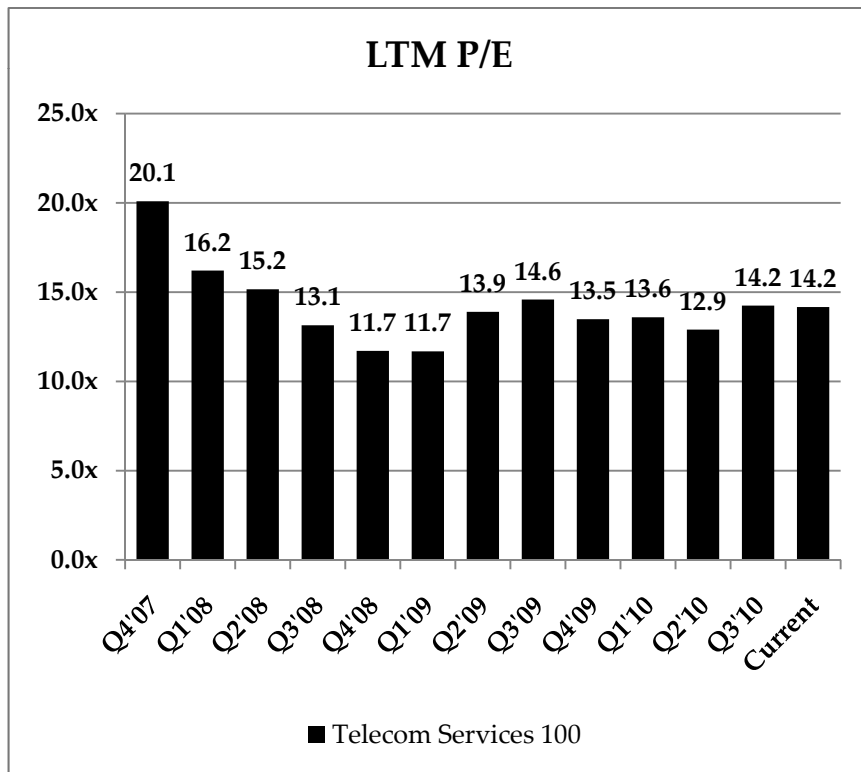


Source: SagePoint Advisors & Capital IQ

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

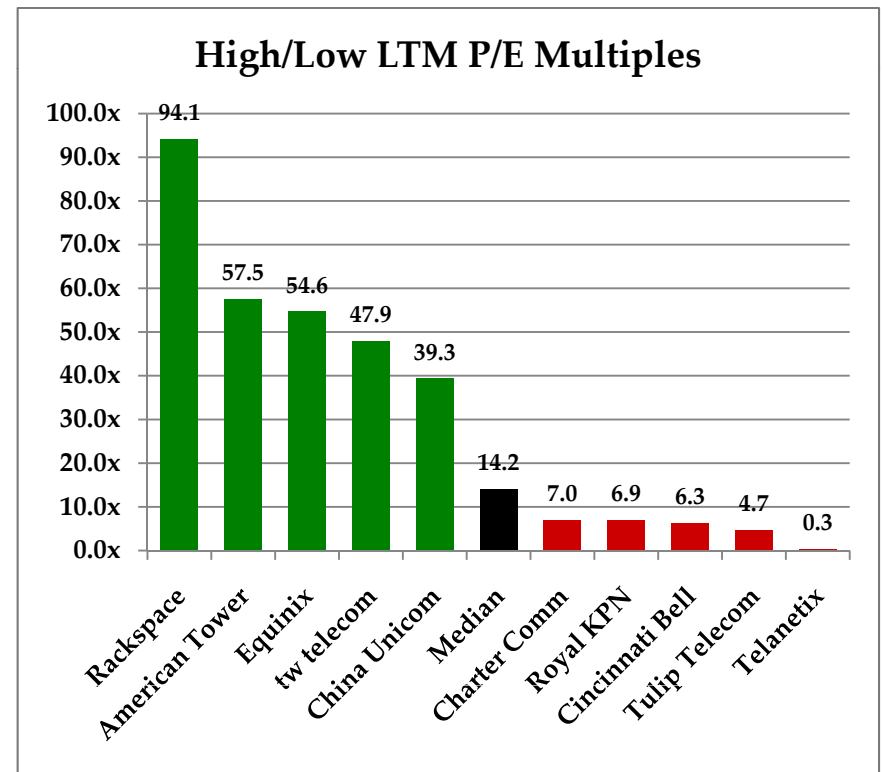
Valuation Metrics – LTM P/E Multiples

- Median P/E multiples have rebounded from Q2 drop to near their two year high
- Rackspace, American Tower, Equinix, China Unicom and tw telecom have very high P/E multiples but are really valued on EBITDA multiples due to high depreciation and/or interest expenses
- 16 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%

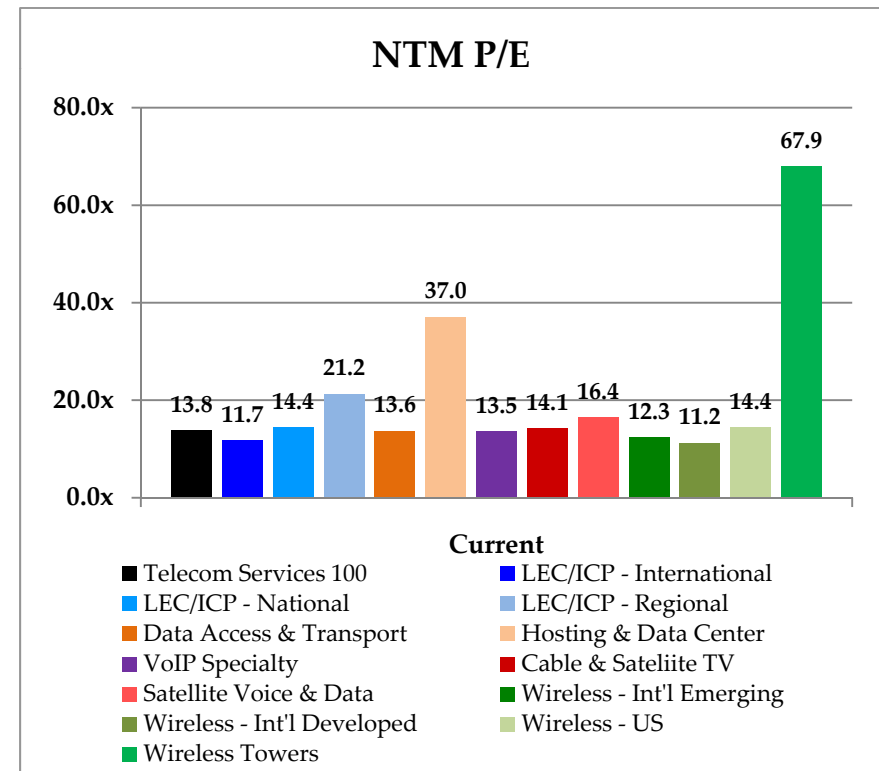
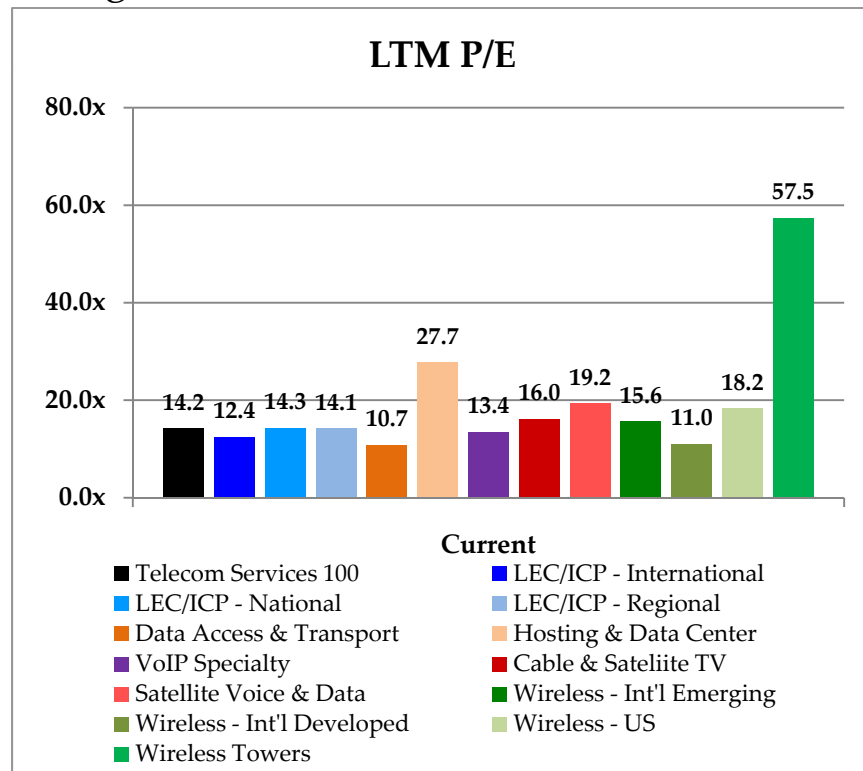


Source: SagePoint Advisors & Capital IQ

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

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
 - Hosting/Data Center NTM higher than LTM due to Peer 1's high NTM multiple while the LTM multiple was excluded as profitability was below the threshold
- Other segments in Telecom Services primarily trade in the 11-14.5x NTM P/E range with only Regional LEC/ICP and Satellite Voice & Data above those levels



Source: SagePoint Advisors & Capital IQ

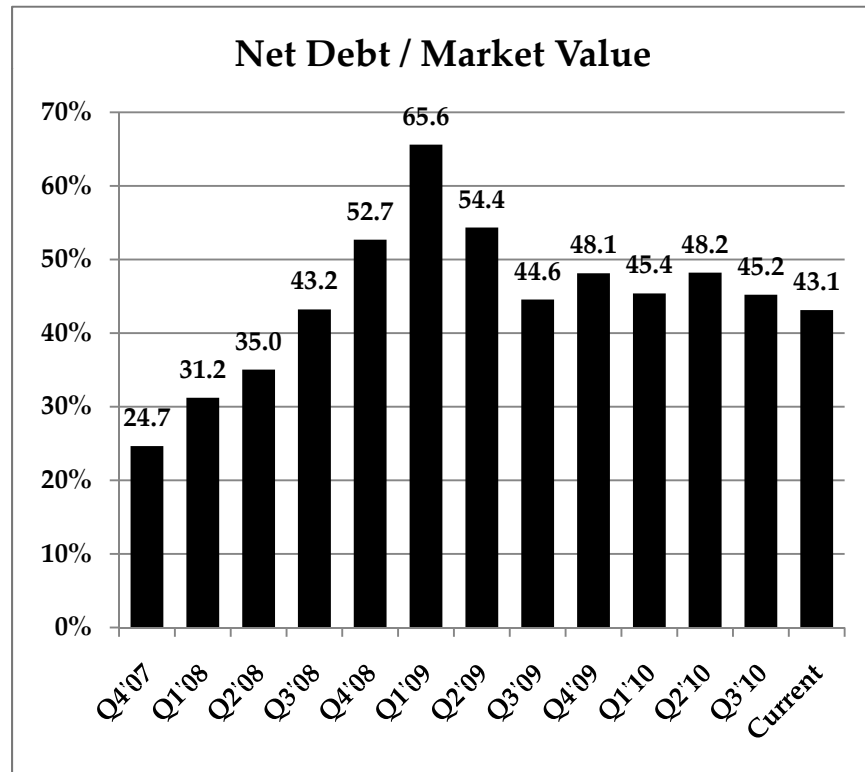
Note: Excludes companies with an LTM net margin below 2.5%

Source: SagePoint Advisors & Capital IQ

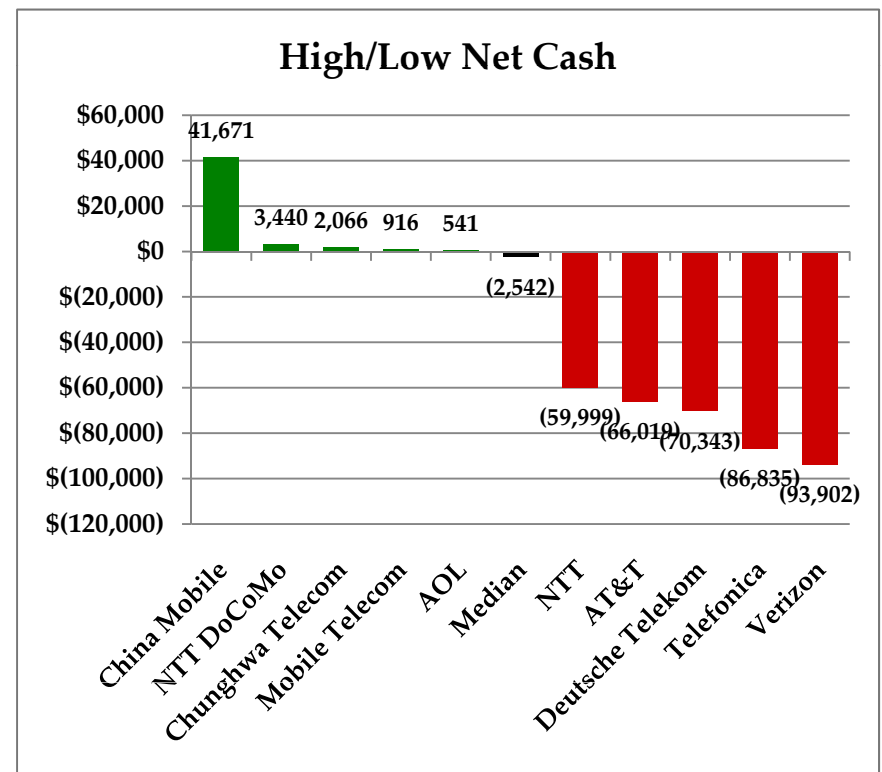
Note: Excludes companies with an NTM net margin below 2.5%

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 high at ~43%
 - Aggregate Net Debt increased relative to Q2 by 5.7% as Telecom Services providers took advantage of improved debt markets and low interest rates to fund capex and acquisitions and drive higher ROE
- Very few Telecom Services 100 carriers have strong cash positions
 - Telecom veterans Verizon, Telefonica, Deutsche Telekom, AT&T and NTT all have sizable net debt, though AT&T and Verizon reduced debt loads in Q3 while the others increased leverage



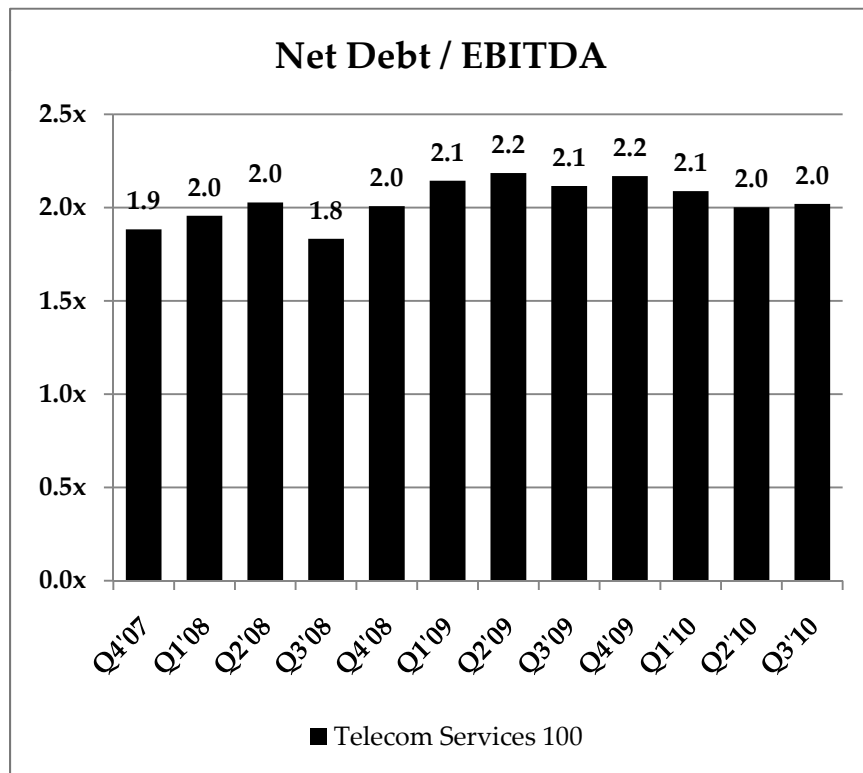
Source: SagePoint Advisors & Capital IQ



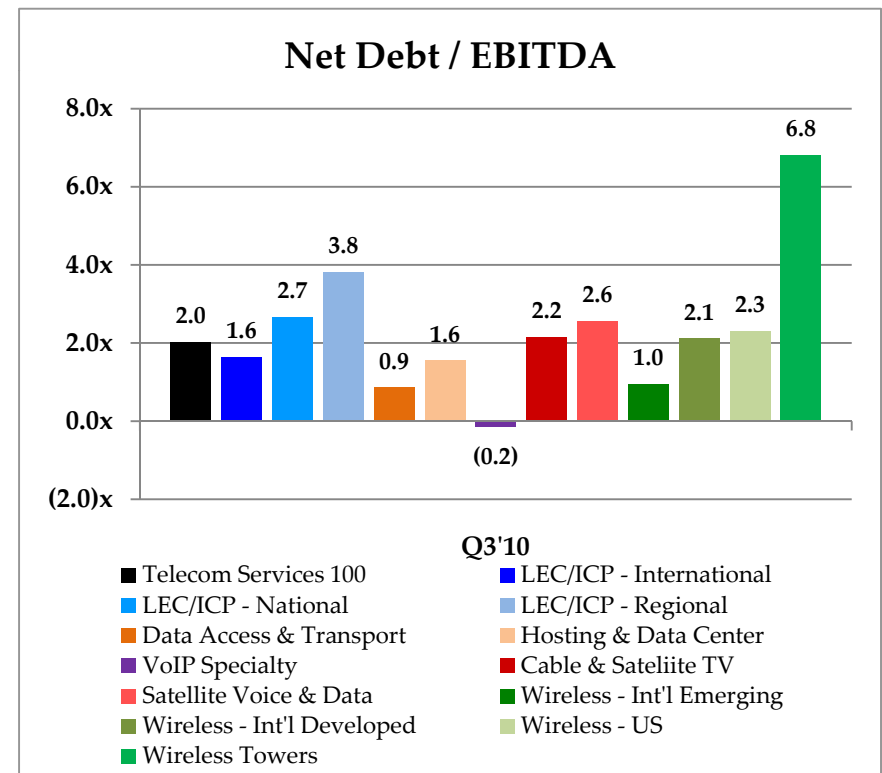
Source: SagePoint Advisors & Capital IQ

Balance Sheet Strength – Debt / EBITDA

- Median Net Debt/EBITDA stayed flat at 2.0x
 - 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 Satellite Voice & Data also have high Debt/EBITDA with Regional LEC/ICP the highest at 3.8x



Source: SagePoint Advisors & Capital IQ



Source: SagePoint Advisors & Capital IQ

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	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				
Telecom Services 100																			
Telecom Services 100 Mean		20,299	29,588	2,443	11,731	17.0 %	3.1 x	2.5 x	8.1 x	6.6 x	17.9 x	17.7 x	0.8 %	2.2 %	10.3 %	(70.7)%	2.4 x	25.6 %	22.0 %
Telecom Services 100 Median		8,149	14,990	507	4,363	13.6 %	2.2 x	2.1 x	6.5 x	5.9 x	14.2 x	13.8 x	0.5 %	1.4 %	(2.2)%	(42.4)%	2.0 x	21.2 %	13.8 %
LEC/ICP - International																			
BCE	33.82	25,554	36,078	1,148	11,672	15.5 %	2.1 x	2.0 x	5.4 x	5.0 x	12.8 x	12.3 x	0.3 %	(0.7)%	9.9 %	(41.2)%	1.6 x	32.8 %	16.6 %
BT	2.65	20,336	35,676	3,664	19,005	36.0 %	1.1 x	1.2 x	4.6 x	4.1 x	10.1 x	10.1 x	1.2 %	2.9 %	NA	(75.4)%	2.0 x	8.4 %	NA
China Telecom	0.50	40,748	49,769	4,121	13,142	4.3 %	1.6 x	1.4 x	4.4 x	4.1 x	15.8 x	14.9 x	(0.8)%	8.1 %	12.4 %	(22.1)%	0.8 x	17.7 %	NA
China Unicom	1.35	31,736	41,310	1,695	11,269	(0.5)%	7.5 x	1.5 x	4.9 x	4.1 x	39.3 x	29.9 x	1.1 %	0.4 %	(66.7)%	(30.2)%	1.1 x	6.8 %	NA
Chunghwa Telecom	2.42	23,507	21,441	2,307	241	22.6 %	3.4 x	3.3 x	7.4 x	7.1 x	16.4 x	15.2 x	6.4 %	NA	2.1 %	8.8%	(0.7) x	13.0 %	12.1 %
Deutsche Telekom	12.90	56,252	126,595	4,890	75,233	8.1 %	1.5 x	2.1 x	5.1 x	6.5 x	18.7 x	16.7 x	NA	NA	NA	(125.1)%	2.8 x	30.7 %	10.7 %
Emirates Telecom	2.99	23,677	23,409	2,899	2,632	5.3 %	2.7 x	2.6 x	8.5 x	4.7 x	11.4 x	10.6 x	NA	NA	NA	1.1%	(0.1) x	(0.1)%	21.6 %
France Telecom	20.34	53,821	95,126	10,352	51,657	15.9 %	1.7 x	1.6 x	4.8 x	4.8 x	8.9 x	10.0 x	2.2 %	3.0 %	NA	(76.7)%	2.1 x	10.3 %	NA
Hellenic Telecom	9.11	4,466	11,592	1,105	8,231	19.7 %	1.5 x	1.6 x	4.4 x	4.6 x	31.6 x	10.4 x	NA	NA	NA	(159.6)%	2.7 x	5.8 %	12.2 %
NTT	45.37	60,033	120,032	16,547	76,546	10.4 %	1.1 x	1.0 x	3.4 x	3.2 x	10.1 x	9.7 x	(0.2)%	2.3 %	NA	(99.9)%	1.7 x	26.9 %	14.1 %
Swisscom	410.64	21,271	30,859	692	10,280	20.6 %	2.7 x	2.6 x	6.5 x	6.6 x	12.0 x	11.1 x	NA	NA	NA	(45.1)%	2.0 x	12.4 %	15.2 %
Tele Norte	14.09	5,391	21,594	7,042	23,245	(5.8)%	1.3 x	1.2 x	3.6 x	3.6 x	7.4 x	6.4 x	(3.1)%	2.1 %	(12.1)%	(300.5)%	2.7 x	25.4 %	10.7 %
Telecom Italia	1.24	22,717	74,326	7,070	58,679	10.7 %	1.2 x	2.0 x	2.8 x	5.3 x	8.1 x	17.2 x	(1.0)%	1.1 %	0.0 %	(227.2)%	1.9 x	6.6 %	8.4 %
Telmex	0.93	16,816	18,351	161	1,696	3.6 %	2.4 x	2.1 x	8.7 x	7.2 x	29.8 x	18.2 x	NA	NA	(39.4)%	(9.1)%	0.7 x	21.0 %	28.1 %
Telstra	2.70	33,397	44,740	1,744	13,087	(1.9)%	2.0 x	1.9 x	5.1 x	4.7 x	9.7 x	10.7 x	NA	NA	NA	(34.0)%	1.3 x	3.5 %	NA
TELUS	45.40	14,345	20,641	48	6,344	19.9 %	2.2 x	2.1 x	5.3 x	5.6 x	15.3 x	13.7 x	(0.6)%	(0.7)%	15.7 %	(43.9)%	1.6 x	4.5 %	18.3 %
Mean		28,379	48,221	4,093	23,935	11.5 %	2.2 x	1.9 x	5.3 x	5.1 x	16.1 x	13.6 x	0.5 %	2.1 %	(9.7)%	(80.0)%	1.5 x	14.1 %	15.3 %
Median		23,592	35,877	2,603	12,379	10.5 %	1.8 x	1.9 x	5.0 x	4.7 x	12.4 x	11.7 x	0.1 %	2.1 %	1.0 %	(44.5)%	1.6 x	11.4 %	14.1 %

(\$ 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
Telecom Services 100																		
Telecom Services 100 Mean	3,684	15,081	16,351	1,375	5,286	5,782	2.60	7.83	9.87	12.6%	11.7%	6.2%	17.1%	19.4%	10.1%	54.6 %	29.7 %	5.2 %
Telecom Services 100 Median	1,021	3,934	5,202	462	1,711	2,328	0.16	0.62	0.73	5.9%	6.4%	5.8%	6.3%	9.7%	13.8%	57.2 %	33.9 %	8.2 %
LEC/ICP - International																		
BCE	4,374	17,351.6	17,920.8	1,654	6,704.5	7,231.2	0.79	2.65	2.76	5.4%	(1.4)%	1.5%	3.3%	7.9%	4.2%	73.3 %	37.8 %	13.8 %
BT	7,822	31,839.2	30,425.5	2,278	7,720.0	8,800.3	0.08	0.26	0.26	(3.5)%	2.9%	11.3%	NA	NA	NA	11.4 %	29.1 %	7.1 %
China Telecom	8,268	31,885.5	35,261.8	2,827	11,252.5	12,268.1	0.01	0.03	0.03	6.3%	7.2%	7.0%	10.6%	9.0%	5.9%	60.0 %	34.2 %	6.4 %
China Unicom	(12,266)	5,510.6	26,961.7	2,272	8,483.1	10,045.4	0.00	0.03	0.05	NM	12.9%	(72.2)%	389.3%	18.4%	31.4%	71.6 %	(18.5)%	(0.9)%
Chunghwa Telecom	1,628	6,324.7	6,591.9	732	2,893.3	3,014.0	0.04	0.15	0.16	4.3%	1.4%	(18.2)%	4.2%	4.2%	7.7%	43.1 %	45.0 %	23.5 %
Deutsche Telekom	21,196	84,865.3	61,268.0	6,342	24,912.9	19,449.5	0.31	0.69	0.77	(10.9)%	(18.9)%	(2.9)%	(27.8)%	(21.9)%	12.0%	43.3 %	29.9 %	6.6 %
Emirates Telecom	1,992	8,725.7	8,842.2	599	2,741.8	5,013.1	0.06	0.26	0.28	(8.5)%	(21.5)%	(22.8)%	1.3%	82.8%	8.3%	48.5 %	30.1 %	23.8 %
France Telecom	15,760	56,963.3	59,157.0	5,788	19,702.9	19,966.3	0.63	2.28	2.04	1.2%	3.5%	(18.3)%	NA	NA	NA	38.9 %	36.7 %	11.3 %
Hellenic Telecom	1,892	7,624.6	7,063.5	672	2,649.6	2,499.0	0.35	0.29	0.88	(14.3)%	(21.2)%	(28.9)%	(7.4)%	(5.7)%	203.2%	60.1 %	35.5 %	9.1 %
NTT	29,922	113,714.6	121,701.4	10,408	35,712.6	37,892.3	1.44	4.47	4.67	7.3%	13.3%	19.6%	7.0%	6.1%	4.3%	61.7 %	34.8 %	6.4 %
Swisscom	3,089	11,644.1	11,944.1	1,282	4,772.1	4,655.1	10.55	34.09	36.88	6.6%	6.5%	10.8%	2.6%	(2.5)%	8.2%	58.6 %	41.5 %	17.7 %
Tele Norte	4,318	16,911.8	18,066.5	1,586	6,067.7	6,065.5	0.64	1.91	2.19	1.8%	(9.7)%	129.9%	6.8%	(0.0)%	15.0%	48.6 %	36.7 %	5.7 %
Telecom Italia	9,146	62,758.3	36,580.8	3,725	26,547.3	14,118.9	0.06	0.15	0.07	(7.2)%	(14.5)%	9.4%	(41.7)%	(46.8)%	(52.8)%	45.1 %	40.7 %	13.5 %
Telmex	1,991	7,732.3	8,563.7	562	2,113.6	2,565.1	0.01	0.03	0.05	12.8%	21.0%	(30.8)%	10.8%	21.4%	64.1%	34.3 %	28.2 %	7.0 %
Telstra	5,325	22,077.0	23,872.0	1,920	8,846.2	9,562.0	0.07	0.28	0.25	NA	NA	NA	NA	NA	NA	64.2 %	36.1 %	16.1 %
TELUS	2,378	9,304.2	9,681.8	924	3,908.4	3,666.6	0.86	2.97	3.32	5.9%	3.9%	11.5%	4.1%	(6.2)%	12.0%	43.4 %	38.9 %	11.7 %
Mean	6,677	30,952	30,244	2,723	10,939	10,426	0.99	3.16	3.42	0.5%	(1.0)%	0.4%	27.9%	5.1%	24.9%	50.4 %	32.3 %	11.2 %
Median	4,346	17,132	20,969	1,787	7,212	8,016	0.20	0.28	0.53	3.1%	2.9%	1.5%	4.1%	4.2%	8.3%	48.6 %	35.8 %	10.2 %

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	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				
LEC/ICP - National																			
AT&T	27.79	164,239	230,258	3,246	69,265	14.9 %	1.9 x	1.8 x	5.5 x	5.2 x	12.3 x	11.4 x	1.1 %	(2.3)%	(0.5)%	(40.2)%	1.6 x	24.4 %	NA
Qwest	7.00	12,199	23,211	1,967	12,979	33.3 %	2.0 x	2.0 x	5.8 x	5.4 x	19.4 x	17.1 x	1.1 %	4.6 %	15.9 %	(90.3)%	2.8 x	30.9 %	12.7 %
Verizon	32.01	90,485	184,387	5,975	99,877	14.2 %	1.7 x	1.7 x	5.2 x	5.2 x	14.3 x	14.4 x	0.4 %	0.0 %	3.5 %	(103.8)%	2.7 x	27.1 %	15.7 %
Mean		88,974	145,952	3,729	60,707	20.8 %	1.8 x	1.9 x	5.5 x	5.3 x	15.3 x	14.3 x	0.8 %	0.8 %	6.3 %	(78.1)%	2.3 x	27.4 %	14.2 %
Median		90,485	184,387	3,246	69,265	14.9 %	1.9 x	1.8 x	5.5 x	5.2 x	14.3 x	14.4 x	1.1 %	0.0 %	3.5 %	(90.3)%	2.7 x	27.1 %	14.2 %
LEC/ICP - Regional																			
Alaska Comm	10.54	471	1,018	17	565	24.1 %	3.0 x	3.0 x	8.7 x	8.0 x	NM	40.0 x	3.6 %	6.4 %	(194.6)%	(116.3)%	4.7 x	25.8 %	16.2 %
CenturyLink	42.99	13,037	20,352	243	7,558	29.1 %	2.8 x	3.0 x	5.6 x	5.9 x	12.0 x	13.4 x	0.1 %	0.0 %	2.3 %	(56.1)%	2.0 x	14.7 %	13.6 %
Cincinnati Bell	2.44	492	2,938	34	2,480	(18.9)%	2.2 x	2.1 x	5.9 x	5.6 x	6.3 x	7.2 x	0.9 %	2.6 %	(40.0)%	(496.7)%	4.9 x	19.4 %	12.2 %
Consolidated Comm	18.42	549	1,415	56	922	8.4 %	3.6 x	3.7 x	9.1 x	8.5 x	19.4 x	20.3 x	0.6 %	3.7 %	(11.5)%	(157.7)%	5.5 x	22.7 %	11.3 %
Frontier Comm	9.10	9,044	16,967	351	8,274	28.0 %	5.7 x	3.2 x	11.5 x	6.5 x	10.8 x	22.1 x	6.2 %	7.6 %	(25.0)%	(87.6)%	5.4 x	20.2 %	12.4 %
General Comm	11.27	533	1,326	79	872	48.5 %	2.1 x	2.0 x	6.3 x	5.5 x	NM	28.9 x	9.7 %	22.7 %	600.0 %	(148.7)%	3.8 x	34.1 %	15.7 %
PAETEC	3.70	535	1,395	125	985	8.5 %	0.9 x	0.8 x	5.6 x	5.0 x	NM	NM	1.6 %	(10.6)%	(63.6)%	(160.6)%	3.4 x	71.8 %	8.3 %
tw telecom	16.48	2,493	3,332	507	1,346	(1.2)%	2.7 x	2.5 x	8.0 x	6.9 x	47.9 x	36.2 x	(0.4)%	(1.5)%	(4.9)%	(33.6)%	2.0 x	24.5 %	24.3 %
Windstream	13.04	6,307	12,883	155	6,731	23.5 %	3.7 x	3.3 x	7.5 x	6.8 x	16.3 x	15.7 x	1.0 %	2.6 %	(8.8)%	(104.3)%	3.8 x	13.5 %	11.7 %
Mean		3,718	6,847	174	3,304	16.7 %	3.0 x	2.6 x	7.6 x	6.5 x	18.8 x	23.0 x	2.6 %	3.7 %	29.3 %	(151.3)%	3.9 x	27.4 %	14.0 %
Median		549	2,938	125	1,346	23.5 %	2.8 x	3.0 x	7.5 x	6.5 x	14.1 x	21.2 x	1.0 %	2.6 %	(11.5)%	(116.3)%	3.8 x	22.7 %	12.4 %

(\$ 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
LEC/ICP - National																		
AT&T	31,581	123,777.0	126,056.3	10,355	41,990.0	44,362.5	0.55	2.26	2.43	2.8%	1.0%	3.8%	1.8%	5.7%	7.5%	57.2 %	32.8 %	10.3 %
Qwest	2,935	11,825.0	11,464.7	987	4,002.0	4,323.1	0.11	0.36	0.41	(3.9)%	(1.8)%	22.2%	(3.0)%	8.0%	13.9%	66.6 %	33.6 %	6.5 %
Verizon	26,484	107,261.0	106,958.0	8,776	35,277.0	35,433.9	0.56	2.24	2.23	(2.9)%	(1.9)%	(6.7)%	(0.3)%	0.4%	(0.5)%	60.2 %	33.1 %	6.0 %
Mean	20,333	80,954	81,493	6,706	27,090	28,040	0.41	1.62	1.69	(1.3)%	(0.9)%	6.4%	(0.5)%	4.7%	7.0%	61.3 %	33.2 %	7.6 %
Median	26,484	107,261	106,958	8,776	35,277	35,434	0.55	2.24	2.23	(2.9)%	(1.8)%	3.8%	(0.3)%	5.7%	7.5%	60.2 %	33.1 %	6.5 %
LEC/ICP - Regional																		
Alaska Comm	90	339.8	343.8	33	117.1	127.3	(0.07)	(0.82)	0.26	(1.5)%	(1.5)%	NM	1.2%	8.7%	132.1%	63.1 %	37.2 %	(3.5)%
CenturyLink	1,747	7,148.6	6,791.9	895	3,663.2	3,468.6	0.83	3.59	3.20	(6.8)%	(4.4)%	(7.8)%	(5.0)%	(5.3)%	(10.8)%	66.0 %	51.2 %	14.3 %
Cincinnati Bell	352	1,359.4	1,408.2	131	498.6	528.3	0.06	0.39	0.34	4.2%	8.9%	(45.5)%	3.6%	6.0%	(13.5)%	56.6 %	37.2 %	3.5 %
Consolidated Comm	96	390.4	382.3	38	156.3	166.8	0.22	0.95	0.91	(5.9)%	(5.8)%	(21.4)%	(2.1)%	6.7%	(4.3)%	61.9 %	39.3 %	6.8 %
Frontier Comm	1,403	2,959.9	5,332.2	652	1,477.2	2,595.2	0.08	0.84	0.41	166.3%	133.6%	(52.9)%	80.1%	75.7%	(51.0)%	69.8 %	46.5 %	5.6 %
General Comm	172	633.8	670.9	60	210.5	239.2	0.14	0.15	0.39	13.7%	17.2%	75.0%	5.9%	13.6%	160.0%	69.4 %	35.3 %	4.7 %
PAETEC	408	1,584.7	1,642.2	60	251.0	279.4	(0.08)	(0.19)	(0.12)	3.2%	(1.1)%	(77.8)%	3.6%	11.3%	36.8%	86.4 %	14.6 %	(2.8)%
tw telecom	320	1,256.3	1,327.8	109	415.0	483.1	0.10	0.34	0.46	5.1%	5.4%	100.0%	5.7%	16.4%	32.4%	58.4 %	33.9 %	4.7 %
Windstream	966	3,485.4	3,860.3	462	1,721.3	1,888.9	0.19	0.80	0.83	31.5%	25.6%	(20.8)%	10.8%	9.7%	3.5%	61.3 %	47.8 %	9.4 %
Mean	617	2,129	2,418	271	946	1,086	0.16	0.67	0.74	23.3%	19.8%	(6.4)%	11.5%	15.9%	31.7%	65.9 %	38.1 %	4.8 %
Median	352	1,359	1,408	109	415	483	0.10	0.39	0.41	4.2%	5.4%	(21.1)%	3.6%	9.7%	3.5%	63.1 %	37.2 %	4.7 %

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash /	Net Debt /	SG&A /	CapEx /
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
Data Access & Transport																			
Abovenet	58.70	1,501	1,359	195	53	24.4 %	3.4 x	3.0 x	8.1 x	6.9 x	21.6 x	23.1 x	0.9 %	1.8 %	18.6 %	9.5%	(0.9) x	22.3 %	29.4 %
AOL	24.18	2,581	2,040	623	83	16.3 %	0.8 x	1.0 x	2.7 x	4.1 x	7.1 x	15.1 x	2.2 %	2.9 %	82.5 %	20.9%	(0.7) x	20.8 %	4.3 %
Cogent Comm	12.12	555	688	48	181	59.9 %	2.7 x	2.4 x	10.2 x	8.1 x	NM	NM	0.1 %	4.8 %	(8.0)%	(24.0)%	2.0 x	26.4 %	24.7 %
COLT Telecom	1.89	1,689	1,362	326	0	(3.4)%	0.6 x	0.6 x	3.2 x	3.2 x	12.8 x	13.6 x	NA	NA	NA	19.3%	(0.8) x	21.1 %	NA
EarthLink	8.96	970	577	633	240	12.6 %	0.9 x	0.8 x	2.8 x	2.2 x	8.7 x	8.9 x	0.3 %	(1.8)%	(15.2)%	40.5%	(1.9) x	17.1 %	2.0 %
Global Crossing	13.37	809	1,974	311	1,476	26.5 %	0.8 x	0.7 x	5.4 x	4.4 x	NM	NM	(0.7)%	4.5 %	82.0 %	(144.0)%	3.2 x	15.3 %	4.6 %
liad	100.63	5,486	6,367	497	1,378	28.4 %	2.4 x	NA	6.2 x	NA	13.8 x	NA	NA	NA	NA	(16.1)%	0.9 x	7.1 %	NA
Internap	5.23	271	244	68	40	25.4 %	1.0 x	1.0 x	6.5 x	5.8 x	NM	NM	(1.0)%	(1.9)%	(698.8)%	10.3%	(0.7) x	25.3 %	24.5 %
Level 3 Comm	1.01	1,678	7,693	518	6,533	(7.8)%	2.1 x	2.1 x	9.9 x	8.8 x	NM	NM	0.2 %	4.9 %	5.1 %	(358.6)%	7.8 x	37.8 %	14.6 %
Tiscali	0.10	187	467	9	289	(28.9)%	1.2 x	NA	6.5 x	NA	NM	NA	NA	NA	NA	(150.0)%	3.9 x	89.7 %	NA
Tulip Telecom	3.76	545	810	42	306	0.1 %	1.7 x	1.4 x	6.8 x	5.2 x	4.7 x	7.8 x	NA	NA	NA	(48.5)%	2.2 x	11.9 %	NA
Mean		1,479	2,144	297	962	14.0 %	1.6 x	1.5 x	6.2 x	5.4 x	11.4 x	13.7 x	0.3 %	2.2 %	(76.3)%	(58.2)%	1.4 x	26.8 %	14.9 %
Median		970	1,359	311	240	16.3 %	1.2 x	1.0 x	6.5 x	5.2 x	10.7 x	13.6 x	0.2 %	2.9 %	5.1 %	(16.1)%	0.9 x	21.1 %	14.6 %

(\$ 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
Data Access & Transport																		
Abovenet	104	395.9	446.4	45	167.3	196.0	0.66	2.72	2.54	12.2%	16.8%	(31.3)%	12.8%	17.2%	(6.5)%	65.8 %	43.5 %	16.7 %
AOL	564	2,612.5	2,144.2	161	766.6	502.2	0.99	3.42	1.60	(26.2)%	(31.8)%	(3.6)%	(17.9)%	(34.5)%	(53.3)%	40.2 %	28.5 %	18.9 %
Cogent Comm	67	256.5	284.9	18	67.3	85.1	(0.01)	(0.10)	0.10	10.9%	17.5%	85.7%	11.1%	26.5%	202.9%	54.1 %	27.7 %	(0.7)%
COLT Telecom	488	2,136.3	2,106.5	97	424.2	428.8	0.03	0.15	0.14	NA	NA	NA	NA	NA	NA	41.0 %	19.9 %	5.7 %
EarthLink	145	620.0	727.1	48	206.1	267.8	0.21	1.04	1.01	(16.8)%	(16.5)%	(26.6)%	17.3%	30.0%	(2.6)%	47.9 %	33.2 %	15.5 %
Global Crossing	648	2,577.0	2,732.3	109	366.0	453.5	(0.12)	(3.30)	(1.86)	0.8%	19.8%	84.0%	6.0%	23.9%	43.6%	32.1 %	16.8 %	(1.1)%
liad	623	2,662.0	NA	276	1,031.8	NA	1.85	7.29	NA	NA	NA	NA	NA	NA	NA	50.1 %	44.3 %	16.9 %
Internap	60	247.8	249.1	8	37.3	42.0	(0.01)	0.03	0.11	(6.4)%	13.6%	50.0%	0.6%	12.6%	NM	38.6 %	13.3 %	(0.8)%
Level 3 Comm	912	3,654.0	3,699.9	199	774.0	876.0	(0.10)	(0.42)	(0.38)	(0.4)%	(2.5)%	0.0%	1.3%	13.2%	8.6%	59.6 %	21.8 %	(18.2)%
Tiscali	88	382.0	NA	11	72.0	NA	(0.00)	(0.35)	NA	NA	NA	NA	NA	NA	NA	107.1 %	12.9 %	(4.2)%
Tulip Telecom	130	463.8	560.3	34	119.6	155.4	0.11	0.80	0.49	27.4%	77.1%	64.0%	20.8%	30.0%	(39.7)%	30.8 %	26.5 %	13.3 %
Mean	348	1,455	1,439	92	367	334	0.33	1.02	0.41	0.2%	11.8%	27.8%	6.5%	14.9%	21.9%	51.6 %	26.2 %	5.6 %
Median	145	620	727	48	206	268	0.03	0.15	0.14	0.2%	15.2%	25.0%	8.6%	20.5%	(2.6)%	47.9 %	26.5 %	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 /
	11/30/10	Cap	Value	Cash	Debt	6/30/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
Hosting & Data Center																			
Equinix	77.60	3,569	4,989	712	2,132	(4.5)%	4.5 x	3.4 x	11.3 x	7.8 x	54.6 x	46.7 x	0.1 %	(7.5)%	(6.3)%	(39.8)%	3.2 x	27.2 %	43.6 %
Internap	5.23	271	244	68	40	25.4 %	1.0 x	1.0 x	6.5 x	5.8 x	NM	NM	(1.0)%	(1.9)%	(698.8)%	10.3%	(0.7) x	25.3 %	24.5 %
NaviSite	3.54	134	191	5	62	34.6 %	1.4 x	1.4 x	6.8 x	6.0 x	NM	NM	1.1 %	3.6 %	0.0 %	(42.4)%	2.0 x	32.7 %	NA
Peer 1 Network	1.56	187	210	2	26	41.3 %	2.1 x	1.8 x	9.8 x	6.8 x	NM	37.0 x	0.5 %	(1.2)%	(100.0)%	(12.5)%	1.1 x	33.7 %	19.8 %
Rackspace	29.17	3,679	3,692	167	180	59.1 %	5.0 x	4.1 x	17.7 x	12.0 x	94.1 x	58.3 x	1.0 %	4.2 %	(4.3)%	(0.4)%	0.1 x	36.9 %	14.6 %
SAVVIS	25.13	1,410	2,089	88	767	70.4 %	2.3 x	2.1 x	10.6 x	8.0 x	NM	NM	2.9 %	3.3 %	(98.3)%	(48.1)%	3.4 x	23.1 %	23.4 %
Telety	7.30	1,427	1,498	55	126	21.7 %	5.3 x	NA	13.3 x	NA	27.7 x	NA	NA	NA	NA	(5.0)%	0.6 x	13.9 %	NA
Terremark	11.97	793	1,269	48	524	53.2 %	4.0 x	3.3 x	17.0 x	10.4 x	NM	NM	3.2 %	6.1 %	12.8 %	(60.1)%	6.4 x	25.4 %	43.0 %
United Internet	14.24	3,133	3,551	98	516	27.8 %	1.4 x	1.3 x	8.1 x	7.3 x	11.3 x	13.1 x	NA	NA	NA	(13.3)%	1.0 x	22.6 %	3.6 %
Web.com	8.09	217	309	18	109	125.3 %	2.8 x	1.7 x	15.4 x	8.6 x	13.5 x	9.6 x	2.1 %	18.7 %	50.5 %	(42.0)%	4.6 x	43.7 %	0.9 %
Mean		1,482	1,804	126	448	45.4 %	3.0 x	2.2 x	11.7 x	8.1 x	40.2 x	32.9 x	1.2 %	3.2 %	(105.6)%	(25.3)%	2.2 x	28.5 %	21.7 %
Median		1,102	1,384	61	153	38.0 %	2.6 x	1.8 x	10.9 x	7.8 x	27.7 x	37.0 x	1.0 %	3.5 %	(5.3)%	(26.6)%	1.6 x	26.3 %	21.6 %
VoIP Specialty																			
8x8	2.64	165	147	18	0	111.2 %	2.2 x	2.0 x	24.5 x	12.6 x	33.0 x	17.0 x	0.8 %	41.5 %	50.0 %	10.8%	(3.0) x	49.1 %	2.6 %
Cbeyond	13.17	406	354	52	0	5.4 %	0.8 x	0.7 x	5.1 x	4.6 x	NM	NM	(0.4)%	(0.2)%	(139.7)%	12.8%	(0.7) x	55.7 %	14.1 %
Telanetix	0.04	14	18	2	6	(20.0)%	0.6 x	NA	NM	NA	0.3 x	NA	NA	NA	NA	(29.7)%	14.1 x	55.2 %	3.0 %
Vonage	2.42	515	577	136	198	5.2 %	0.6 x	0.7 x	4.1 x	3.8 x	13.4 x	10.0 x	(3.7)%	(9.8)%	47.5 %	(12.1)%	0.4 x	50.3 %	1.9 %
Mean		275	274	52	51	25.4 %	1.1 x	1.1 x	11.2 x	7.0 x	15.6 x	13.5 x	(1.1)%	10.5 %	(14.1)%	(4.6)%	2.7 x	52.6 %	5.4 %
Median		286	251	35	3	5.3 %	0.7 x	0.7 x	5.1 x	4.6 x	13.4 x	13.5 x	(0.4)%	(0.2)%	47.5 %	(0.6)%	(0.2) x	52.8 %	2.8 %

(\$ 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	330	1,117.6	1,449.5	129	442.9	641.6	0.28	1.42	1.66	45.2%	40.7%	(40.4)%	29.7%	44.9%	17.1%	43.9 %	39.2 %	4.0 %
Internap	60	247.8	249.1	8	37.3	42.0	(0.01)	0.03	0.11	(6.4)%	13.6%	50.0%	0.6%	12.6%	NM	38.6 %	13.3 %	(0.8)%
NaviSite	33	134.8	137.4	7	28.2	31.6	(0.01)	(0.16)	0.01	(10.3)%	(3.0)%	88.9%	1.9%	11.9%	106.2%	50.6 %	22.4 %	(1.1)%
Peer 1 Network	26	100.9	113.9	6	21.4	31.0	0.00	0.01	0.04	12.6%	(6.4)%	(100.0)%	12.9%	45.0%	367.8%	38.3 %	21.2 %	0.0 %
Rackspace	200	735.3	899.4	61	208.6	307.1	0.09	0.31	0.50	23.0%	33.8%	50.0%	22.3%	47.2%	61.5%	67.6 %	30.7 %	6.0 %
SAVVIS	242	900.1	1,018.5	55	197.3	261.6	(0.31)	(0.80)	(0.65)	13.5%	28.0%	(72.2)%	13.2%	32.6%	19.1%	45.6 %	22.6 %	(7.1)%
Telety	70	280.9	NA	28	112.5	NA	0.05	0.26	NA	NA	NA	NA	NA	NA	NA	54.3 %	40.4 %	13.3 %
Terremark	85	320.7	390.5	19	74.8	121.7	(0.12)	(0.41)	(0.27)	21.6%	24.5%	0.0%	21.8%	62.8%	35.4%	48.0 %	22.7 %	(9.3)%
United Internet	650	2,472.2	2,642.6	114	438.5	486.5	0.24	1.26	1.09	8.6%	(44.7)%	(57.6)%	6.9%	10.9%	(13.5)%	38.0 %	17.5 %	8.5 %
Web.com	33	109.0	177.5	7	20.0	35.7	0.20	0.60	0.84	25.4%	49.8%	33.3%	62.9%	78.6%	39.9%	54.3 %	22.4 %	16.4 %
Mean	173	642	787	44	158	218	0.04	0.25	0.37	14.8%	15.1%	(5.3)%	19.1%	38.5%	79.2%	47.9 %	25.2 %	3.0 %
Median	77	301	391	24	94	122	0.02	0.15	0.11	13.5%	24.5%	0.0%	13.2%	44.9%	37.7%	46.8 %	22.5 %	2.0 %
VoIP Specialty																		
8x8	17	66.0	74.1	2	6.0	11.7	0.03	0.08	0.16	8.4%	39.1%	50.0%	12.2%	94.4%	93.8%	67.6 %	13.1 %	11.2 %
Cbeyond	113	443.4	483.7	14	69.9	76.9	(0.01)	0.04	(0.01)	7.1%	(9.0)%	NM	9.1%	9.9%	NM	68.0 %	12.3 %	(0.4)%
Telanetix	7	28.1	NA	(0)	0.3	NA	0.05	0.13	NA	(4.1)%	NM	(22.2)%	NA	NM	NA	55.3 %	(4.9)%	209.3 %
Vonage	214	891.0	856.0	33	142.4	150.5	0.04	0.18	0.24	(3.3)%	4.8%	33.3%	(3.9)%	5.7%	34.5%	65.7 %	15.4 %	4.0 %
Mean	88	357	471	12	55	80	0.03	0.11	0.13	2.0%	11.7%	20.4%	5.8%	36.7%	64.1%	64.2 %	9.0 %	56.0 %
Median	65	255	484	8	38	77	0.04	0.10	0.16	1.9%	4.8%	33.3%	9.1%	9.9%	64.1%	66.7 %	12.7 %	7.6 %

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 /
	11/30/10	Cap	Value	Cash	Debt		6/30/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue
Cable & Satellite TV																			
British Sky	11.22	19,575	21,788	1,648	3,861	7.0 %	2.3 x	2.2 x	11.5 x	9.5 x	13.7 x	16.5 x	NA	NA	NA	(11.3)%	1.2 x	37.3 %	NA
Cablevision	31.67	9,503	20,784	428	11,710	31.9 %	2.8 x	2.7 x	8.0 x	7.4 x	22.8 x	17.5 x	0.4 %	(2.0)%	(9.5)%	(118.7)%	4.4 x	22.7 %	12.6 %
Charter Comm	33.52	3,845	16,448	655	13,258	(5.0)%	2.4 x	2.3 x	6.5 x	6.2 x	7.0 x	NM	0.4 %	2.2 %	(346.7)%	(327.8)%	5.0 x	20.1 %	16.9 %
Comcast	20.04	55,143	81,919	4,614	31,390	15.3 %	2.2 x	2.0 x	5.7 x	5.3 x	16.0 x	14.1 x	1.4 %	1.4 %	6.3 %	(48.6)%	1.9 x	22.3 %	14.4 %
DIRECTV	41.53	34,625	42,808	2,988	11,171	22.4 %	1.8 x	1.7 x	6.9 x	6.5 x	20.1 x	14.1 x	0.8 %	(3.5)%	0.3 %	(23.6)%	1.3 x	25.3 %	11.1 %
Dish Netw ork	18.39	8,149	12,005	2,660	6,516	1.3 %	1.0 x	0.9 x	5.6 x	3.9 x	8.2 x	8.4 x	1.6 %	13.1 %	60.7 %	(47.3)%	1.8 x	17.0 %	9.2 %
Liberty Global	35.26	8,378	29,665	3,288	24,574	35.7 %	3.1 x	3.1 x	7.0 x	6.9 x	NM	36.5 x	(3.3)%	(1.7)%	1,550.7 %	(254.1)%	5.0 x	17.4 %	20.4 %
Rogers	35.36	20,198	29,422	333	9,557	7.8 %	2.5 x	2.4 x	6.7 x	6.3 x	12.5 x	11.9 x	(1.9)%	(0.9)%	4.7 %	(45.7)%	2.1 x	49.6 %	14.2 %
Shaw Comm	20.04	8,817	12,452	257	3,891	10.9 %	3.5 x	2.7 x	7.6 x	6.5 x	16.5 x	13.4 x	(1.7)%	(2.8)%	(7.7)%	(41.2)%	2.2 x	7.1 %	24.1 %
Time Warner Cable	61.54	21,892	42,386	1,128	21,622	18.2 %	2.3 x	2.2 x	6.2 x	6.0 x	16.5 x	14.4 x	0.2 %	0.7 %	16.6 %	(93.6)%	3.0 x	16.5 %	14.3 %
Mean		19,012	30,968	1,800	13,755	14.6 %	2.4 x	2.2 x	7.2 x	6.5 x	14.8 x	16.3 x	(0.2)%	0.7 %	141.7 %	(101.2)%	2.8 x	23.5 %	15.2 %
Median		14,539	25,605	1,388	11,441	13.1 %	2.3 x	2.2 x	6.8 x	6.4 x	16.0 x	14.1 x	0.4 %	(0.9)%	4.7 %	(47.9)%	2.2 x	21.2 %	14.3 %

Satellite Voice & Data																			
Globalstar	1.54	476	1,044	57	626	0.0 %	15.5 x	10.0 x	NM	NM	NM	NM	(1.0)%	NA	(125.0)%	(119.3)%	NA	70.9 %	170.8 %
Hughes	39.60	864	1,385	222	743	62.8 %	1.4 x	1.3 x	7.3 x	5.0 x	NM	18.6 x	1.1 %	12.2 %	125.0 %	(60.2)%	2.7 x	18.9 %	23.4 %
Inmarsat	10.09	4,649	5,990	142	1,483	(5.6)%	5.5 x	NA	11.5 x	NA	22.5 x	NA	NA	NA	NA	(28.8)%	2.6 x	6.9 %	NA
Loral	73.02	2,208	2,033	174	0	70.9 %	1.9 x	1.7 x	17.2 x	NA	16.0 x	10.4 x	NA	NA	NA	7.9 %	(1.5) x	6.3 %	4.2 %
SES	23.22	9,149	14,455	482	5,788	9.9 %	6.1 x	6.1 x	8.4 x	8.4 x	14.1 x	14.2 x	NA	NA	NA	(58.0)%	3.1 x	NA	NA
ViaSat	41.36	1,698	1,968	54	324	27.0 %	2.6 x	2.2 x	14.4 x	9.7 x	30.2 x	25.6 x	(6.4)%	(1.2)%	(19.1)%	(15.9)%	2.0 x	13.7 %	34.5 %
Mean		3,174	4,479	189	1,494	27.5 %	5.5 x	4.2 x	11.8 x	7.7 x	20.7 x	17.2 x	(2.1)%	5.5 %	(6.4)%	(45.7)%	1.8 x	23.3 %	58.2 %
Median		1,953	2,001	158	684	18.5 %	4.0 x	2.2 x	11.5 x	8.4 x	19.2 x	16.4 x	(1.0)%	5.5 %	(19.1)%	(43.4)%	2.6 x	13.7 %	28.9 %

(\$ 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
Cable & Satellite TV																		
British Sky	2,397	9,388.6	10,022.9	529	1,898.1	2,303.3	0.16	0.82	0.68	12.7%	31.6%	33.2%	6.8%	21.3%	(16.7)%	54.0 %	22.1 %	11.9 %
Cablevision	1,808	7,507.1	7,597.7	646	2,588.8	2,792.3	0.37	1.39	1.81	5.6%	4.5%	32.1%	1.2%	7.9%	30.2%	58.5 %	35.7 %	6.2 %
Charter Comm	1,769	6,985.0	7,258.9	625	2,527.0	2,639.1	(0.80)	4.76	0.31	4.5%	4.2%	70.6%	3.9%	4.4%	(93.4)%	55.5 %	35.3 %	(5.1)%
Comcast	9,489	37,397.0	40,812.3	3,578	14,370.0	15,449.4	0.32	1.25	1.42	7.3%	7.6%	14.3%	9.1%	7.5%	13.6%	60.0 %	37.7 %	9.5 %
DIRECTV	6,025	23,462.0	25,406.2	1,474	6,175.0	6,597.8	0.55	2.07	2.94	10.2%	9.3%	48.6%	8.3%	6.8%	41.9%	49.8 %	24.5 %	7.9 %
Dish Netw ork	3,208	12,397.1	12,874.3	589	2,129.5	3,066.7	0.68	2.25	2.20	10.9%	62.2%	66.4%	3.8%	44.0%	(2.5)%	41.6 %	18.4 %	9.5 %
Liberty Global	2,247	9,631.4	9,428.9	1,053	4,225.5	4,316.2	1.18	(3.46)	0.97	16.4%	24.0%	NM	(2.1)%	2.1%	127.9%	64.3 %	46.9 %	15.3 %
Rogers	3,020	11,630.4	12,184.7	1,135	4,378.1	4,658.9	0.80	2.82	2.98	6.8%	4.8%	5.2%	4.8%	6.4%	5.8%	87.2 %	37.6 %	15.3 %
Shaw Comm	882	3,520.1	4,583.4	376	1,644.9	1,924.3	0.28	1.21	1.50	11.2%	12.1%	7.0%	30.2%	17.0%	23.3%	46.4 %	42.7 %	13.9 %
Time Warner Cable	4,734	18,599.0	19,286.7	1,715	6,847.0	7,029.6	1.04	3.74	4.26	5.2%	5.7%	30.0%	3.7%	2.7%	14.0%	52.7 %	36.2 %	7.9 %
Mean	3,558	14,052	14,946	1,172	4,678	5,078	0.46	1.68	1.91	9.1%	16.6%	34.2%	7.0%	12.0%	14.4%	57.0 %	33.7 %	9.2 %
Median	2,708	10,631	11,104	850	3,407	3,691	0.46	1.73	1.65	8.8%	8.5%	32.1%	4.3%	7.2%	13.8%	54.7 %	36.0 %	9.5 %

Satellite Voice & Data																		
Globalstar	18	67.3	104.9	(6)	(17.9)	3.5	(0.09)	(0.47)	(0.18)	4.0%	3.0%	(107.9)%	55.9%	119.7%	62.1%	37.9 %	(33.0)%	(142.0)%
Hughes	266	1,024.1	1,106.0	59	189.9	277.2	0.45	0.35	2.13	5.9%	39.1%	475.0%	8.0%	46.0%	NM	30.6 %	22.2 %	3.8 %
Inmarsat	285	1,096.3	NA	168	522.8	NA	0.12	0.45	NA	NA	NA	NA	NA	NA	NA	66.7 %	59.0 %	18.7 %
Loral	323	1,092.5	1,228.7	49	118.0	NA	2.29	4.57	7.06	29.8%	93.6%	(36.6)%	12.5%	NA	54.4%	18.6 %	15.0 %	22.1 %
SES	601	2,365.3	2,359.4	442	1,711.1	1,729.5	0.49	1.65	1.64	(1.3)%	3.9%	12.8%	(0.3)%	1.1%	(0.5)%	74.3 %	73.6 %	32.4 %
ViaSat	198	758.9	909.9	54	136.3	201.9	0.32	1.37	1.62	23.2%	156.1%	(20.0)%	19.9%	48.2%	18.1%	34.2 %	27.1 %	6.9 %
Mean	282	1,067	1,142	128	443	553	0.60	1.32	2.45	12.3%	59.1%	64.6%	19.2%	53.7%	33.5%	43.7 %	27.3 %	(9.7)%
Median	276	1,058	1,106	56	163	240	0.39	0.91	1.64	5.9%	39.1%	(20.0)%	12.5%	47.1%	36.2%	36.0 %	24.6 %	12.8 %

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	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	2.83	114,194	131,068	14,164	31,038	18.2 %	3.0 x	2.9 x	7.4 x	7.2 x	15.9 x	13.8 x	9.9 %	13.7 %	(3.5)%	(14.8)%	1.0 x	31.3 %	11.9 %
Bharti Airtel	7.84	29,741	43,819	852	14,930	38.3 %	4.2 x	3.0 x	11.6 x	8.6 x	17.9 x	19.4 x	NA	NA	NA	(47.3)%	3.7 x	18.1 %	18.6 %
China Mobile	9.97	200,106	158,435	46,786	5,115	(0.7)%	2.3 x	2.1 x	4.5 x	4.3 x	11.4 x	11.0 x	0.3 %	0.8 %	NA	20.8%	(1.2) x	0.8 %	NA
China Unicom	1.35	31,736	41,310	1,695	11,269	(0.5)%	7.5 x	1.5 x	4.9 x	4.1 x	39.3 x	29.9 x	1.1 %	0.4 %	(66.7)%	(30.2)%	1.1 x	6.8 %	NA
Maroc Telecom	17.23	15,133	16,609	103	1,579	5.0 %	4.5 x	NA	7.7 x	NA	14.2 x	NA	NA	NA	NA	(9.8)%	0.7 x	NA	NA
Mobile Telecom	5.01	19,481	18,565	2,256	1,340	30.3 %	3.5 x	3.7 x	8.7 x	8.0 x	25.5 x	15.9 x	NA	NA	NA	4.7%	(0.4) x	26.0 %	8.1 %
Mobile Telesystems	20.97	20,098	25,169	2,487	7,558	9.4 %	2.1 x	2.1 x	4.7 x	4.6 x	19.2 x	10.0 x	0.0 %	0.0 %	(44.4)%	(25.2)%	1.0 x	28.7 %	10.0 %
MTN Group	17.09	32,177	32,939	3,945	4,706	29.3 %	2.2 x	NA	5.4 x	NA	15.6 x	NA	NA	NA	NA	(2.4)%	0.1 x	13.8 %	NA
Perusahaan Telekom	0.88	17,317	20,036	1,044	3,763	3.5 %	2.6 x	2.5 x	4.8 x	4.5 x	14.4 x	12.3 x	(4.3)%	(5.1)%	(8.6)%	(15.7)%	0.7 x	6.9 %	18.7 %
Reliance	2.87	5,928	14,990	151	9,213	(32.8)%	3.5 x	3.0 x	10.7 x	9.0 x	9.9 x	13.7 x	NA	NA	NA	(152.9)%	6.4 x	16.5 %	NA
Saudi Telecom	10.69	21,385	30,182	1,689	10,486	6.4 %	2.2 x	2.1 x	5.9 x	5.5 x	7.9 x	8.8 x	NA	NA	NA	(41.1)%	1.7 x	17.8 %	37.0 %
Singapore Telecom	2.35	37,375	41,217	1,592	5,434	7.7 %	3.2 x	3.0 x	11.3 x	10.5 x	13.5 x	12.0 x	NA	NA	NA	(10.3)%	1.1 x	5.8 %	11.8 %
Telenor	14.40	23,523	28,499	2,390	7,366	13.1 %	1.9 x	1.8 x	5.6 x	5.7 x	16.8 x	11.4 x	NA	NA	NA	(21.2)%	1.0 x	11.3 %	12.2 %
Mean		43,707	46,372	6,089	8,754	9.8 %	3.3 x	2.5 x	7.2 x	6.5 x	17.0 x	14.4 x	1.4 %	2.0 %	(30.8)%	(26.6)%	1.3 x	15.3 %	16.0 %
Median		23,523	30,182	1,695	7,366	7.7 %	3.0 x	2.5 x	5.9 x	5.7 x	15.6 x	12.3 x	0.3 %	0.4 %	(26.5)%	(15.7)%	1.0 x	15.2 %	12.1 %

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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
Wireless - Int'l Emerging																		
America Movil	12,188	43,775.3	44,624.4	6,299	17,656.2	18,217.0	0.05	0.18	0.21	12.6%	14.9%	8.9%	1.9%	3.2%	15.4%	58.1 %	51.7 %	15.2 %
Bharti Airtel	3,380	10,358.7	14,429.5	1,138	3,788.8	5,116.1	0.10	0.44	0.41	56.7%	29.9%	(21.6)%	39.3%	35.0%	(7.7)%	51.8 %	33.7 %	10.9 %
China Mobile	18,351	69,630.4	76,022.0	9,143	35,127.1	37,067.4	0.22	0.88	0.91	4.8%	1.8%	6.4%	NA	NA	NA	90.5 %	49.8 %	28.0 %
China Unicom	(12,266)	5,510.6	26,961.7	2,272	8,483.1	10,045.4	0.00	0.03	0.05	NM	12.9%	(72.2)%	389.3%	18.4%	31.4%	71.6 %	(18.5)%	(0.9)%
Maroc Telecom	863	3,705.1	NA	503	2,143.3	NA	0.28	1.21	NA	NA	NA	NA	NA	NA	NA	75.4 %	58.3 %	28.8 %
Mobile Telecom	1,184	5,353.6	5,012.7	557	2,124.4	2,328.3	0.07	0.20	0.32	6.6%	14.3%	54.4%	(6.4)%	9.6%	60.1%	73.6 %	47.1 %	23.8 %
Mobile Telesystems	2,911	12,021.5	12,166.0	1,310	5,324.2	5,475.4	0.25	1.09	2.10	28.4%	23.3%	(51.9)%	1.2%	2.8%	93.0%	75.1 %	45.0 %	8.2 %
MTN Group	3,663	14,862.9	NA	1,586	6,121.2	NA	0.28	1.09	NA	NA	NA	NA	NA	NA	NA	63.8 %	43.3 %	14.5 %
Perusahaan Telekom	2,003	7,713.4	8,171.2	1,078	4,152.3	4,424.1	0.02	0.06	0.07	10.1%	5.0%	(3.5)%	5.9%	6.5%	16.5%	60.9 %	53.8 %	16.4 %
Reliance	1,105	4,291.8	5,072.7	350	1,407.1	1,659.0	0.05	0.29	0.21	(2.8)%	(18.4)%	(37.0)%	18.2%	17.9%	(27.4)%	73.5 %	31.6 %	9.0 %
Saudi Telecom	3,528	13,689.3	14,058.7	1,444	5,105.7	5,444.0	0.44	1.35	1.21	2.3%	6.4%	38.3%	2.7%	6.6%	(10.0)%	58.7 %	40.9 %	25.1 %
Singapore Telecom	3,369	12,805.5	13,787.1	901	3,647.4	3,933.2	0.04	0.17	0.20	15.7%	9.6%	(0.1)%	7.7%	7.8%	11.8%	26.2 %	26.7 %	20.1 %
Telenor	4,077	15,387.2	16,129.9	1,383	5,103.0	5,030.8	0.20	0.86	1.26	3.7%	(7.7)%	(50.6)%	4.8%	NM	46.9%	63.1 %	33.9 %	8.2 %
Mean	3,412	16,854	21,494	2,151	7,706	8,976	0.15	0.60	0.63	13.8%	8.4%	(11.7)%	46.5%	12.0%	23.0%	64.8 %	38.3 %	15.9 %
Median	3,369	12,022	14,059	1,310	5,103	5,116	0.10	0.44	0.32	8.4%	9.6%	(3.5)%	5.4%	7.8%	16.0%	63.8 %	43.3 %	15.2 %

Financial Metrics

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Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	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	12.90	56,252	126,595	4,890	75,233	8.1 %	1.5 x	2.1 x	5.1 x	6.5 x	18.7 x	16.7 x	NA	NA	NA	(125.1)%	2.8 x	30.7 %	10.7 %
France Telecom	20.34	53,821	95,126	10,352	51,657	15.9 %	1.7 x	1.6 x	4.8 x	4.8 x	8.9 x	10.0 x	2.2 %	3.0 %	NA	(76.7)%	2.1 x	10.3 %	NA
KDDI	5,728.14	25,514	36,017	2,498	13,001	19.5 %	0.9 x	0.9 x	3.5 x	3.3 x	11.0 x	8.9 x	NA	NA	NA	(41.2)%	1.0 x	21.2 %	10.0 %
NTT DoCoMo	1,625.67	67,637	64,197	11,047	7,607	7.0 %	1.3 x	1.3 x	3.7 x	3.4 x	11.5 x	11.2 x	(2.4)%	7.9 %	NA	5.1%	(0.2) x	21.7 %	9.7 %
Rogers	35.36	20,198	29,422	333	9,557	7.8 %	2.5 x	2.4 x	6.7 x	6.3 x	12.5 x	11.9 x	(1.9)%	(0.9)%	4.7 %	(45.7)%	2.1 x	49.6 %	14.2 %
Royal KPN	14.32	22,630	39,181	1,814	18,364	11.3 %	2.2 x	2.2 x	5.8 x	5.4 x	6.9 x	8.9 x	NA	NA	NA	(73.1)%	2.5 x	8.9 %	12.9 %
SOFTBANK	34.72	37,575	64,357	11,113	37,895	29.6 %	2.0 x	1.8 x	6.8 x	6.0 x	32.9 x	15.3 x	NA	NA	NA	(71.3)%	2.8 x	32.3 %	7.0 %
Telecom Italia	1.24	22,717	74,326	7,070	58,679	10.7 %	1.2 x	2.0 x	2.8 x	5.3 x	8.1 x	17.2 x	(1.0)%	1.1 %	0.0 %	(227.2)%	1.9 x	6.6 %	8.4 %
Telefonica	21.36	97,374	184,209	8,662	95,498	14.1 %	2.3 x	2.2 x	6.2 x	5.8 x	8.9 x	8.4 x	0.7 %	(0.5)%	(2.2)%	(89.2)%	2.9 x	(1.4)%	NA
TeliaSonera	7.72	34,674	43,056	1,885	10,267	19.1 %	2.9 x	2.8 x	8.1 x	7.8 x	12.0 x	11.2 x	NA	NA	NA	(24.2)%	1.6 x	23.0 %	12.6 %
Vodafone	2.50	130,853	182,136	15,161	66,443	20.2 %	2.6 x	2.6 x	8.1 x	8.0 x	10.4 x	10.5 x	3.9 %	NA	0.0 %	(39.2)%	2.3 x	18.3 %	9.6 %
Mean		51,749	85,329	6,802	40,382	14.8 %	1.9 x	2.0 x	5.6 x	5.7 x	12.9 x	11.8 x	0.3 %	2.1 %	0.6 %	(73.4)%	2.0 x	20.1 %	10.6 %
Median		37,575	64,357	7,070	37,895	14.1 %	2.0 x	2.1 x	5.8 x	5.8 x	11.0 x	11.2 x	(0.2)%	1.1 %	0.0 %	(71.3)%	2.1 x	21.2 %	10.0 %

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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
Wireless - Int'l Developed																		
Deutsche Telekom	21,196	84,865.3	61,268.0	6,342	24,912.9	19,449.5	0.31	0.69	0.77	(10.9)%	(18.9)%	(2.9)%	(27.8)%	(21.9)%	12.0%	43.3 %	29.9 %	6.6 %
France Telecom	15,760	56,963.3	59,157.0	5,788	19,702.9	19,966.3	0.63	2.28	2.04	1.2%	3.5%	(18.3)%	NA	NA	NA	38.9 %	36.7 %	11.3 %
KDDI	10,202	38,413.7	40,830.0	2,813	10,398.8	10,790.0	174.80	519.91	640.20	5.0%	9.2%	18.3%	6.3%	3.8%	23.1%	48.8 %	27.6 %	7.6 %
NTT DoCoMo	12,553	47,785.6	51,065.7	5,444	17,584.5	18,771.9	48.21	140.88	145.80	5.9%	21.1%	31.2%	6.9%	6.8%	3.5%	65.1 %	43.4 %	16.0 %
Rogers	3,020	11,630.4	12,184.7	1,135	4,378.1	4,658.9	0.80	2.82	2.98	6.8%	4.8%	5.2%	4.8%	6.4%	5.8%	87.2 %	37.6 %	15.3 %
Royal KPN	4,531	17,863.4	17,734.1	1,827	6,748.4	7,190.3	0.37	2.06	1.61	(6.3)%	(4.2)%	4.5%	(0.7)%	6.5%	(22.2)%	45.0 %	40.3 %	12.2 %
SOFTBANK	9,146	32,222.3	36,285.0	2,743	9,472.1	10,775.0	0.61	1.06	2.28	19.8%	24.1%	41.4%	12.6%	13.8%	115.3%	53.1 %	30.0 %	7.5 %
Telecom Italia	9,146	62,758.3	36,580.8	3,725	26,547.3	14,118.9	0.06	0.15	0.07	(7.2)%	(14.5)%	9.4%	(41.7)%	(46.8)%	(52.8)%	45.1 %	40.7 %	13.5 %
Telefonica	20,939	81,462.5	84,099.5	7,824	29,810.6	31,598.5	0.65	2.39	2.53	(0.2)%	(6.4)%	1.4%	3.2%	6.0%	5.7%	40.4 %	37.4 %	14.1 %
TeliaSonera	3,943	14,874.0	15,407.8	1,458	5,286.0	5,531.0	0.20	0.65	0.69	1.9%	8.3%	22.3%	3.6%	4.6%	6.9%	47.2 %	37.0 %	22.4 %
Vodafone	17,752	70,242.2	71,191.0	5,768	22,506.0	22,849.9	0.06	0.24	0.24	2.0%	(4.7)%	(1.0)%	1.4%	1.5%	(1.5)%	33.4 %	32.5 %	18.3 %
Mean	11,653	47,189	44,164	4,079	16,123	15,064	20.61	61.19	72.65	1.6%	2.0%	10.1%	(3.2)%	(1.9)%	9.6%	49.8 %	35.7 %	13.2 %
Median	10,202	47,786	40,830	3,725	17,584	14,119	0.61	2.06	2.04	1.9%	3.5%	5.2%	3.4%	5.3%	5.8%	45.1 %	37.0 %	13.5 %

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 /
	11/30/10	Cap	Value	Cash	Debt	6/30/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
Wireless - US																			
AT&T	27.79	164,239	230,258	3,246	69,265	14.9 %	1.9 x	1.8 x	5.5 x	5.2 x	12.3 x	11.4 x	1.1 %	(2.3)%	(0.5)%	(40.2)%	1.6 x	24.4 %	NA
Atlantic Tele	34.29	527	785	62	320	(17.0)%	1.6 x	1.0 x	6.3 x	4.6 x	20.3 x	15.4 x	5.5 %	(24.4)%	(53.3)%	(48.9)%	2.1 x	38.8 %	19.3 %
Clearwire	6.98	1,698	8,120	1,381	7,803	(4.1)%	17.8 x	6.9 x	NM	NM	NM	NM	(6.8)%	NA	(10.3)%	(378.2)%	NA	218.4 %	399.3 %
Leap Wireless	10.89	852	3,078	565	2,790	(16.1)%	1.2 x	1.2 x	6.0 x	5.5 x	NM	NM	(3.4)%	(13.7)%	(50.7)%	(261.2)%	4.3 x	31.2 %	16.7 %
MetroPCS	12.15	4,306	6,767	1,902	4,363	48.4 %	1.7 x	1.5 x	6.3 x	5.2 x	19.6 x	13.9 x	(0.1)%	0.2 %	11.0 %	(57.2)%	2.3 x	14.7 %	21.0 %
NTELOS	16.98	708	1,269	189	749	(1.3)%	2.4 x	2.2 x	5.9 x	5.3 x	14.0 x	13.6 x	(0.2)%	(0.2)%	(13.7)%	(79.1)%	2.6 x	27.6 %	14.7 %
Shenandoah	17.49	415	570	43	198	(1.4)%	3.2 x	2.5 x	7.7 x	6.2 x	18.2 x	19.9 x	5.9 %	3.5 %	(30.2)%	(37.3)%	2.1 x	20.9 %	27.6 %
Sprint Nextel	3.78	11,291	26,923	4,666	20,298	(10.8)%	0.8 x	0.8 x	4.7 x	4.8 x	NM	NM	1.5 %	(3.3)%	(17.8)%	(138.4)%	2.7 x	28.4 %	6.0 %
US Cellular	45.78	3,925	4,465	390	930	11.3 %	1.1 x	1.1 x	5.4 x	5.4 x	26.8 x	23.5 x	0.1 %	1.7 %	15.8 %	(13.7)%	0.7 x	42.1 %	11.8 %
Verizon	32.01	90,485	184,387	5,975	99,877	14.2 %	1.7 x	1.7 x	5.2 x	5.2 x	14.3 x	14.4 x	0.4 %	0.0 %	3.5 %	(103.8)%	2.7 x	27.1 %	15.7 %
Mean		27,845	46,662	1,842	20,659	3.8 %	3.3 x	2.1 x	5.9 x	5.3 x	17.9 x	16.0 x	0.4 %	(4.3)%	(14.6)%	(115.8)%	2.3 x	47.4 %	59.1 %
Median		2,812	5,616	973	3,577	(1.3)%	1.7 x	1.6 x	5.9 x	5.2 x	18.2 x	14.4 x	0.3 %	(0.2)%	(12.0)%	(68.1)%	2.3 x	28.0 %	16.7 %
Wireless Towers																			
American Tower	50.57	20,181	24,583	415	4,816	13.6 %	13.0 x	11.1 x	20.5 x	16.4 x	57.5 x	47.6 x	5.1 %	6.3 %	16.2 %	(21.8)%	3.7 x	11.2 %	18.7 %
Crown Castle	41.54	12,078	18,833	304	7,059	11.5 %	10.3 x	9.6 x	17.3 x	15.2 x	NM	88.3 x	4.1 %	6.4 %	143.7 %	(55.9)%	6.2 x	8.6 %	11.7 %
GTL Infrastructure	0.95	908	1,934	71	1,097	(6.7)%	20.7 x	7.0 x	37.5 x	12.5 x	NM	NM	NA	NA	NA	(113.0)%	19.9 x	56.0 %	NA
SBA Comm	39.15	4,501	7,123	201	2,823	15.1 %	11.8 x	10.5 x	20.1 x	16.8 x	NM	NM	0.9 %	0.5 %	(19.9)%	(58.3)%	7.4 x	8.8 %	12.9 %
Mean		9,417	13,118	248	3,949	8.4 %	14.0 x	9.6 x	23.8 x	15.2 x	57.5 x	67.9 x	3.4 %	4.4 %	46.7 %	(62.3)%	9.3 x	21.1 %	14.4 %
Median		8,289	12,978	252	3,820	12.6 %	12.4 x	10.1 x	20.3 x	15.8 x	57.5 x	67.9 x	4.1 %	6.3 %	16.2 %	(57.1)%	6.8 x	10.0 %	12.9 %

(\$ 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 - US																		
AT&T	31,581	123,777.0	126,056.3	10,355	41,990.0	44,362.5	0.55	2.26	2.43	2.8%	1.0%	3.8%	1.8%	5.7%	7.5%	57.2 %	32.8 %	10.3 %
Atlantic Tele	205	483.6	753.4	38	124.0	170.8	0.41	1.69	2.23	210.1%	8.2%	(48.0)%	55.8%	37.8%	31.7%	67.9 %	18.5 %	3.1 %
Clearwire	147	456.1	1,175.0	(395)	(1,488.6)	(1,010.3)	(0.58)	(2.12)	(2.44)	113.6%	(65.8)%	(48.0)%	157.6%	32.1%	(15.3)%	(50.5)%	(268.9)%	(389.1)%
Leap Wireless	603	2,489.5	2,647.1	114	513.1	561.2	(0.76)	(2.72)	(2.29)	0.5%	3.4%	10.1%	6.3%	9.4%	16.0%	50.2 %	19.0 %	(9.6)%
MetroPCS	1,021	3,933.8	4,495.1	305	1,069.4	1,302.0	0.24	0.62	0.87	14.0%	16.8%	14.3%	14.3%	21.7%	40.6%	44.4 %	29.9 %	8.4 %
NTELOS	134	537.5	582.5	54	213.3	238.2	0.26	1.21	1.25	(1.0)%	(4.1)%	(23.5)%	8.4%	11.6%	3.5%	67.5 %	39.9 %	8.1 %
Shenandoah	53	177.2	228.1	21	73.9	91.9	0.15	0.96	0.88	32.5%	11.2%	(44.4)%	28.7%	24.3%	(8.3)%	60.1 %	39.2 %	6.7 %
Sprint Nextel	8,152	32,130.0	32,450.3	1,339	5,776.0	5,568.0	(0.30)	(0.87)	(0.75)	1.4%	(12.5)%	(328.6)%	1.0%	(3.6)%	13.8%	44.8 %	16.4 %	(11.0)%
US Cellular	1,061	4,175.7	4,236.5	207	824.3	826.0	0.45	1.71	1.95	0.3%	(0.6)%	9.8%	1.5%	0.2%	13.9%	61.6 %	19.5 %	3.7 %
Verizon	26,484	107,261.0	106,958.0	8,776	35,277.0	35,433.9	0.56	2.24	2.23	(2.9)%	(1.9)%	(6.7)%	(0.3)%	0.4%	(0.5)%	60.2 %	33.1 %	6.0 %
Mean	6,944	27,542	27,958	2,081	8,437	8,754	0.40	0.50	0.64	37.1%	(4.4)%	(46.1)%	27.5%	14.0%	10.3%	46.3 %	(2.1)%	(36.3)%
Median	812	3,212	3,442	160	669	694	0.25	1.09	1.07	2.1%	0.2%	(15.1)%	7.4%	10.5%	10.6%	58.6 %	24.7 %	4.8 %
Wireless Towers																		
American Tower	513	1,885.7	2,218.9	329	1,200.8	1,496.9	0.23	0.88	1.06	15.6%	15.5%	35.3%	17.7%	24.7%	20.7%	76.0 %	64.0 %	18.1 %
Crown Castle	482	1,825.9	1,961.1	297	1,087.1	1,241.9	0.15	0.02	0.47	12.3%	17.4%	50.0%	7.4%	14.2%	NM	70.3 %	61.7 %	8.9 %
GTL Infrastructure	26	93.3	274.7	14	51.6	154.4	(0.00)	(0.00)	(0.05)	44.0%	49.7%	57.5%	194.3%	199.2%	(1,468.8)%	64.4 %	55.0 %	(13.9)%
SBA Comm	159	606.1	678.3	94	354.1	424.5	(0.27)	(1.19)	(0.69)	13.9%	15.9%	12.1%	11.9%	19.9%	42.2%	68.1 %	59.0 %	(19.7)%
Mean	295	1,103	1,283	184	673	829	0.03	(0.07)	0.20	21.4%	24.6%	38.7%	57.8%	64.5%	(468.6)%	69.7 %	59.9 %	(1.6)%
Median	320	1,216	1,320	196	721	833	0.07	0.01	0.21	14.7%	16.6%	42.6%	14.8%	22.3%	20.7%	69.2 %	60.4 %	(2.5)%



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