

SagePoint Telecom Services 100

Q4 2010 Valuation & Performance Review

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

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Prepared By:

SAGEPOINT



ADVISORS

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SagePoint Telecom Services 100 Universe

Q4 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					

Q4 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											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	Telecity					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

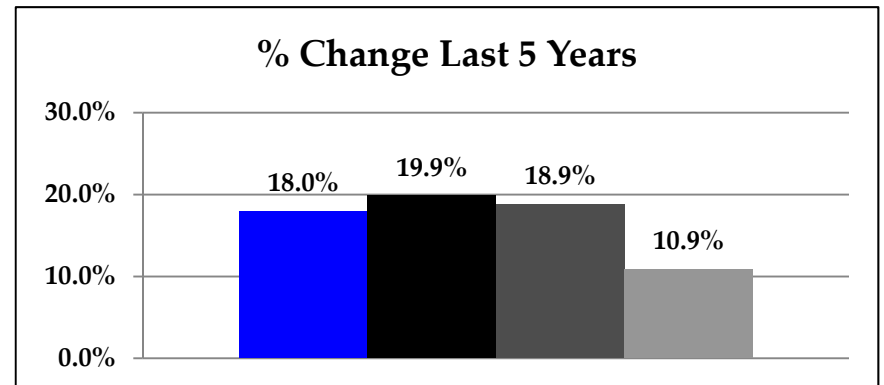
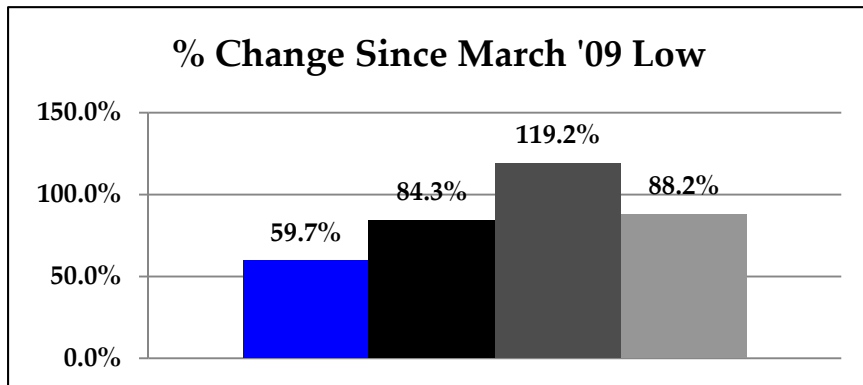
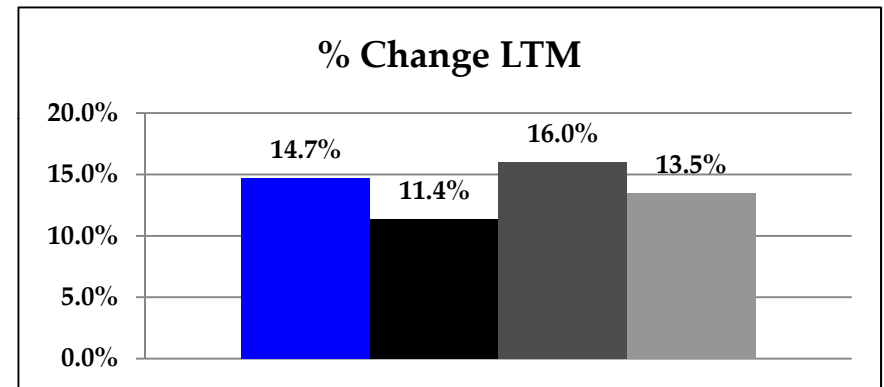
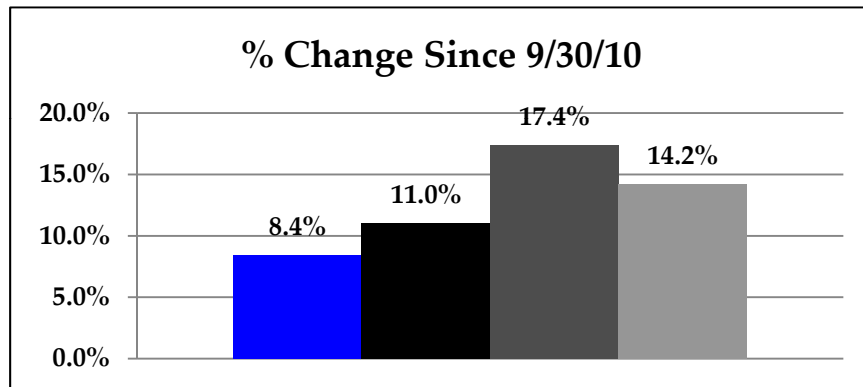
- Telecom Services is up 8.4% since the beginning of Q4, though it has underperformed the SagePoint 400 (+11.0%), NASDAQ (+17.4%) and DJIA (+14.2%)
 - Telecom Services has outperformed all but the NASDAQ over the past twelve months
 - Telecom Services was not hit as hard during the downturn and so hasn't seen the dramatic recovery since March '09 lows the other indices show
- Valuation multiples are up from Q3 as the market recovers on improved growth expectations
 - Median revenue multiple at 2.3x LTM
 - Median EBITDA multiple at 7.1x LTM
- Telecom Services 100 remains in moderate, but improving growth mode, up a median 8.5% with continued improvement expected leading to double digit growth over the next twelve months
 - Hosting & Data Center led MRQ/PYQ and expects to reach 21% growth NTM
 - Satellite Voice & Data and Wireless Towers expect 13-15% MRQ/PYQ growth to continue NTM
 - Intl Emerging Wireless, Data Access & Transport, US Wireless, Intl Developed Wireless and Intl LEC/ICP all project double digit growth as well
 - National LEC/ICP expects slight growth, a turn around from the 2.6% decrease MRQ/PYQ
- Telecom Services 100 median EBITDA growth improved to 9.8%, it highest MRQ/PYQ growth since Q3'08
 - EBITDA growth is projected to continue to improve with 14.5% median growth expected over the next twelve months with all but one segment expecting double digit EBITDA growth

SagePoint's Viewpoint - Key Takeaways Continued

- The vast majority of Telecom Services companies are meeting or beating expectations
 - 88% of the Telecom Services 100 met or beat Q4 revenue targets, with beats more than doubling misses
 - 59% of companies met or beat EBITDA, though misses outnumbered beats with 10.6% missing by more than 10% as analysts seem to have underestimated increased opex spending
- Telecom Services operating models appear healthy in Q4'10 despite increased spending after several quarters of squeezing costs to drive profits
 - Gross margins improved to 57.7%, their second highest level in the past three years
 - EBITDA and Net Margins fell despite strong Gross Margins on increased opex spending
 - D&A as a % of Sales is above historic norms, but has come down in recent quarters as revenues grow
 - CapEx as a % of Sales has fallen slightly as revenue growth has outpaced spending increases for most companies, though aggregate CapEx is up 15% as major carriers return to spending
- Continued market rally has improved leverage levels
 - Median Net Debt as a percent of Market Value has fallen to its lowest level since Q2'08 on an aggregate ~\$150B increase in market value overshadowing increases in aggregate Net Debt
 - Median Net Debt/EBITDA decreased slightly on improved EBITDA, it will be interesting to see if companies reduce debt loads or increase leverage to drive growth
- Telecom Services M&A activity and dollar volume increased in Q4'10
 - Vimpelcom's acquisition of Weather Investments for \$23B represented nearly half of Q4 deal dollars
 - AT&T's acquisition of Qualcomm's 700MHz Spectrum (\$1.9B) and Qatar Telecom and Pricesse Holding's acquisition of Orascom Telecom Tunisia (\$1.2B) were the only other \$1B+ deals in Q4
 - SagePoint expects deal activity to continue at a strong pace throughout 2011

SagePoint Telecom Services 100 Index Performance

- Telecom Services is up 8.4% since the beginning of Q4, though it has underperformed the SagePoint 400 (+11.0%), NASDAQ (+17.4%) and DJIA (+14.2%)
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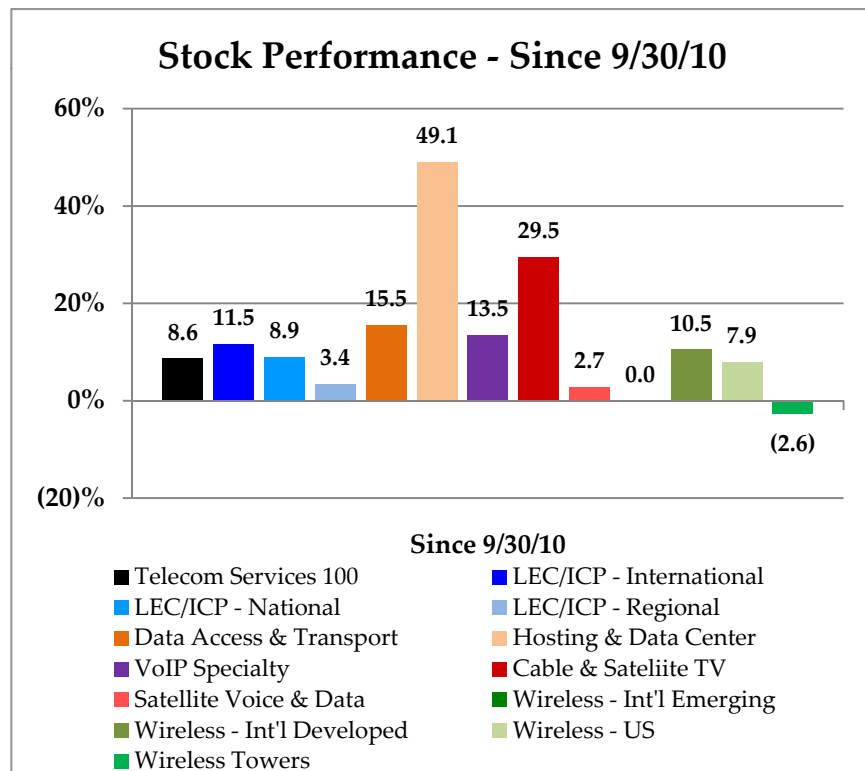


■ Telecom Services 100* ■ SagePoint 400 Index* ■ NASDAQ ■ DJIA

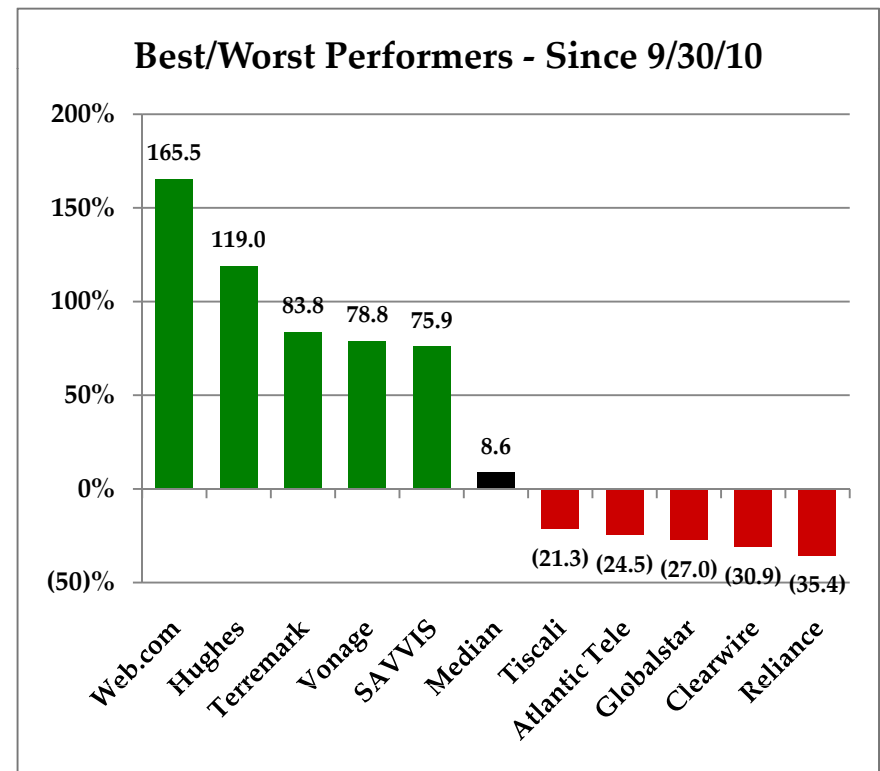
* Market Value weighted index

Stock Performance Since Beginning of Q4

- The SagePoint Telecom Services 100 generally performed well with a median gain of 8.6%
 - Hosting & Data Center led gains again, up 49%, with strong growth in traffic expected with Web.com, Terremark and SAVVIS leading the segment and only Equinix (-11%) losing value
 - Cable & Satellite TV also outperformed with only two companies not gaining value and all but one other up 20%+
 - Wireless Towers was the only down segment with American Tower as the only company adding value, up just 1%, while GTL fell 19%



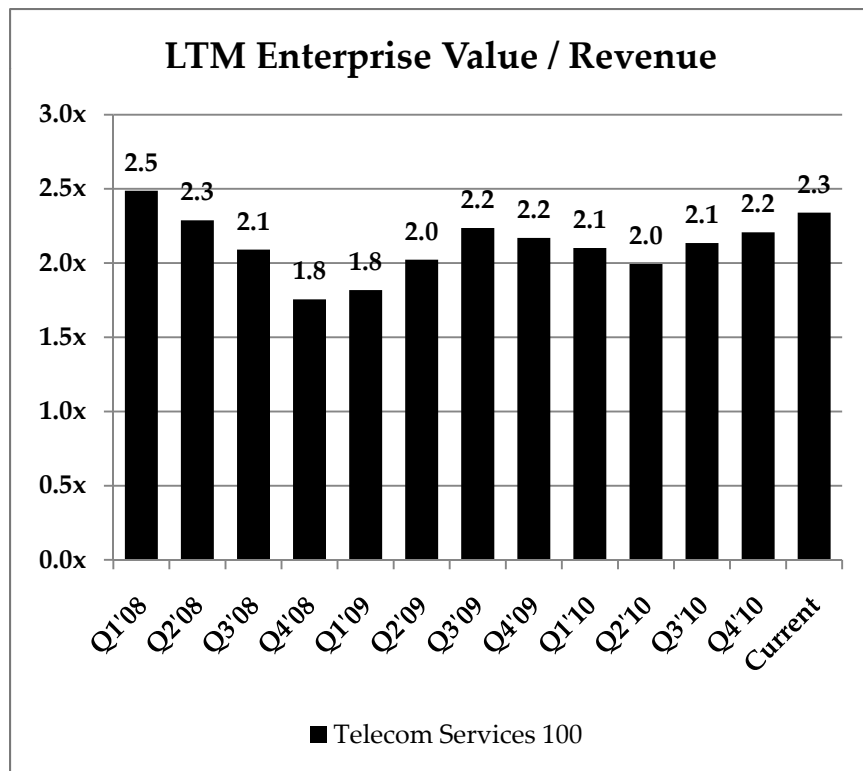
Source: SagePoint Advisors & Capital IQ



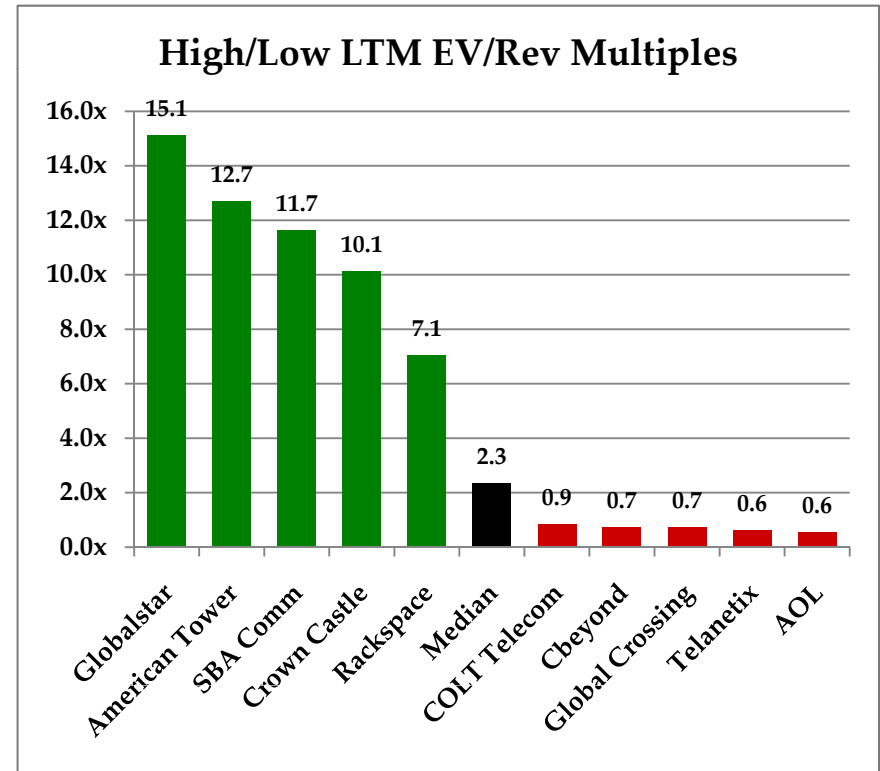
Source: SagePoint Advisors & Capital IQ

Valuation Metrics – LTM Revenue Multiples

- The median revenue multiple rose to 2.3x, its highest level since H1'08
 - 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
 - Rackspace's high gross margins and strong growth expectations drive a premium valuation
- 8 of the Telecom Services 100 trade at or below 1x LTM revenue, an improvement from 12 in Q3'10



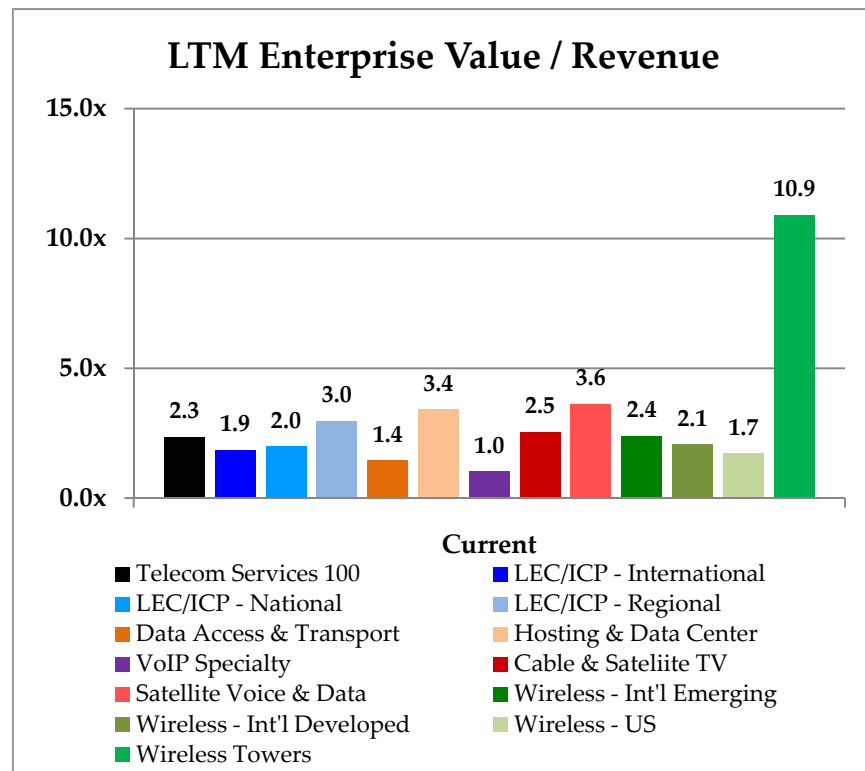
Source: SagePoint Advisors & Capital IQ



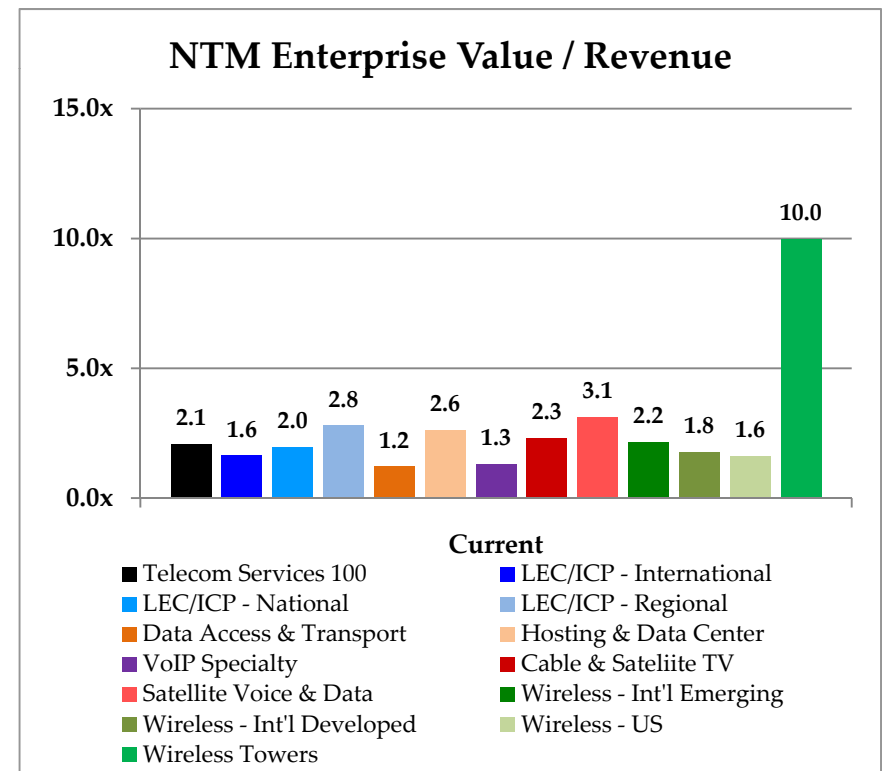
Source: SagePoint Advisors & Capital IQ

Valuation Metrics – Revenue Multiples By Segment

- Most of the segments trade at median NTM multiples in the 1.6-2.3x range
- NTM multiples generally trade slightly below LTM with marginal growth projected for most segments
 - Wireless Tower companies trade at a median of 10x NTM revenues due to high EBITDA margins, though their multiples have come down recently on lower growth expectations
 - Satellite Voice & Data's strong multiple due to expectations of earnings growth as new satellites add additional scale
 - VoIP Specialty remains the lowest median LTM revenue multiple as the business model slowly scales



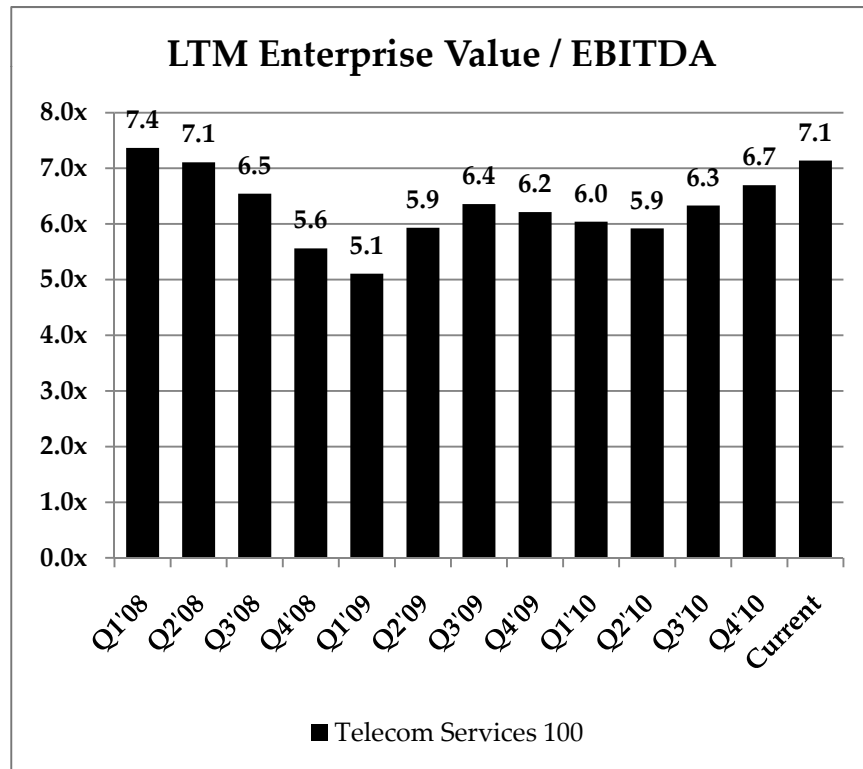
Source: SagePoint Advisors & Capital IQ



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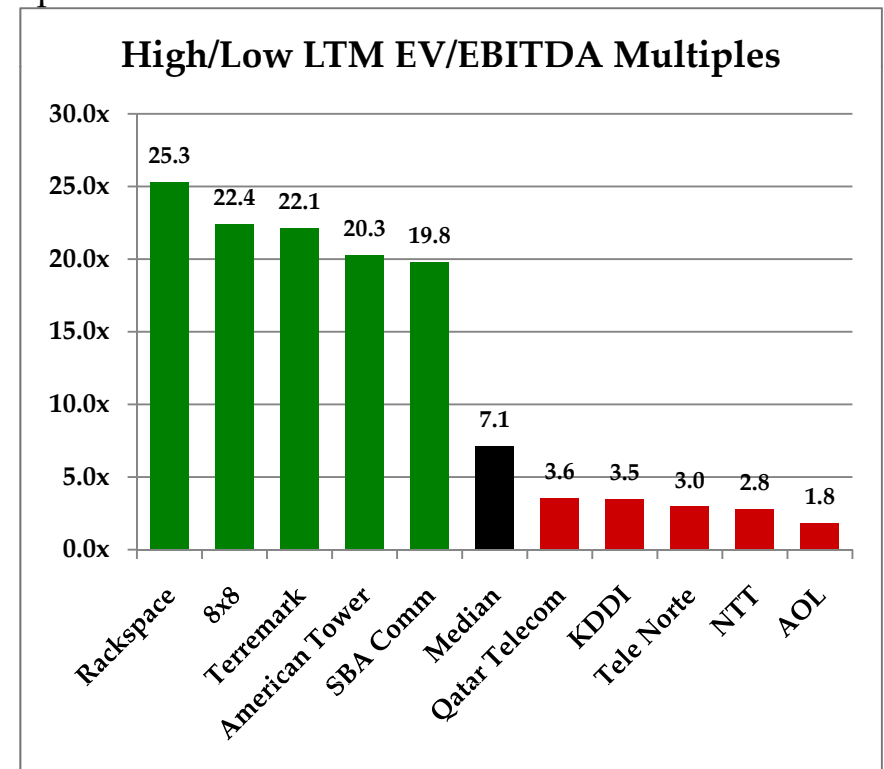
Valuation Metrics – LTM EBITDA Multiples

- Median EBITDA multiples continue a strong rebound to its highest levels since H1'08, now fully recovered from Q1'09 lows
 - Hosting & Data Center providers Rackspace and Terremark are expected to generate 50+% EBITDA growth
 - 8x8 expects EBITDA growth of nearly 90% on improving gross margins and opex savings
 - American Tower & SBA trade at premium EBITDA multiples on strong, stable cash flows
 - AOL trades at weak EBITDA multiples despite strong margins as revenues are expected to continue to decline as their core businesses erode and they attempt to transition their business model



Source: SagePoint Advisors & Capital IQ

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

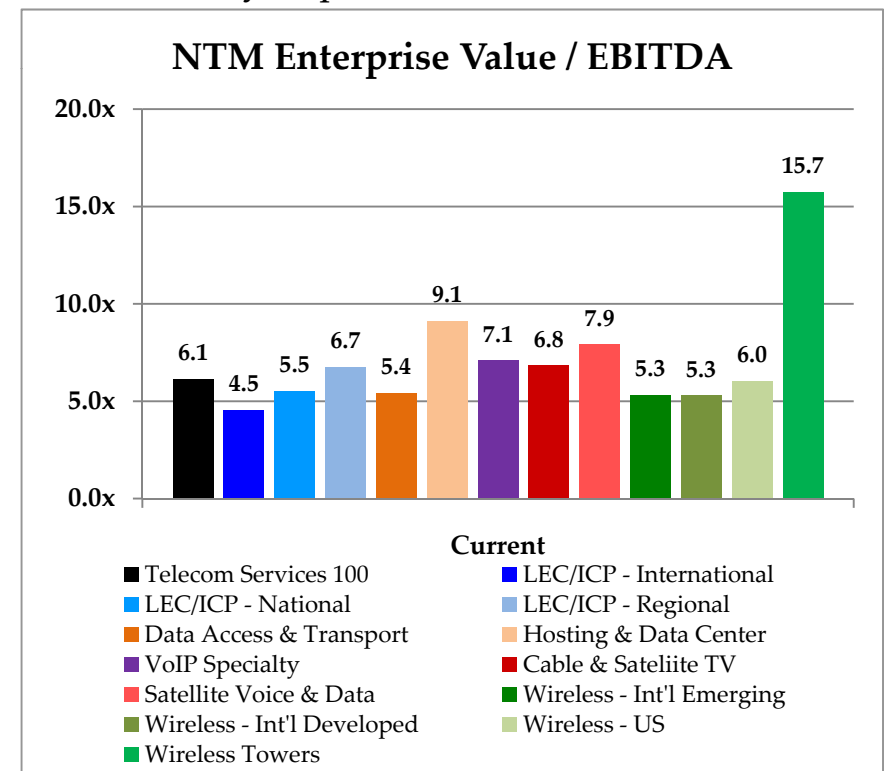
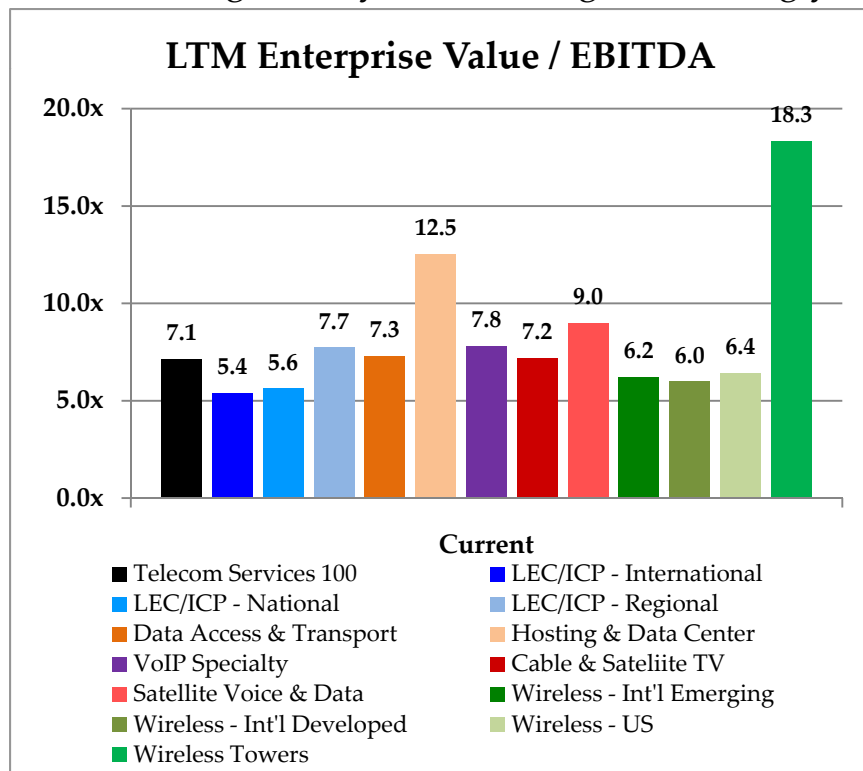


Source: SagePoint Advisors & Capital IQ

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

Valuation Metrics – EBITDA Multiples By Segment

- Wireless Tower trades at a premium median multiple due to strong, stable cash flows
- Hosting & Data Center benefits from good positioning for the much hyped move to the cloud while Data Access & Transport players with less specialized offerings don't receive the same premium despite strong growth prospects from increased traffic
- Satellite Voice & Data premium based on expectations of future earnings as the model scales
- More than half of the segments trade at a median EBITDA multiple in the 5-7x range
 - Most carriers' multiples lag on weak growth prospects aside from expansion into emerging markets which generally come through increasingly competitive and costly acquisitions



Source: SagePoint Advisors & Capital IQ

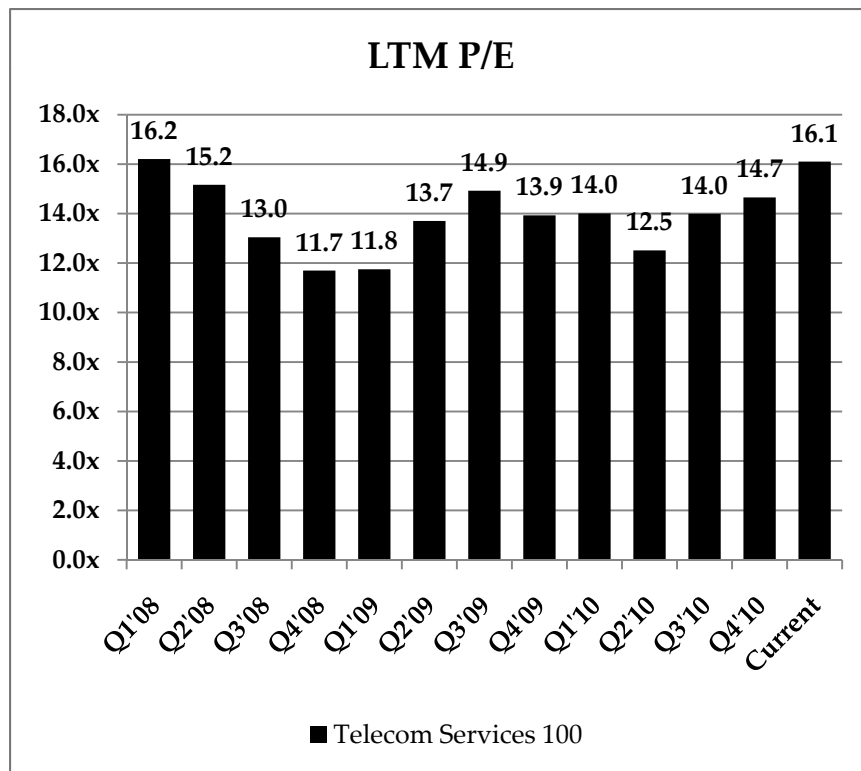
Note: Excludes companies with an LTM EBITDA margin below 5%

Source: SagePoint Advisors & Capital IQ

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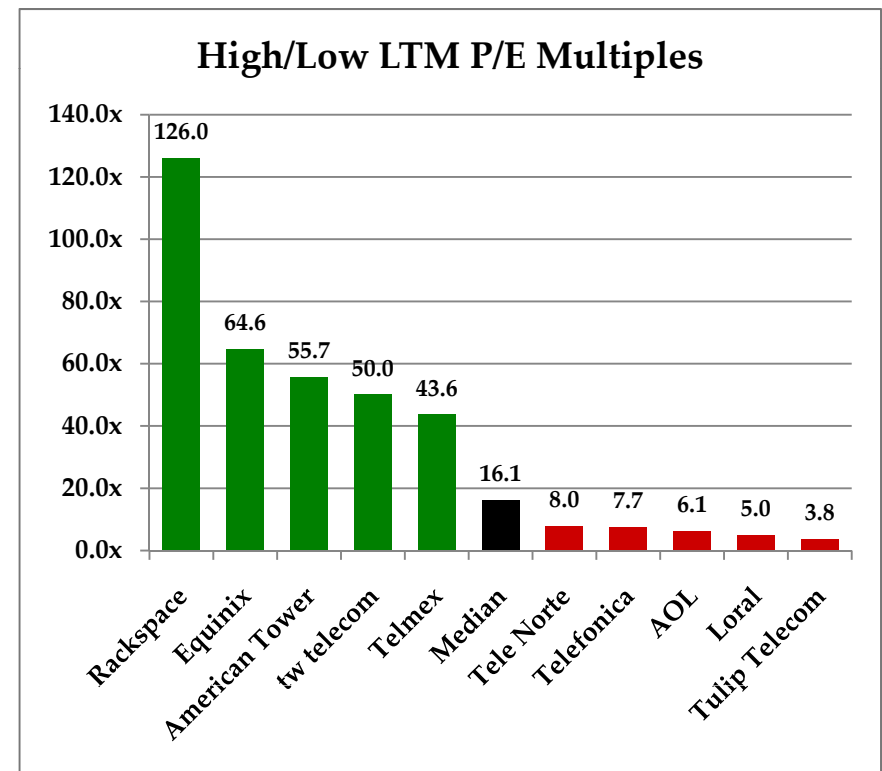
Valuation Metrics – LTM P/E Multiples

- Median P/E multiples have rebounded from Q2 drop to near their three year high
- Rackspace, American Tower, Equinix, tw telecom and Telmex have very high P/E multiples but are really valued on EBITDA multiples due to high depreciation and/or interest expenses
- 12 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%

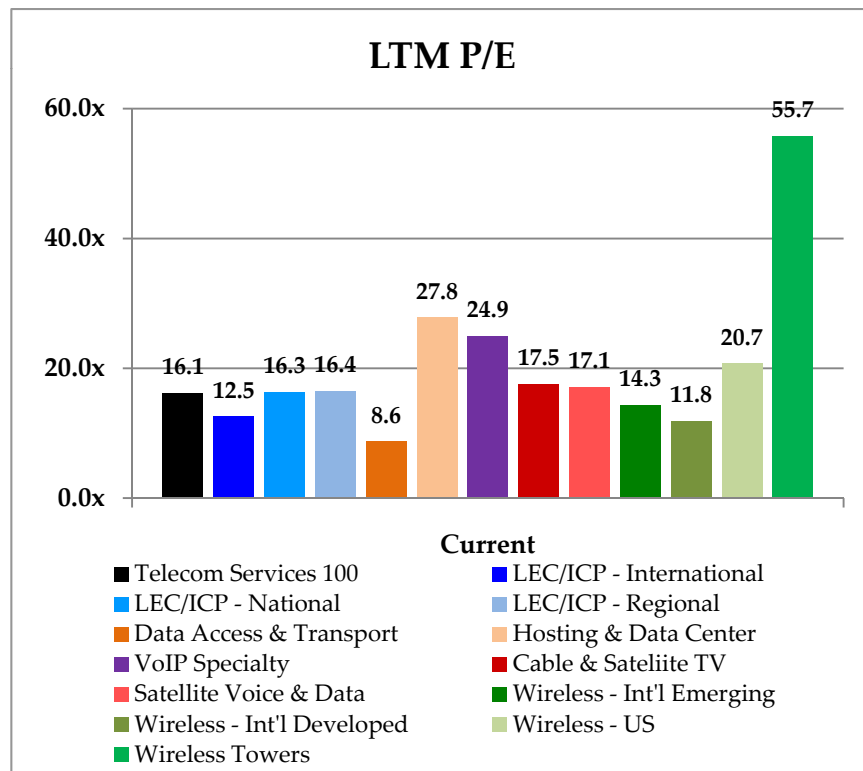


Source: SagePoint Advisors & Capital IQ

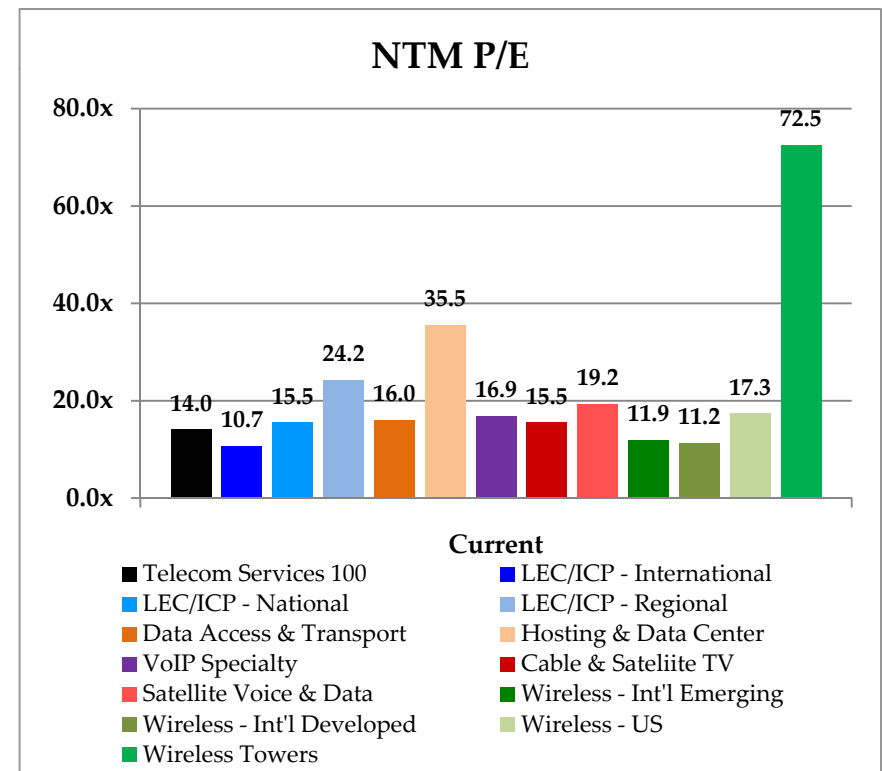
Note: Excludes companies with an LTM net margin below 2.5%

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 commands lofty multiples as the segment projects strong EPS growth
 - Regional LEC/ICP, Data Access & Transport, Hosting & Data Center and Satellite Voice & Data NTM higher than LTM as some companies just achieving profitability are excluded from LTM
- Other segments in Telecom Services primarily trade in the 11-17x NTM P/E range



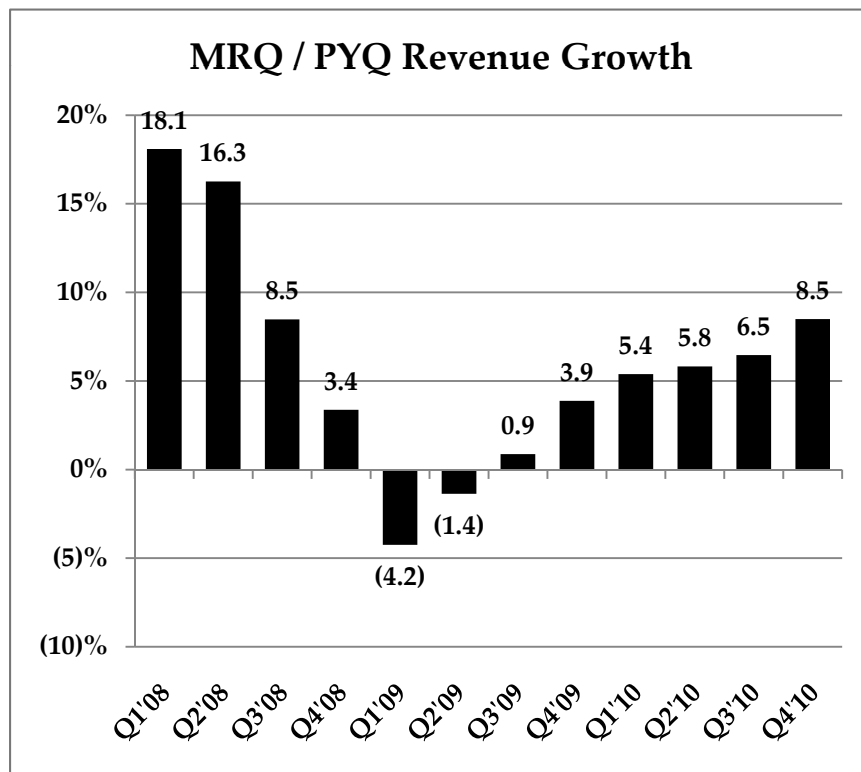
Note: Excludes companies with an LTM net margin below 2.5%



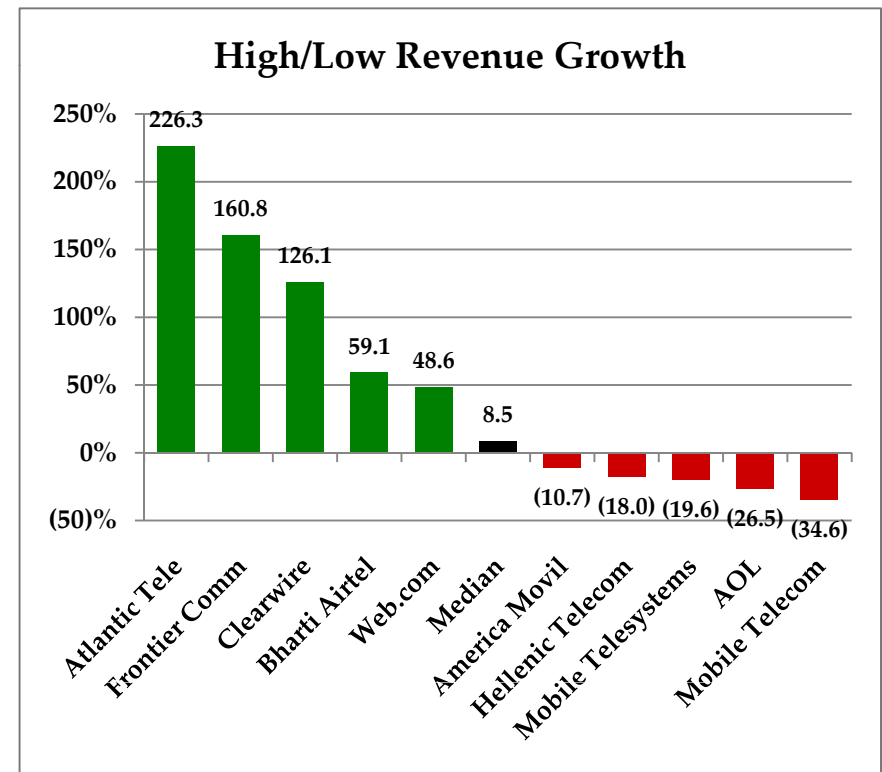
Note: Excludes companies with an NTM net margin below 2.5%

Operating Metrics – Revenue Growth

- Telecom Services 100 posted a median of 8.5% revenue growth in Q4 as operators continue to gain momentum following the meltdown
 - 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 due to continued roll out of its WiMax service
 - Mobile Telecom revenue drop due to sale of Zain Africa to Bharti Airtel
 - AOL revenues drop as the company continues to fight declining legacy business while shedding non-core assets as it continues to execute on its turnaround



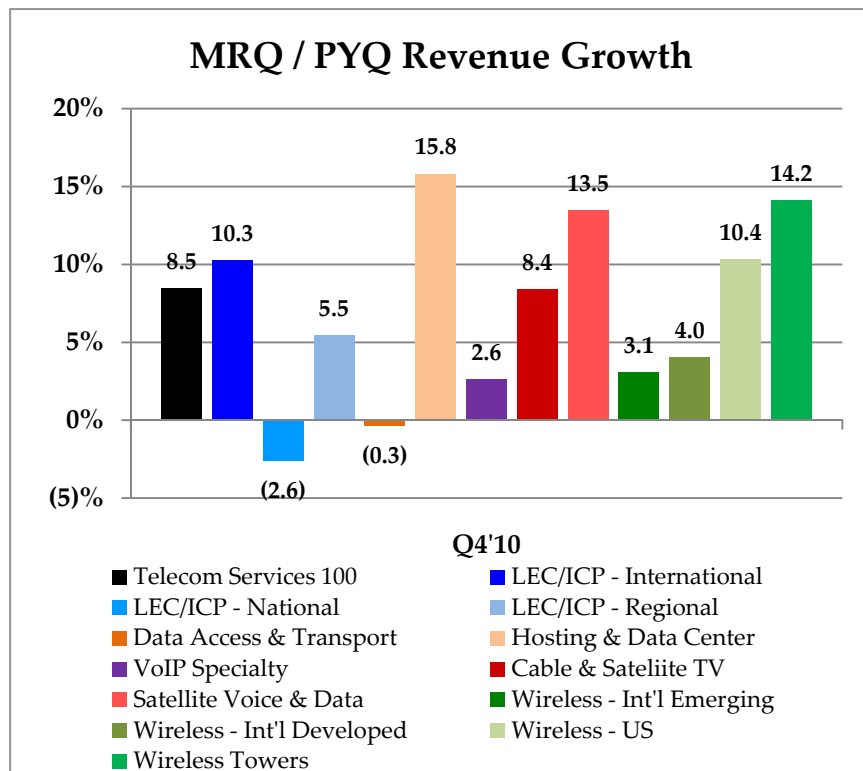
Source: SagePoint Advisors & Capital IQ



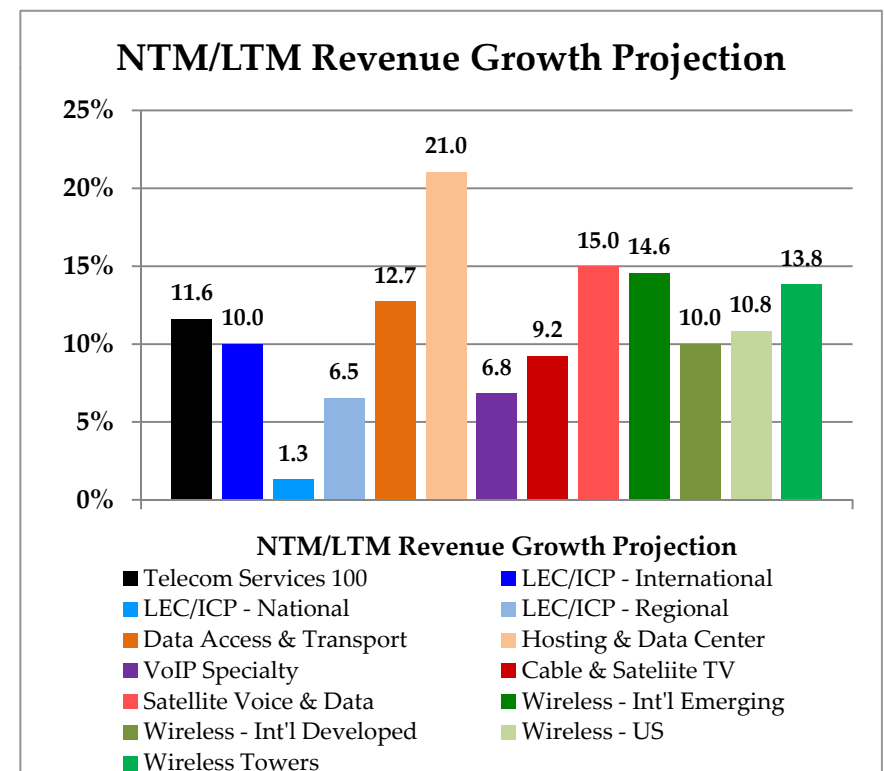
Source: SagePoint Advisors & Capital IQ

Operating Metrics – Revenue Growth by Segment

- Telecom Services revenue growth is expected to continue to accelerate with double digit growth rates projected for NTM
- Hosting & Data Center led MRQ/PYQ growth and is expected to post 21% growth NTM
- Satellite Voice & Data and Wireless Towers expect 13-15% MRQ/PYQ growth to continue NTM
- Intl Emerging Wireless, Data Access & Transport, US Wireless, Intl Developed Wireless and Intl LEC/ICP all project double digit growth as well
- National LEC/ICP expects weak growth, a turn around from the 2.6% decrease MRQ/PYQ



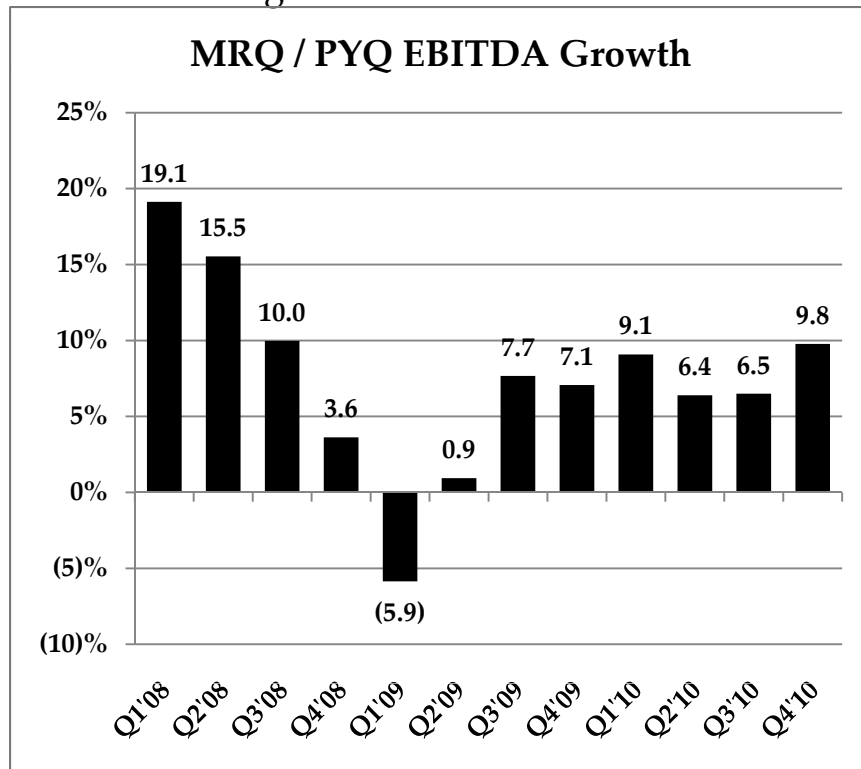
Source: SagePoint Advisors & Capital IQ



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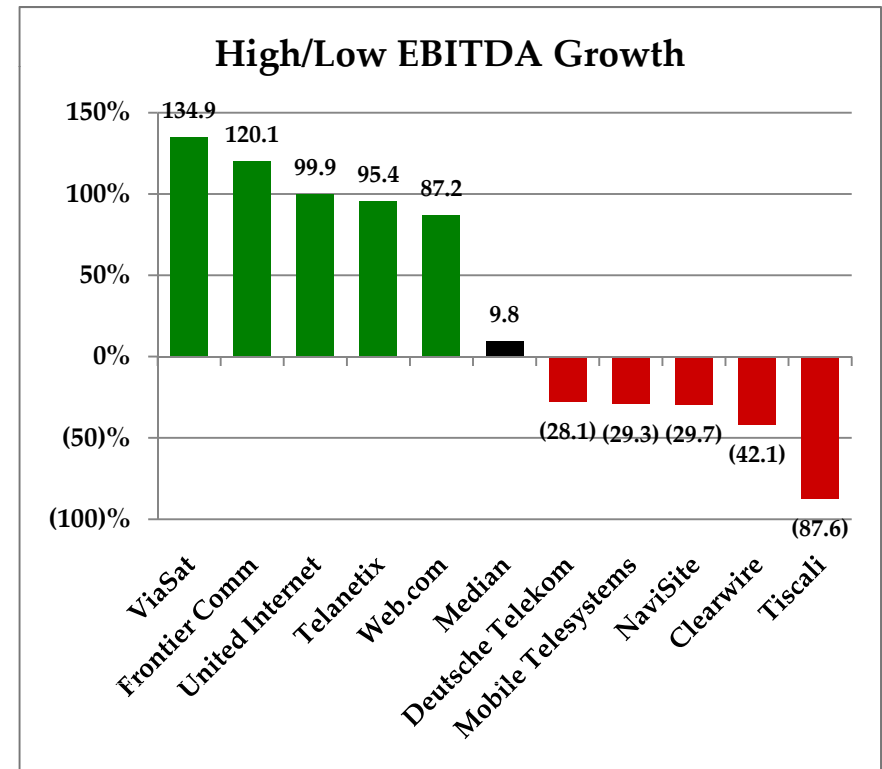
Operating Metrics – EBITDA Growth

- Telecom Services 100 median EBITDA growth improved to 9.8%, it highest growth since Q3'08
 - ViaSat EBITDA up sharply due to revenue growth and higher depreciation and amortization from the acquisition of WildBlue
 - Frontier Comm growth driven by Verizon Wireless Assets acquisition
 - United Internet posted a big jump, doubling its weak PYQ EBITDA level
 - Tiscali EBITDA fell due to a large bad debt charge
 - Clearwire EBITDA contraction as the company boosts SG&A and network-related opex to support marketing and network build-out



Source: SagePoint Advisors & Capital IQ

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

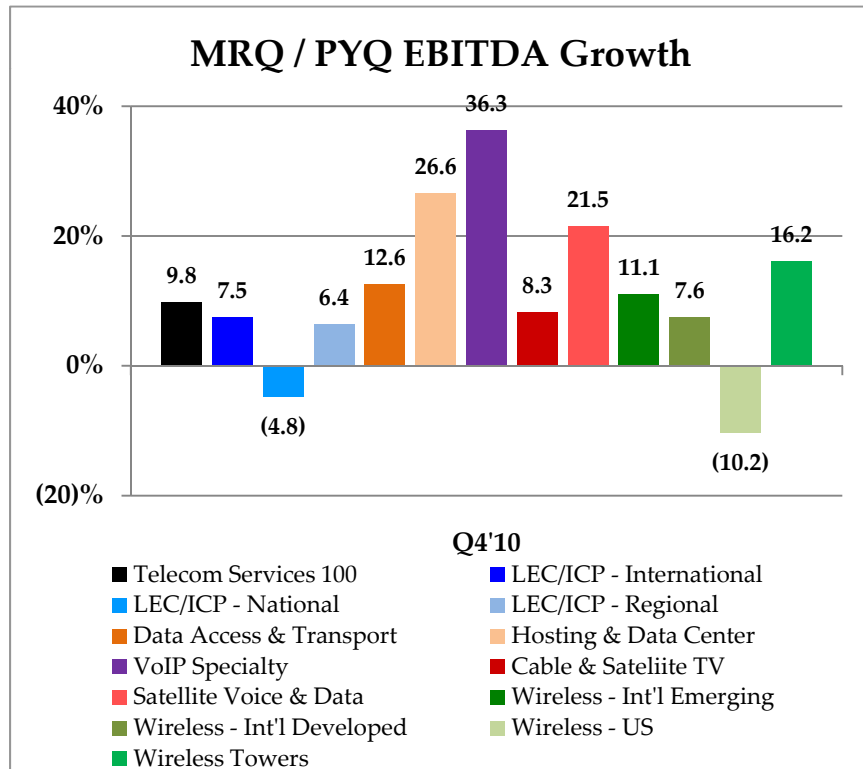


Source: SagePoint Advisors & Capital IQ

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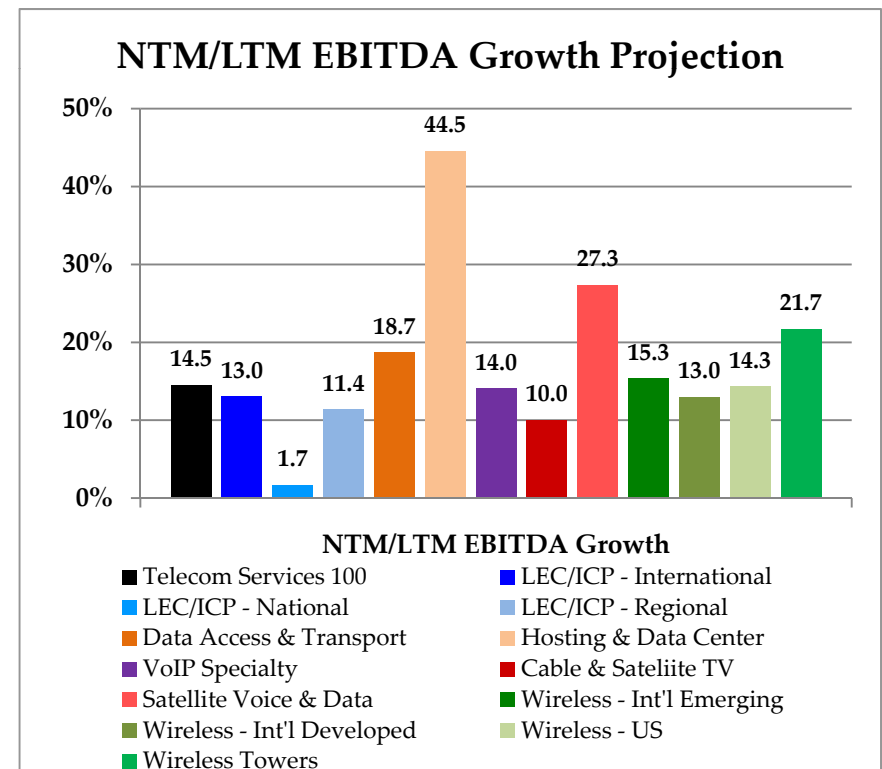
Operating Metrics – EBITDA Growth by Segment

- EBITDA growth is projected to continue to improve with 14.5% median growth expected over the next twelve months with all but one segment expecting double digit EBITDA growth
 - Hosting & Data Center posted strong growth with 45% EBITDA growth projected
 - Satellite Voice & Data and Wireless Towers projected revenue growth will drive EBITDA growth
 - VoIP Specialty trades at premium LTM multiples but near the median NTM as 8x8's NTM multiple is much lower than LTM due to 90% expected EBITDA growth
 - National LEC/ICP projects growth of just 1.7% as the market is highly saturated



Source: SagePoint Advisors & Capital IQ

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

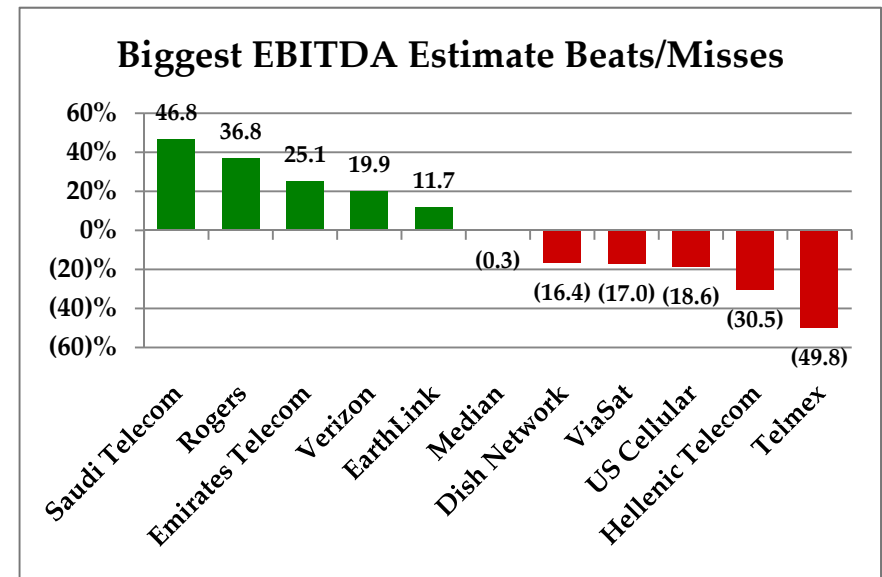
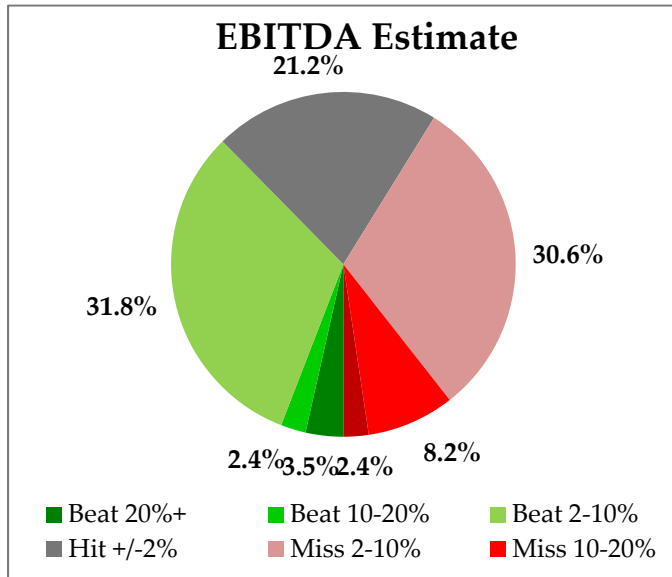
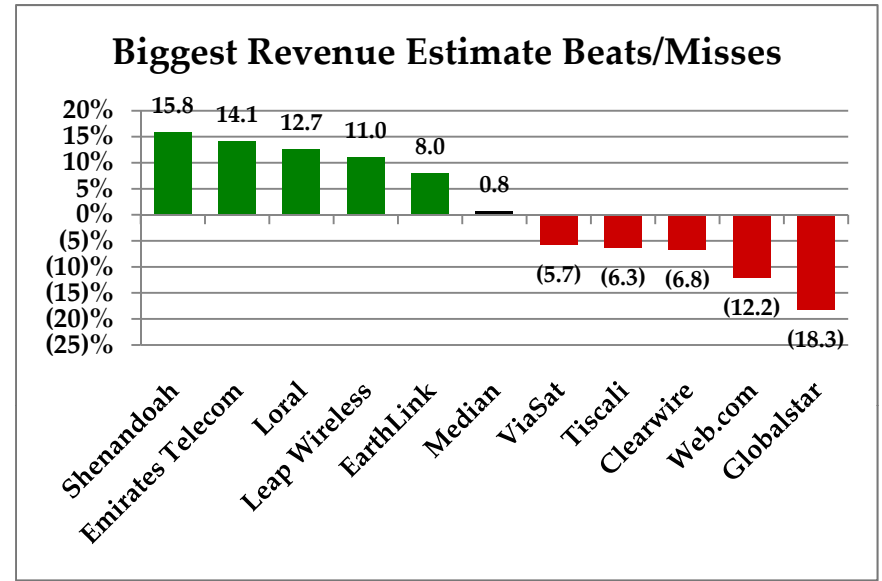
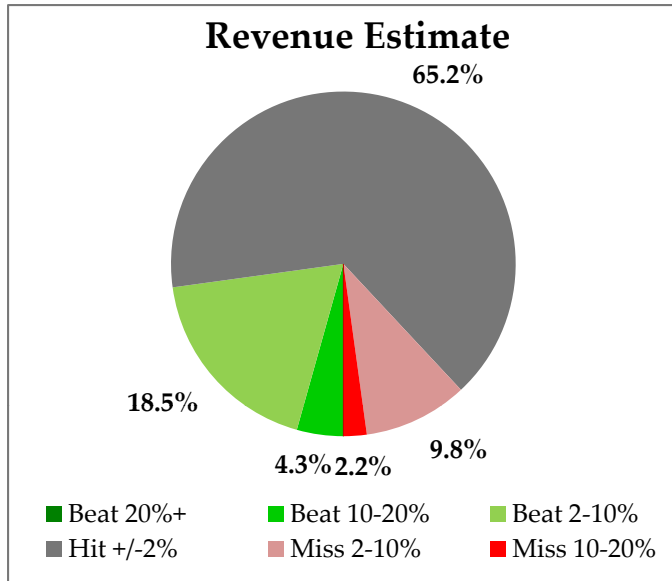


Source: SagePoint Advisors & Capital IQ

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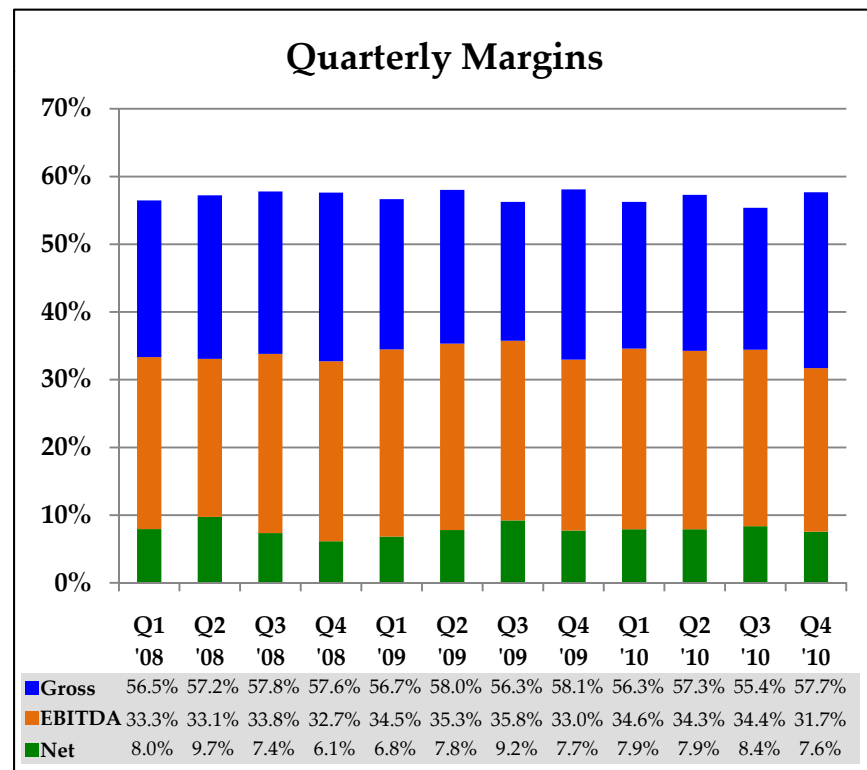
Q3 Performance Versus Analyst Estimates

- 88% of service providers met or beat revenue estimates and 58.9% met or beat EBITDA

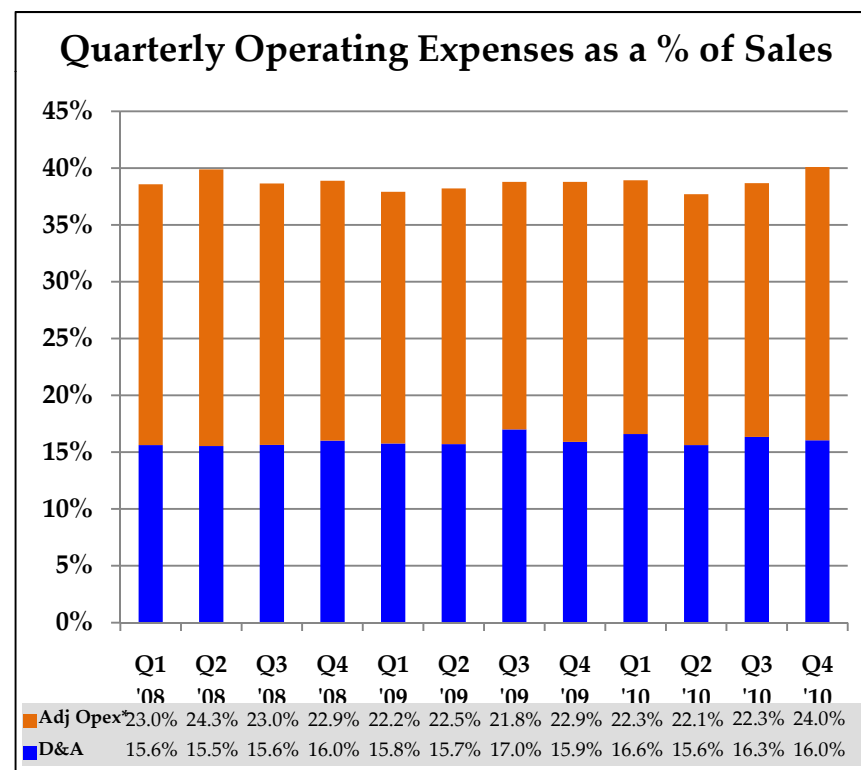


Quarterly Margin & Operating Expenses as a % of Sales Trends

- Median EBITDA and Net Margins fell despite strong Gross Margins on increased Opex spending
 - Gross margins improved to 57.7%, their second highest level in the past three years
 - Operating Expenses have increased as telco providers are beginning to spend after several quarters of cuts
 - D&A as a % of Sales is at the high end of historic norms
- After squeezing operating expenses as much as possible to boost profits during and after the downturn, Telecom Services providers are now investing to drive future topline growth



Source: SagePoint Advisors & Capital IQ

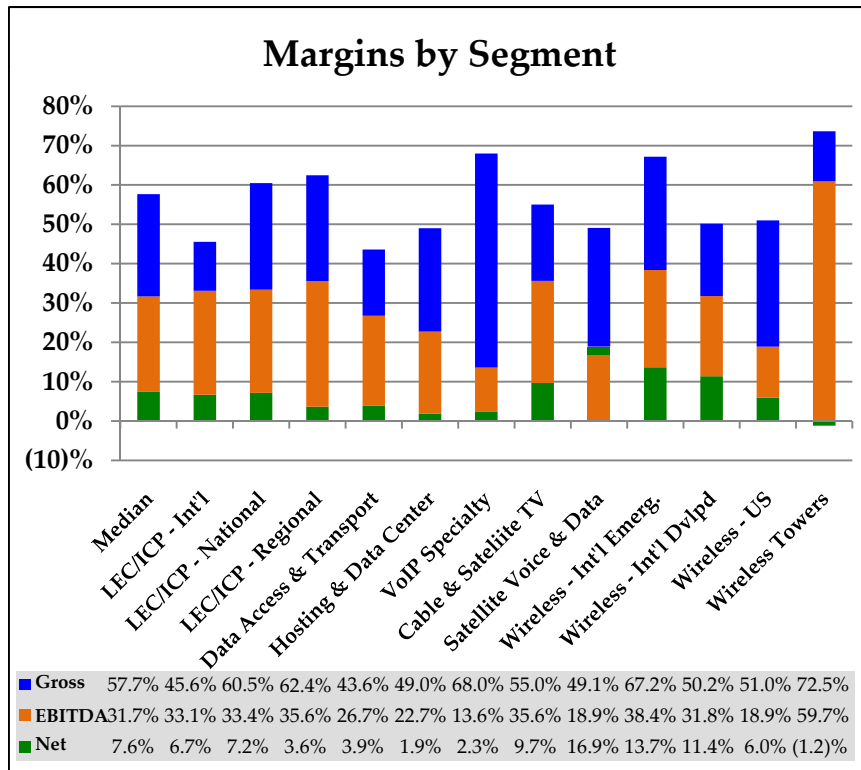


Source: SagePoint Advisors & Capital IQ

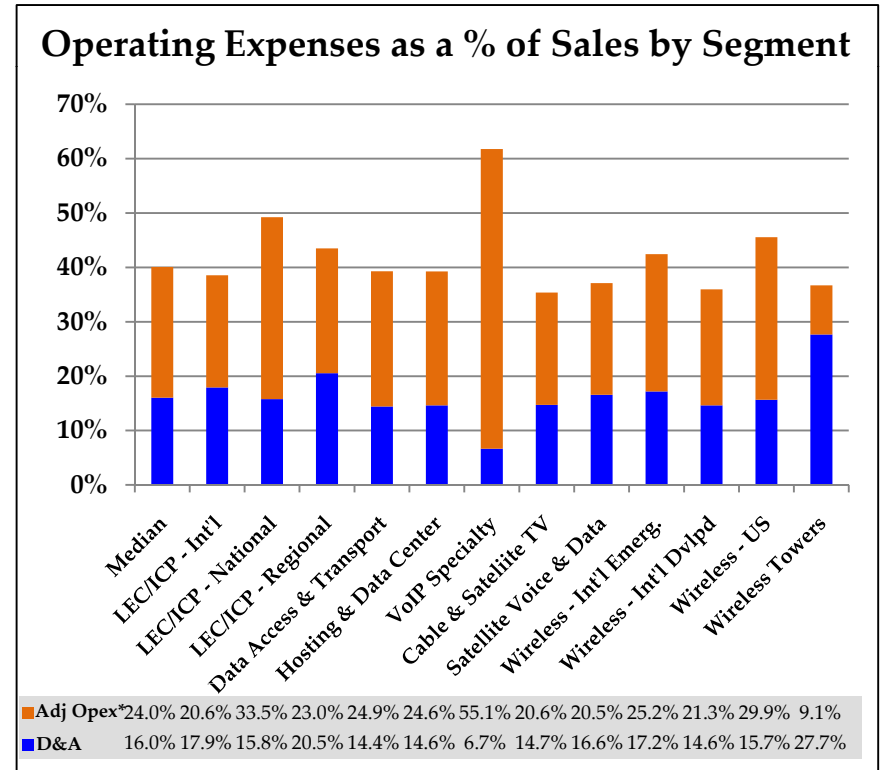
* Adjusted Opex is Operating Expenses less D&A and extraordinary items

Margins & Operating Expenses as a % of Sales by Segment

- Wireless Towers' strong gross margins and low opex drive strong EBITDA margins, though high depreciation and interest expenses result in slightly negative net margin
- VoIP Specialty low profit margins despite high gross margins as the model scales
- International Emerging Wireless' high gross and profit margins, particularly in comparison to Intl Developed and US Wireless, show why companies are aggressively acquiring in emerging regions



Source: SagePoint Advisors & Capital IQ

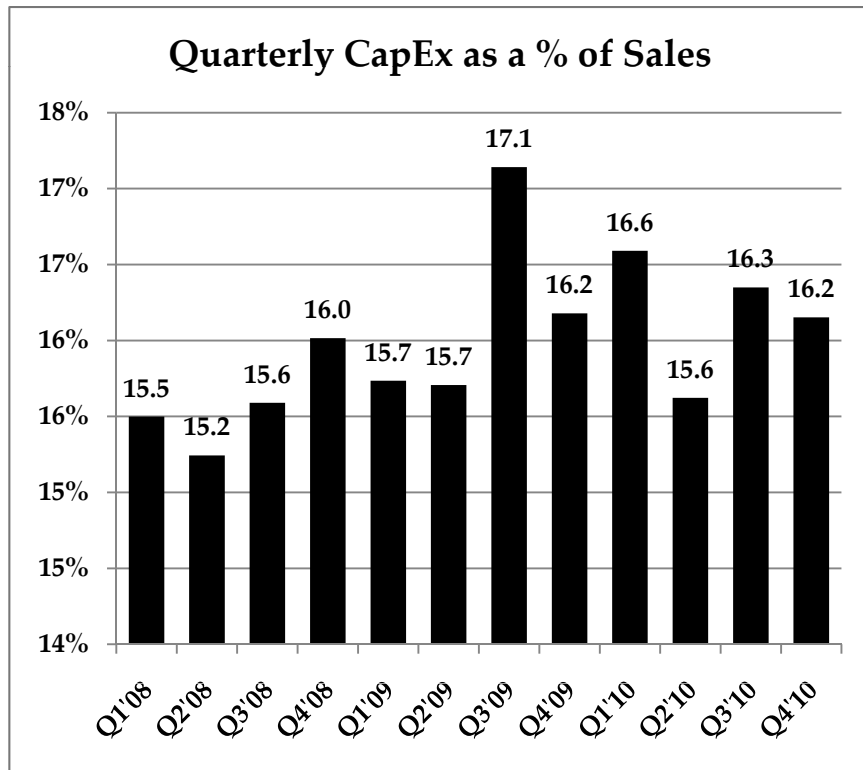


Source: SagePoint Advisors & Capital IQ

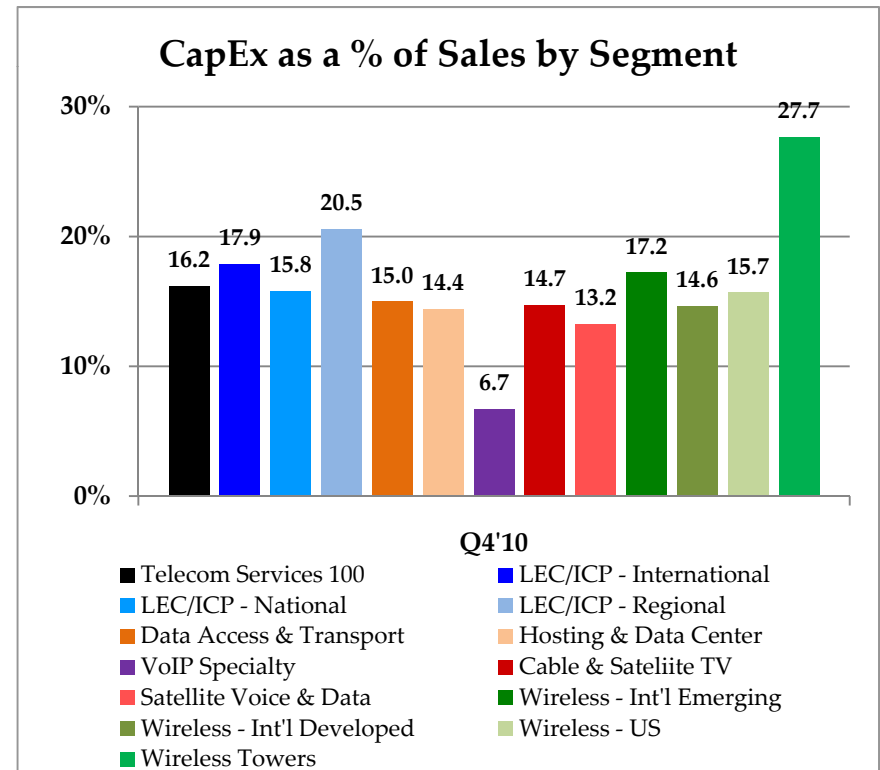
* Adjusted Opex is Operating Expenses less D&A and extraordinary items

Capital Expenditures as a % of Sales

- CapEx as a % of Sales has fallen slightly as revenue growth has outpaced spending increases for most companies
 - Aggregate CapEx, however, is up 15% as major carriers return to spending
- Wireless Tower's, not surprisingly, have the highest CapEx needs
- Regional LEC/ICP's smaller scale results in higher CapEx as a % of Sales
- VoIP Specialty's low CapEx requirements will help drive cash flow as the model scales



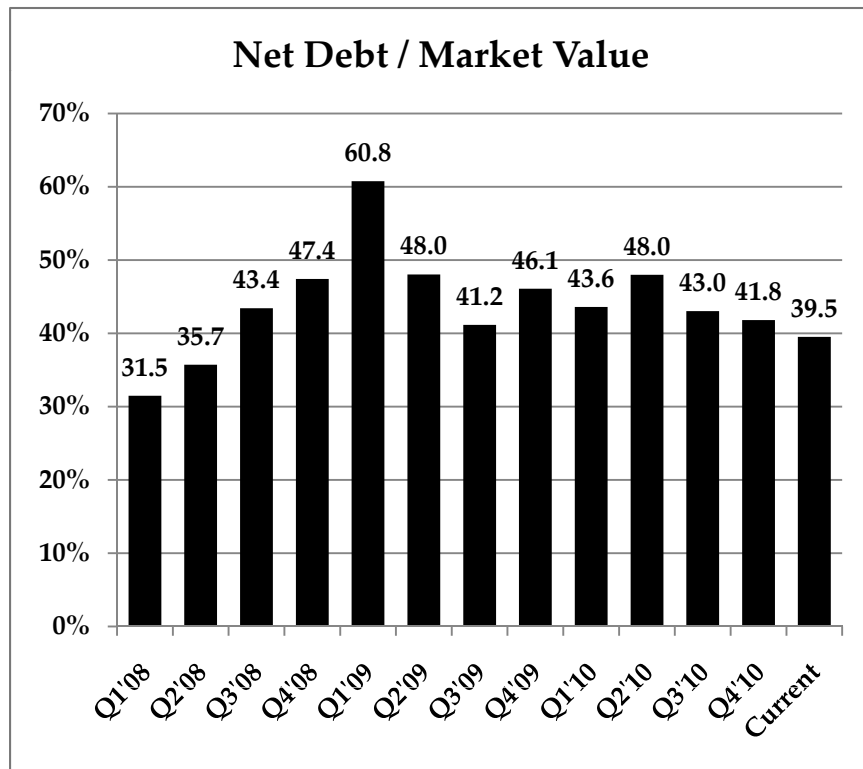
Source: SagePoint Advisors & Capital IQ



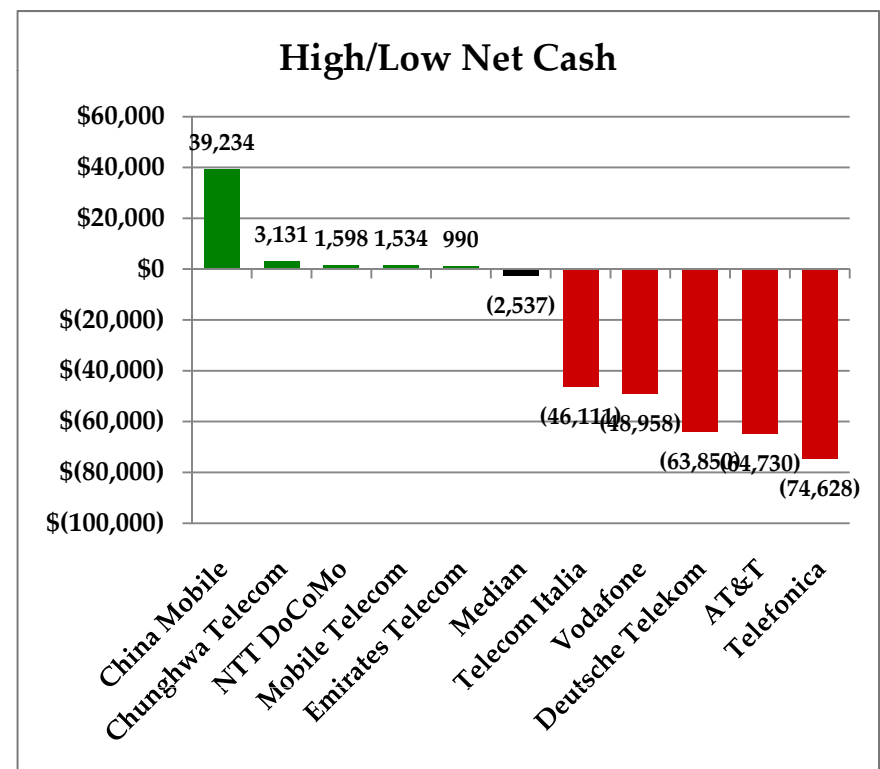
Source: SagePoint Advisors & Capital IQ

Balance Sheet Strength – Net Debt Position

- Median Net Debt as a percent of Market Value has fallen to its lowest level since Q2'08 as market values improve despite increased aggregate Net Debt
 - Telecom Services providers have added an aggregate ~\$150B in market value from end Q3'10 to current
 - Aggregate Net Debt increased despite aggregate debt decreasing as providers invested cash in capex, acquisitions and share buybacks
- Very few Telecom Services 100 carriers other than China Mobile have strong cash positions
 - Telecom Telefonica, AT&T, Deutsche Telekom, Vodafone and Telecom Italia all have sizable net debt



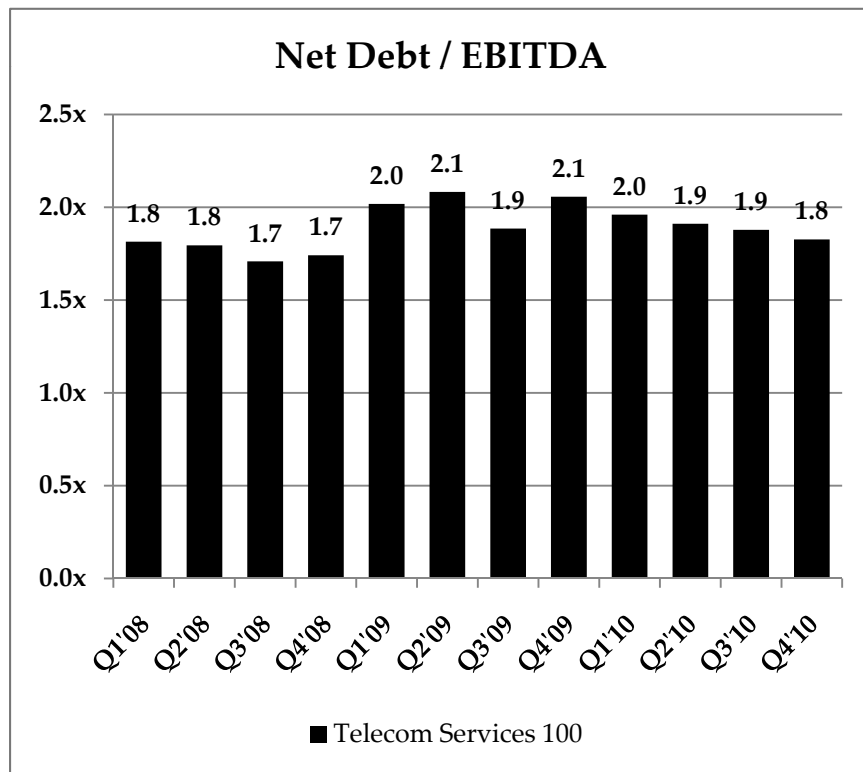
Source: SagePoint Advisors & Capital IQ



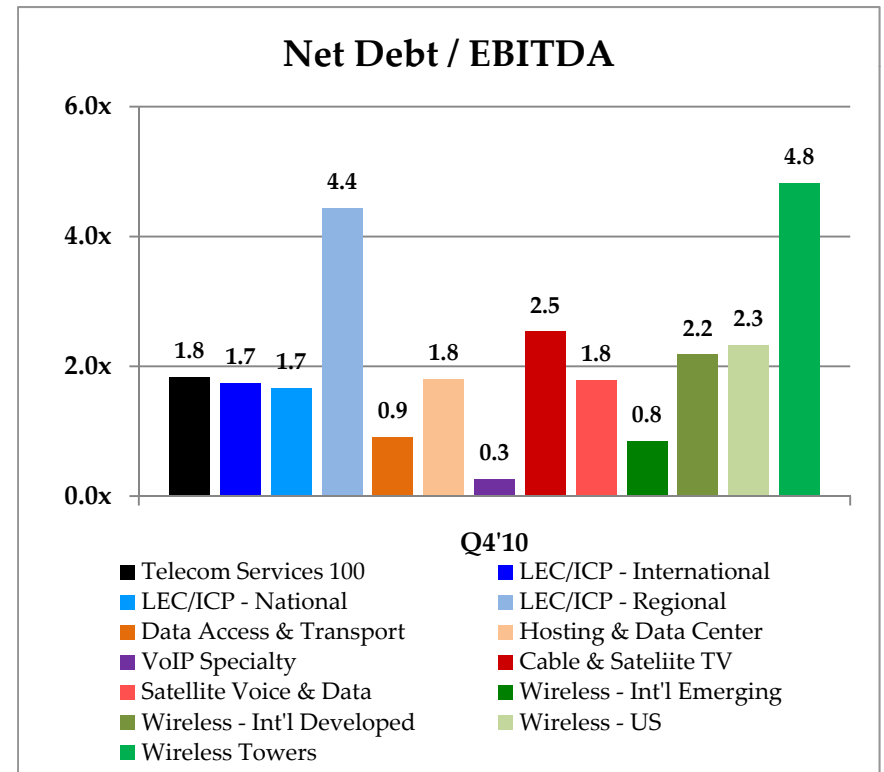
Source: SagePoint Advisors & Capital IQ

Balance Sheet Strength – Debt / EBITDA

- Median Net Debt/EBITDA decreased slightly on improved EBITDA despite increased net debt
 - 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
- Regional LEC/ICP's are highly leveraged with just one company below 2x
- VoIP Specialty's low capital requirements reduce debt needs, though Vonage is highly leveraged



Source: SagePoint Advisors & Capital IQ



Source: SagePoint Advisors & Capital IQ

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 / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	D&A / Revenue	CapEx / Revenue
	3/31/11	Cap	Value				LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS					
Telecom Services 100																				
Telecom Services 100 Mean	21,971	30,134	2,232	10,395	15.0 %	2.9 x	2.5 x	8.4 x	7.2 x	19.8 x	19.1 x	0.7 %	(0.4)%	45.3 %	(58.6)%	2.2 x	27.6 %	17.8 %	24.6 %	
Telecom Services 100 Median	8,195	14,604	441	4,060	8.7 %	2.4 x	2.1 x	7.2 x	6.1 x	16.3 x	14.2 x	0.8 %	(0.3)%	0.0 %	(39.1)%	1.8 x	23.8 %	15.9 %	16.3 %	
LEC/ICP - International																				
BCE	36.26	27,286	38,482	778	11,975	11.8 %	2.2 x	2.0 x	5.7 x	5.0 x	13.1 x	11.9 x	0.9 %	(2.2)%	(1.6)%	(41.0)%	1.7 x	32.7 %	18.3 %	21.8 %
BT	2.98	23,124	38,023	1,866	16,765	35.5 %	1.2 x	1.2 x	4.7 x	4.1 x	10.1 x	10.1 x	0.3 %	2.0 %	13.5 %	(64.4)%	1.8 x	NA	14.9 %	13.3 %
China Telecom	0.61	49,430	56,374	4,215	11,159	11.3 %	1.7 x	1.5 x	5.0 x	4.5 x	18.6 x	17.4 x	(4.5)%	4.1 %	50.7 %	(14.0)%	0.6 x	32.9 %	22.9 %	NA
China Unicom	1.66	39,143	50,106	3,755	14,718	13.5 %	2.0 x	1.7 x	5.7 x	4.9 x	NM	40.9 x	6.9 %	(4.3)%	42.9 %	(28.0)%	1.2 x	50.3 %	30.1 %	NA
Chunghwa Telecom	3.11	24,112	20,981	3,262	130	11.0 %	3.2 x	3.0 x	7.1 x	6.8 x	17.7 x	15.4 x	6.4 %	(5.5)%	(21.0)%	13.0%	(1.1) x	13.5 %	15.9 %	17.4 %
Deutsche Telekom	15.42	66,290	130,140	3,929	67,779	12.8 %	1.7 x	1.5 x	6.0 x	4.7 x	15.2 x	15.4 x	0.7 %	(2.1)%	13.4 %	(96.3)%	2.9 x	20.6 %	14.6 %	11.9 %
Emirates Telecom	2.86	22,602	21,612	2,798	1,807	(2.3)%	2.5 x	2.4 x	7.3 x	4.4 x	10.9 x	10.3 x	14.1 %	25.1 %	NA	4.4%	(0.3) x	4.8 %	9.6 %	20.7 %
France Telecom	22.42	59,342	101,759	6,954	49,370	4.1 %	1.7 x	1.5 x	5.2 x	4.6 x	10.6 x	9.1 x	1.2 %	0.1 %	0.0 %	(71.5)%	2.2 x	13.2 %	14.6 %	13.1 %
Hellenic Telecom	11.17	5,477	11,221	1,363	7,107	55.8 %	1.6 x	1.5 x	4.4 x	4.4 x	14.7 x	11.7 x	(4.5)%	(30.5)%	132.7 %	(104.9)%	2.3 x	26.2 %	21.9 %	13.8 %
NTT	45.07	59,639	103,225	14,958	58,544	3.3 %	0.9 x	0.8 x	2.8 x	2.6 x	9.6 x	9.4 x	1.1 %	3.6 %	NA	(73.1)%	1.2 x	28.2 %	19.4 %	12.4 %
Swisscom	447.00	23,154	33,089	524	10,459	10.6 %	2.8 x	2.4 x	7.4 x	6.0 x	12.9 x	10.1 x	(1.2)%	(7.7)%	(15.9)%	(42.9)%	2.2 x	13.9 %	10.9 %	20.8 %
Tele Norte	17.53	8,195	18,997	6,745	17,548	24.5 %	1.1 x	1.1 x	3.0 x	3.2 x	8.0 x	10.4 x	0.5 %	(10.6)%	(67.3)%	(131.8)%	1.7 x	26.7 %	39.3 %	13.8 %
Telecom Italia	1.54	28,491	74,602	9,175	55,285	10.5 %	2.1 x	1.8 x	4.8 x	4.3 x	10.0 x	8.1 x	2.0 %	(0.3)%	60.6 %	(161.8)%	3.0 x	25.5 %	17.9 %	14.5 %
Telmex	0.97	9,597	13,554	103	4,060	7.8 %	1.7 x	1.5 x	6.2 x	5.6 x	43.6 x	NA	(1.5)%	(49.8)%	NA	(41.2)%	4.8 x	19.9 %	27.1 %	32.0 %
Telstra	2.92	36,110	48,460	2,739	15,088	15.7 %	2.1 x	1.8 x	5.5 x	4.6 x	12.2 x	10.6 x	NA	NA	NA	(34.2)%	1.4 x	20.4 %	17.9 %	11.3 %
TELUS	51.03	16,146	22,624	17	6,495	15.3 %	2.4 x	NA	6.3 x	NA	15.9 x	NA	1.9 %	(0.7)%	(6.6)%	(40.1)%	1.8 x	4.0 %	17.4 %	16.4 %
Mean	31,134	48,953	3,949	21,768	15.1 %	1.9 x	1.7 x	5.4 x	4.6 x	14.9 x	13.6 x	1.6 %	(5.2)%	16.8 %	(58.0)%	1.5 x	22.2 %	19.6 %	16.7 %	
Median	25,699	38,253	3,030	13,346	11.5 %	1.9 x	1.5 x	5.6 x	4.6 x	12.9 x	10.5 x	0.9 %	(2.1)%	6.7 %	(42.1)%	1.7 x	20.6 %	17.9 %	14.2 %	

(\$ 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	4,030	15,009	16,835	1,308	5,139	5,956	2.54	8.19	8.19	13.8%	12.8%	24.0%	18.0%	24.7%	23.6%	53.5 %	28.6 %	5.9 %
Telecom Services 100 Median	1,066	4,069	5,067	483	1,803	2,217	0.12	0.66	0.71	8.5%	9.9%	13.5%	11.7%	15.2%	15.8%	57.6 %	31.6 %	7.7 %
LEC/ICP - International																		
BCE	4,708	17,621.8	19,309.6	1,747	6,735.2	7,665.3	0.60	2.76	3.05	6.1%	7.5%	37.6%	9.6%	13.8%	10.5%	69.8 %	37.1 %	9.7 %
BT	7,866	31,304.1	31,882.1	2,286	8,061.2	9,233.8	0.08	0.29	0.29	(6.3)%	7.4%	137.3%	1.8%	14.5%	0.3%	12.1 %	29.1 %	8.7 %
China Telecom	8,600	32,706.9	36,471.7	2,636	11,310.4	12,492.6	0.01	0.03	0.04	10.6%	2.2%	16.5%	11.5%	10.5%	7.1%	63.5 %	30.7 %	5.4 %
China Unicom	6,993	25,475.2	29,200.5	2,126	8,847.7	10,318.2	0.00	0.02	0.04	22.4%	21.0%	NM	14.6%	16.6%	71.5%	80.7 %	30.4 %	1.0 %
Chunghwa Telecom	1,794	6,520.4	7,091.3	737	2,938.4	3,084.3	0.04	0.18	0.20	12.2%	6.5%	(10.4)%	8.8%	5.0%	14.8%	40.2 %	41.1 %	16.5 %
Deutsche Telekom	20,754	77,249.6	87,739.8	4,463	21,787.4	27,471.7	0.21	1.02	1.00	(10.6)%	(28.1)%	NM	13.6%	26.1%	(1.6)%	42.1 %	21.5 %	4.3 %
Emirates Telecom	2,342	8,673.0	9,087.0	928	2,978.9	4,941.8	0.07	0.26	0.28	12.8%	(5.3)%	0.4%	4.8%	65.9%	5.8%	37.0 %	39.6 %	23.5 %
France Telecom	15,661	58,572.6	66,010.3	4,977	19,426.4	22,180.0	0.38	2.12	2.48	10.6%	10.4%	(29.5)%	12.7%	14.2%	17.1%	45.0 %	31.8 %	6.8 %
Hellenic Telecom	1,784	7,239.0	7,368.4	598	2,535.8	2,521.9	0.05	0.76	0.95	(18.0)%	(18.9)%	163.2%	1.8%	(0.5)%	25.2%	59.7 %	33.5 %	1.5 %
NTT	31,351	117,911.9	126,332.5	10,256	37,321.1	39,715.2	1.33	4.70	4.80	15.5%	18.6%	20.1%	7.1%	6.4%	2.2%	60.9 %	32.7 %	5.6 %
Swisscom	3,224	11,896.5	14,064.6	1,039	4,467.7	5,550.4	8.01	34.62	44.46	8.5%	13.8%	7.3%	18.2%	24.2%	28.4%	46.1 %	32.2 %	12.9 %
Tele Norte	4,395	16,983.8	17,941.9	1,786	6,413.6	5,871.2	0.20	2.20	1.69	0.1%	24.0%	(96.9)%	5.6%	(8.5)%	(23.4)%	28.8 %	40.6 %	1.8 %
Telecom Italia	10,288	36,326.6	42,143.0	4,115	15,490.9	17,450.5	0.04	0.15	0.19	4.0%	10.1%	(3.4)%	16.0%	12.7%	23.4%	65.5 %	40.0 %	6.6 %
Telmex	2,262	8,024.5	8,889.9	567	2,192.3	2,402.3	(0.00)	0.02	NA	14.8%	16.1%	(115.2)%	10.8%	9.6%	NA	17.8 %	25.0 %	(1.0)%
Telstra	6,286	23,296.3	26,705.4	2,459	8,797.2	10,650.3	0.05	0.24	0.28	13.5%	1.2%	(26.5)%	14.6%	21.1%	15.0%	59.5 %	39.1 %	9.7 %
TELUS	2,565	9,527.0	NA	884	3,619.6	NA	0.67	3.20	NA	10.0%	6.9%	44.0%	NA	NA	NA	38.5 %	34.5 %	8.5 %
Mean	8,179	30,583	35,349	2,600	10,183	12,103	0.73	3.29	4.27	6.6%	5.9%	10.3%	10.1%	15.4%	14.0%	48.0 %	33.7 %	7.6 %
Median	5,497	20,459	26,705	1,956	7,398	9,234	0.08	0.53	0.62	10.3%	7.5%	3.9%	10.8%	13.8%	12.6%	45.6 %	33.1 %	6.7 %

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 3/31/11	Market Cap	Enterprise Value	Cash	Debt	% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	D&A / Revenue	CapEx / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS					
LEC/ICP - National																				
AT&T	30.61	181,151	245,881	1,437	66,167	7.0 %	2.0 x	2.0 x	6.3 x	5.6 x	13.3 x	12.9 x	(0.3)%	(9.2)%	1.3 %	(35.7)%	1.7 x	33.5 %	15.5 %	20.9 %
Qwest	6.83	12,065	23,640	372	11,947	8.9 %	2.0 x	2.1 x	5.6 x	5.5 x	16.3 x	15.5 x	(0.0)%	1.8 %	24.8 %	(95.9)%	2.8 x	33.7 %	18.7 %	13.7 %
Verizon	38.54	107,912	153,493	7,213	52,794	18.3 %	1.4 x	1.4 x	4.4 x	4.4 x	17.2 x	17.3 x	(0.2)%	19.9 %	(1.3)%	(42.2)%	1.3 x	27.1 %	15.8 %	17.5 %
Mean	100,376	141,005	3,007	43,636	11.4 %	1.8 x	1.8 x	5.4 x	5.2 x	15.6 x	15.2 x	(0.2)%	4.2 %	8.3 %	(58.0)%	1.9 x	31.4 %	16.7 %	17.4 %	
Median	107,912	153,493	1,437	52,794	8.9 %	2.0 x	2.0 x	5.6 x	5.5 x	16.3 x	15.5 x	(0.2)%	1.8 %	1.3 %	(42.2)%	1.7 x	33.5 %	15.8 %	17.5 %	

LEC/ICP - Regional																				
Alaska Comm	10.63	476	1,014	15	553	4.8 %	3.0 x	3.0 x	8.4 x	8.0 x	NM	33.4 x	(0.2)%	(3.6)%	5.3 %	(113.1)%	4.4 x	27.6 %	19.0 %	15.7 %
CenturyLink	41.55	12,698	19,853	173	7,328	5.3 %	2.8 x	2.1 x	5.5 x	4.4 x	12.2 x	14.0 x	0.0 %	(1.6)%	(2.5)%	(56.3)%	2.0 x	14.6 %	21.2 %	15.3 %
Cincinnati Bell	2.68	533	2,979	77	2,524	0.4 %	2.2 x	2.1 x	5.9 x	5.7 x	8.4 x	9.6 x	0.4 %	(6.8)%	0.0 %	(459.2)%	4.9 x	18.8 %	13.7 %	13.4 %
Consolidated Comm	18.70	557	1,401	68	912	0.2 %	3.7 x	3.8 x	9.2 x	8.2 x	18.9 x	21.5 x	(1.3)%	5.4 %	21.5 %	(151.7)%	5.5 x	23.6 %	23.7 %	9.8 %
Frontier Comm	8.22	8,181	16,193	251	8,264	0.6 %	4.3 x	3.2 x	9.0 x	6.7 x	17.1 x	26.9 x	3.1 %	(3.7)%	(47.3)%	(97.9)%	4.4 x	21.9 %	26.0 %	18.2 %
General Comm	10.94	515	1,355	33	873	9.7 %	2.1 x	2.0 x	6.3 x	5.7 x	NM	29.8 x	4.3 %	(4.0)%	(175.0)%	(163.1)%	3.9 x	37.8 %	20.5 %	16.6 %
PAETEC	3.34	483	1,836	96	1,448	(18.7)%	1.1 x	0.9 x	7.2 x	4.9 x	NM	NM	4.1 %	2.8 %	(45.7)%	(279.8)%	5.3 x	34.4 %	12.4 %	7.0 %
tw telecom	19.20	2,891	3,763	476	1,348	3.4 %	3.0 x	2.8 x	8.3 x	7.7 x	50.0 x	47.5 x	0.2 %	(4.8)%	(3.9)%	(30.2)%	1.9 x	23.0 %	23.4 %	24.0 %
Windstream	12.88	6,569	13,963	42	7,437	4.8 %	3.8 x	3.4 x	7.7 x	6.9 x	15.7 x	15.9 x	0.2 %	9.4 %	(5.2)%	(112.6)%	4.1 x	13.3 %	19.4 %	14.5 %
Mean	3,656	6,929	137	3,410	1.2 %	2.9 x	2.6 x	7.5 x	6.5 x	20.4 x	24.8 x	1.2 %	(0.8)%	(28.1)%	(162.7)%	4.1 x	23.9 %	19.9 %	15.0 %	
Median	557	2,979	77	1,448	3.4 %	3.0 x	2.8 x	7.7 x	6.7 x	16.4 x	24.2 x	0.2 %	(3.6)%	(3.9)%	(113.1)%	4.4 x	23.0 %	20.5 %	15.3 %	

(\$ 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
LEC/ICP - National																		
AT&T	31,361	124,280.0	125,887.1	6,838	38,870.0	43,752.8	0.55	2.30	2.37	2.1%	(26.4)%	24.8%	1.3%	12.6%	2.9%	55.3 %	21.8 %	10.4 %
Qwest	2,899	11,730.0	11,386.5	980	4,208.0	4,278.2	0.12	0.42	0.44	(3.2)%	(4.8)%	100.8%	(2.9)%	1.7%	5.2%	67.5 %	33.8 %	7.2 %
Verizon	26,395	106,565.0	110,224.2	8,819	34,926.0	35,256.5	0.54	2.24	2.22	(2.6)%	10.0%	157.1%	3.4%	0.9%	(0.8)%	60.5 %	33.4 %	5.8 %
Mean	20,218	80,858	82,499	5,546	26,001	27,763	0.40	1.65	1.68	(1.2)%	(7.1)%	94.3%	0.6%	5.1%	2.4%	61.1 %	29.7 %	7.8 %
Median	26,395	106,565	110,224	6,838	34,926	35,257	0.54	2.24	2.22	(2.6)%	(4.8)%	100.8%	1.3%	1.7%	2.9%	60.5 %	33.4 %	7.2 %

LEC/ICP - Regional																		
Alaska Comm	85	341.5	342.3	28	121.3	126.8	0.04	(0.62)	0.32	2.2%	22.2%	124.8%	0.2%	4.6%	151.3%	60.8 %	33.2 %	2.1 %
CenturyLink	1,722	7,041.5	9,538.7	897	3,622.0	4,523.6	0.76	3.40	2.96	(5.9)%	(22.4)%	0.4%	35.5%	24.9%	(12.9)%	66.7 %	52.1 %	13.4 %
Cincinnati Bell	363	1,377.0	1,426.1	123	501.6	523.4	0.03	0.32	0.28	5.1%	2.5%	13.3%	3.6%	4.4%	(13.0)%	52.6 %	33.8 %	1.7 %
Consolidated Comm	94	383.4	371.9	37	153.0	170.4	0.28	0.99	0.87	(7.0)%	(8.0)%	17.5%	(3.0)%	11.4%	(12.0)%	63.4 %	39.7 %	8.8 %
Frontier Comm	1,359	3,797.7	5,066.6	604	1,802.9	2,406.7	0.05	0.48	0.31	160.8%	120.1%	NM	33.4%	33.5%	(36.4)%	66.4 %	44.4 %	3.6 %
General Comm	165	651.3	693.7	48	214.6	236.6	(0.03)	0.18	0.37	11.9%	9.4%	62.2%	6.5%	10.2%	104.2%	66.9 %	29.1 %	(0.9)%
PAETEC	429	1,623.8	2,048.2	69	253.7	374.6	(0.09)	(0.26)	(0.25)	10.0%	4.1%	NM	26.1%	47.6%	5.5%	50.4 %	16.0 %	(3.0)%
tw telecom	325	1,273.2	1,354.5	116	455.1	489.4	0.11	0.38	0.40	5.5%	6.4%	58.0%	6.4%	7.5%	5.2%	58.6 %	35.6 %	5.1 %
Windstream	981	3,712.0	4,098.7	483	1,808.9	2,018.3	0.19	0.82	0.81	30.0%	22.2%	9.2%	10.4%	11.6%	(1.3)%	62.4 %	49.2 %	9.4 %
Mean	614	2,245	2,771	267	993	1,208	0.15	0.63	0.67	23.6%	17.4%	40.8%	13.2%	17.3%	21.2%	60.9 %	37.0 %	4.5 %
Median	363	1,377	1,426	116	455	489	0.05	0.38	0.37	5.5%	6.4%	17.5%	6.5%	11.4%	(1.3)%	62.4 %	35.6 %	3.6 %

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 / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	D&A / Revenue	CapEx / Revenue
	3/31/11	Cap	Value				LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS					
Data Access & Transport																				
Abovenet	64.86	1,673	1,663	62	51	24.5 %	4.1 x	3.6 x	9.7 x	8.1 x	24.2 x	24.2 x	1.8 %	(7.9)%	45.9 %	0.6%	(0.1) x	24.9 %	15.5 %	44.1 %
AOL	19.53	2,088	1,372	802	86	(21.1)%	0.6 x	0.6 x	1.8 x	3.4 x	6.1 x	16.0 x	2.7 %	0.9 %	37.3 %	34.3%	(1.0) x	7.2 %	15.7 %	4.6 %
Cogent Comm	14.25	634	760	56	183	50.5 %	2.9 x	2.6 x	10.5 x	8.1 x	NM	NM	1.2 %	8.9 %	3,650.0 %	(20.0)%	1.8 x	25.6 %	21.3 %	16.9 %
COLT Telecom	2.39	2,134	1,731	403	0	28.8 %	0.9 x	0.8 x	4.1 x	3.5 x	NA	15.8 x	NA	NA	NA	18.9%	(1.0) x	21.8 %	15.9 %	16.4 %
EarthLink	7.83	848	892	551	594	(13.9)%	1.4 x	0.8 x	4.3 x	3.2 x	8.6 x	12.4 x	8.0 %	11.7 %	(19.7)%	(5.1)%	0.2 x	68.3 %	5.8 %	9.2 %
Global Crossing	13.92	845	1,934	372	1,461	8.3 %	0.7 x	0.7 x	4.9 x	4.5 x	NM	NM	(0.1)%	(0.2)%	92.3 %	(128.9)%	2.8 x	16.1 %	12.4 %	6.9 %
Iliad	119.97	6,555	7,482	462	1,389	15.5 %	2.9 x	2.4 x	7.3 x	6.5 x	16.5 x	16.1 x	(0.7)%	NA	NA	(14.1)%	0.9 x	22.7 %	11.7 %	33.7 %
Internap	6.57	333	313	60	40	33.8 %	1.3 x	1.2 x	9.0 x	6.9 x	NM	49.6 x	(0.9)%	7.3 %	500.6 %	6.0%	(0.6) x	27.0 %	14.4 %	31.7 %
Level 3 Comm	1.47	2,460	8,400	616	6,556	56.8 %	2.3 x	2.2 x	10.7 x	9.7 x	NM	NM	0.3 %	2.3 %	6.4 %	(241.4)%	7.6 x	38.2 %	23.1 %	12.7 %
Tiscali	0.11	201	475	14	288	(21.3)%	1.3 x	1.1 x	11.2 x	5.4 x	NM	NM	(6.3)%	NA	NA	(136.4)%	6.5 x	39.0 %	3.2 %	9.3 %
Tulip Telecom	3.16	458	725	42	309	(18.7)%	1.5 x	1.2 x	5.4 x	4.3 x	3.8 x	6.2 x	0.8 %	1.6 %	NA	(58.3)%	2.0 x	4.8 %	7.3 %	NA
Mean	1,657	2,341	313	996	13.0 %	1.8 x	1.6 x	7.2 x	5.8 x	11.9 x	20.1 x	0.7 %	3.1 %	616.1 %	(49.5)%	1.7 x	26.9 %	13.3 %	18.5 %	
Median	848	1,372	372	288	15.5 %	1.4 x	1.2 x	7.3 x	5.4 x	8.6 x	16.0 x	0.6 %	1.9 %	45.9 %	(14.1)%	0.9 x	24.9 %	14.4 %	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	108	409.7	467.0	43	172.1	204.2	0.88	2.68	2.68	14.6%	12.6%	(88.9)%	14.0%	18.7%	(0.2)%	64.6 %	39.7 %	21.4 %
AOL	614	2,425.8	2,135.4	193	743.1	399.4	0.71	3.21	1.22	(26.5)%	(25.0)%	(22.8)%	(12.0)%	(46.3)%	(61.9)%	38.8 %	31.5 %	12.5 %
Cogent Comm	69	263.4	295.2	21	72.3	94.0	0.06	0.02	0.02	11.1%	27.6%	307.5%	12.1%	29.9%	NM	55.3 %	29.7 %	3.9 %
COLT Telecom	529	2,036.3	2,288.7	115	423.7	501.3	0.02	NA	0.15	(8.3)%	16.6%	(59.9)%	12.4%	18.3%	NA	43.6 %	21.8 %	3.4 %
EarthLink	167	622.2	1,077.2	51	209.2	280.3	0.19	0.91	0.63	1.4%	6.4%	(89.4)%	73.1%	34.0%	(30.4)%	99.0 %	30.8 %	12.7 %
Global Crossing	683	2,609.0	2,780.2	121	396.0	427.3	(0.02)	(2.92)	(2.51)	4.9%	39.1%	96.8%	6.6%	7.9%	14.1%	33.8 %	17.7 %	(0.2)%
Iliad	686	2,624.6	3,055.6	198	1,026.2	1,154.6	1.69	7.27	7.44	(2.8)%	(24.8)%	13.8%	16.4%	12.5%	2.4%	51.5 %	28.8 %	14.8 %
Internap	60	244.2	252.5	9	34.6	45.6	0.02	0.03	0.13	(5.6)%	25.7%	NM	3.4%	32.0%	NM	42.3 %	15.3 %	1.7 %
Level 3 Comm	921	3,651.0	3,738.3	204	783.0	870.4	(0.09)	(0.40)	(0.38)	(0.3)%	4.6%	18.2%	2.4%	11.2%	6.0%	60.4 %	22.1 %	(16.3)%
Tiscali	96	366.8	418.5	2	42.4	87.8	(0.00)	(0.01)	(0.01)	(3.1)%	(87.6)%	(105.2)%	14.1%	106.9%	52.0%	41.1 %	2.0 %	(10.6)%
Tulip Telecom	135	491.0	595.0	36	133.2	166.8	0.11	0.83	0.51	25.2%	60.6%	23.7%	21.2%	25.2%	(38.2)%	31.5 %	26.7 %	13.5 %
Mean	370	1,431	1,555	90	367	385	0.32	1.16	0.90	1.0%	5.1%	9.4%	14.9%	22.8%	(7.0)%	51.1 %	24.2 %	5.2 %
Median	167	622	1,077	51	209	280	0.06	0.43	0.15	(0.3)%	12.6%	(4.5)%	12.4%	18.7%	1.1%	43.6 %	26.7 %	3.9 %

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 /	D&A /	CapEx /	
	3/31/11	Cap	Value			9/30/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue	Revenue	
Hosting & Data Center																					
Equinix	91.10	4,190	5,649	590	2,049	(11.0)%	4.6 x	3.7 x	11.8 x	8.4 x	64.6 x	48.7 x	0.9 %	(10.7)%	80.8 %	(34.8)%	3.1 x	5.9 %	22.0 %	45.8 %	
Internap	6.57	333	313	60	40	33.8 %	1.3 x	1.2 x	9.0 x	6.9 x	NM	49.6 x	(0.9)%	7.3 %	500.6 %	6.0%	(0.6) x	27.0 %	14.4 %	31.7 %	
NaviSite	5.49	217	263	5	51	64.4 %	2.1 x	2.0 x	11.3 x	7.3 x	NM	NM	(4.7)%	(6.9)%	(100.0)%	(21.3)%	2.0 x	35.1 %	14.8 %	NA	
Peer 1 Network	1.78	215	249	3	37	29.5 %	2.4 x	2.0 x	11.6 x	7.9 x	NM	NM	3.1 %	(3.4)%	(118.0)%	(16.0)%	1.6 x	18.6 %	16.2 %	53.9 %	
Rackspace	42.85	5,477	5,504	105	132	64.9 %	7.1 x	5.6 x	25.3 x	16.5 x	126.0 x	76.2 x	2.2 %	2.3 %	(3.1)%	(0.5)%	0.1 x	47.0 %	11.0 %	21.8 %	
SAVVIS	37.09	2,112	2,757	120	765	75.9 %	3.0 x	2.6 x	13.3 x	9.8 x	NM	NM	1.7 %	7.3 %	81.3 %	(30.5)%	3.1 x	25.4 %	18.8 %	17.3 %	
Telety	8.16	1,604	1,693	38	127	4.9 %	5.6 x	4.5 x	13.2 x	10.2 x	27.8 x	22.2 x	NA	NA	NA	(5.5)%	0.7 x	13.0 %	13.3 %	19.7 %	
Terremark	19.00	1,281	1,816	69	604	83.8 %	5.3 x	4.3 x	22.1 x	13.4 x	NM	NM	3.9 %	7.5 %	(131.4)%	(41.8)%	6.5 x	23.8 %	15.5 %	38.4 %	
United Internet	17.97	4,043	4,426	129	512	11.5 %	1.8 x	1.5 x	9.6 x	8.5 x	23.7 x	15.2 x	(1.4)%	1.6 %	(70.4)%	(9.5)%	0.8 x	15.4 %	5.2 %	4.5 %	
Web.com	14.58	377	464	16	103	165.5 %	3.9 x	2.6 x	19.1 x	11.5 x	21.4 x	14.5 x	(12.2)%	9.5 %	41.2 %	(23.1)%	3.6 x	29.0 %	11.8 %	1.6 %	
Mean	1,985	2,313	113	442	52.3 %	3.7 x	3.0 x	14.6 x	10.0 x	52.7 x	37.7 x	(0.8)%	1.6 %	31.2 %	(17.7)%	2.1 x	24.0 %	14.3 %	26.1 %		
Median	1,442	1,754	64	129	49.1 %	3.4 x	2.6 x	12.5 x	9.1 x	27.8 x	35.5 x	0.9 %	2.3 %	(3.1)%	(18.7)%	1.8 x	24.6 %	14.6 %	21.8 %		
VoIP Specialty																					
8x8	2.81	175	155	21	0	30.7 %	2.3 x	2.1 x	22.4 x	11.8 x	28.1 x	16.1 x	(0.4)%	(5.9)%	0.0 %	11.7%	(3.0) x	54.6 %	2.0 %	4.6 %	
Cbeyond	11.67	363	336	26	0	(9.0)%	0.7 x	0.7 x	5.0 x	4.4 x	NM	NM	(0.3)%	(2.6)%	(248.7)%	7.3%	(0.4) x	55.5 %	13.3 %	15.5 %	
Telanetix	2.89	13	18	2	7	(3.7)%	0.6 x	NA	NM	NA	NM	NA	NA	NA	NA	(35.3)%	15.0 x	58.1 %	7.4 %	2.0 %	
Vonage	4.56	1,011	1,144	79	212	78.8 %	1.3 x	1.3 x	7.8 x	7.1 x	21.7 x	17.6 x	1.2 %	3.6 %	28.4 %	(13.2)%	0.9 x	50.8 %	5.9 %	2.9 %	
Mean	391	413	32	55	24.2 %	1.2 x	1.3 x	11.8 x	7.8 x	24.9 x	16.9 x	0.2 %	(1.7)%	(73.4)%	(7.4)%	3.1 x	54.8 %	7.2 %	6.2 %		
Median	269	246	23	4	13.5 %	1.0 x	1.3 x	7.8 x	7.1 x	24.9 x	16.9 x	(0.3)%	(2.6)%	0.0 %	(3.0)%	0.3 x	55.1 %	6.7 %	3.7 %		

(\$ 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	345	1,220.3	1,510.9	131	476.9	674.1	0.43	1.41	1.87	42.3%	35.2%	(1.7)%	23.8%	41.4%	32.8%	43.9 %	38.0 %	5.8 %
Internap	60	244.2	252.5	9	34.6	45.6	0.02	0.03	0.13	(5.6)%	25.7%	NM	3.4%	32.0%	NM	42.3 %	15.3 %	1.7 %
NaviSite	32	128.5	134.8	5	23.3	36.3	(0.02)	(0.13)	(0.07)	7.0%	(29.7)%	75.0%	4.9%	55.7%	45.5%	50.5 %	15.4 %	(2.3)%
Peer 1 Network	28	104.9	121.9	6	21.4	31.6	(0.00)	(0.00)	0.03	16.7%	(0.0)%	(112.0)%	16.2%	47.7%	NM	39.3 %	20.7 %	(0.5)%
Rackspace	215	780.6	984.2	47	217.6	333.2	0.10	0.34	0.56	26.7%	23.8%	43.2%	26.1%	53.1%	65.3%	68.9 %	21.9 %	6.3 %
SAVVIS	253	933.0	1,060.0	60	207.9	282.0	(0.04)	(0.74)	(0.22)	15.0%	21.9%	60.6%	13.6%	35.6%	70.8%	49.0 %	23.6 %	(0.9)%
Telety	80	301.7	378.6	36	128.3	166.1	0.10	0.29	0.37	13.9%	27.4%	16.8%	25.5%	29.4%	25.0%	57.4 %	44.4 %	25.0 %
Terremark	94	340.7	422.5	24	82.1	135.7	(0.23)	(0.52)	(0.17)	26.9%	44.7%	(91.7)%	24.0%	65.3%	66.6%	49.0 %	25.1 %	(16.2)%
United Internet	668	2,518.1	2,970.0	103	459.2	523.8	0.07	0.76	1.18	7.4%	99.9%	(88.3)%	17.9%	14.1%	56.1%	30.8 %	15.4 %	2.2 %
Web.com	38	120.3	177.5	9	24.2	40.2	0.24	0.68	1.01	48.6%	87.2%	209.9%	47.6%	66.0%	48.1%	53.2 %	24.2 %	16.4 %
Mean	181	669	801	43	168	227	0.07	0.21	0.47	19.9%	33.6%	12.4%	20.3%	44.0%	51.3%	48.4 %	24.4 %	3.7 %
Median	87	321	401	30	105	151	0.04	0.16	0.25	15.8%	26.6%	16.8%	20.9%	44.5%	52.1%	49.0 %	22.7 %	1.9 %
VoIP Specialty																		
8x8	18	67.8	75.3	2	6.9	13.1	0.03	0.10	0.18	11.5%	59.1%	50.0%	11.0%	89.3%	75.0%	68.2 %	13.5 %	11.3 %
Cbeyond	116	452.0	482.7	16	66.7	76.1	(0.05)	(0.04)	(0.08)	7.9%	(16.7)%	NM	6.8%	14.0%	NM	69.2 %	13.6 %	(1.3)%
Telanetix	7	28.5	NA	(0)	0.3	NA	(2.25)	(3.00)	NA	(6.9)%	95.4%	(143.9)%	NA	NM	NA	57.7 %	(0.3)%	(155.7)%
Vonage	218	885.0	885.3	37	146.8	161.6	0.06	0.21	0.26	(2.6)%	13.5%	209.8%	0.0%	10.1%	23.1%	67.8 %	17.0 %	5.9 %
Mean	90	358	481	14	55	84	(0.55)	(0.68)	0.12	2.5%	37.8%	38.6%	5.9%	37.8%	49.0%	65.7 %	11.0 %	(34.9)%
Median	67	260	483	9	37	76	(0.01)	0.03	0.18	2.6%	36.3%	50.0%	6.8%	14.0%	49.0%	68.0 %	13.6 %	2.3 %

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 3/31/11	Market Cap	Enterprise Value	Cash	Debt	% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	D&A / Revenue	CapEx / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS					
Cable & Satellite TV																				
British Sky	13.24	23,097	25,007	1,822	3,732	19.5 %	2.6 x	2.3 x	13.0 x	10.3 x	24.0 x	18.7 x	3.1 %	(2.1)%	7.0 %	(8.3)%	1.0 x	NA	NA	NA
Cablevision	34.61	10,061	22,662	394	12,995	32.1 %	3.1 x	2.9 x	9.0 x	7.9 x	27.9 x	18.1 x	0.7 %	(4.7)%	(0.0)%	(125.2)%	5.0 x	24.6 %	13.5 %	13.8 %
Charter Comm	50.63	5,797	18,156	4	12,363	55.8 %	2.6 x	2.5 x	7.1 x	6.8 x	NM	NM	(0.2)%	5.3 %	(268.1)%	(213.2)%	4.8 x	20.3 %	21.9 %	14.6 %
Comcast	24.72	67,592	92,942	6,065	31,415	36.7 %	2.4 x	2.0 x	6.3 x	5.5 x	18.9 x	16.3 x	1.4 %	2.6 %	8.7 %	(37.5)%	1.7 x	21.0 %	16.7 %	15.8 %
DIRECTV	46.80	37,046	46,577	1,502	11,033	12.4 %	1.9 x	1.8 x	7.3 x	6.8 x	18.9 x	15.2 x	2.6 %	6.0 %	17.5 %	(25.7)%	1.5 x	22.8 %	9.4 %	10.1 %
Dish Netw ork	24.36	10,802	14,376	2,940	6,515	26.8 %	1.1 x	1.1 x	4.6 x	4.3 x	8.9 x	9.2 x	0.1 %	(16.4)%	68.3 %	(33.1)%	1.1 x	15.7 %	7.4 %	8.8 %
Liberty Global	41.41	9,890	30,752	3,938	24,800	34.4 %	3.4 x	3.1 x	7.7 x	6.9 x	NM	NM	0.8 %	(4.3)%	18.4 %	(210.9)%	5.2 x	19.4 %	25.1 %	20.4 %
Rogers	36.28	20,270	29,655	333	9,717	(2.7)%	2.5 x	2.3 x	6.6 x	6.1 x	12.6 x	11.7 x	(0.7)%	36.8 %	(0.1)%	(46.3)%	2.1 x	49.1 %	13.6 %	18.8 %
Shaw Comm	21.04	9,233	14,604	41	5,411	(4.1)%	3.9 x	2.8 x	9.6 x	7.0 x	16.3 x	13.5 x	1.8 %	4.0 %	2.3 %	(58.2)%	3.5 x	NA	14.7 %	26.6 %
Time Warner Cable	71.34	24,497	44,871	3,047	23,421	32.1 %	2.4 x	2.3 x	6.5 x	6.3 x	18.7 x	15.8 x	0.9 %	(0.9)%	(2.2)%	(83.2)%	3.0 x	16.2 %	15.3 %	16.3 %
Mean	21,829	33,960	2,009	14,140	24.3 %	2.6 x	2.3 x	7.8 x	6.8 x	18.3 x	14.8 x	1.0 %	2.6 %	(14.8)%	(84.2)%	2.9 x	23.6 %	15.3 %	16.1 %	
Median	15,536	27,331	1,662	11,698	29.5 %	2.5 x	2.3 x	7.2 x	6.8 x	18.8 x	15.5 x	0.9 %	0.9 %	4.6 %	(52.2)%	2.5 x	20.6 %	14.7 %	15.8 %	

Satellite Voice & Data																				
Globalstar	1.27	396	1,027	33	665	(27.0)%	15.1 x	8.1 x	NM	54.0 x	NM	NM	(18.3)%	NA	25.0 %	(159.6)%	NA	64.0 %	49.9 %	275.7 %
Hughes	59.67	1,303	1,880	183	760	119.0 %	1.8 x	1.7 x	9.0 x	6.8 x	NM	24.6 x	(1.2)%	6.8 %	32.1 %	(44.3)%	2.8 x	73.7 %	9.2 %	35.2 %
Inmarsat	9.69	4,454	5,597	344	1,487	(7.0)%	4.8 x	4.1 x	8.3 x	6.5 x	17.0 x	12.5 x	(5.6)%	(1.6)%	NA	(25.7)%	1.7 x	8.3 %	19.9 %	15.8 %
Loral	77.55	2,377	2,212	166	0	48.6 %	1.9 x	1.6 x	18.2 x	NA	15.1 x	NA	12.7 %	NA	NA	7.0%	(1.4) x	4.7 %	2.2 %	4.1 %
SES	25.75	10,178	15,243	430	5,495	8.6 %	6.5 x	5.9 x	8.9 x	7.9 x	NA	13.9 x	(1.2)%	1.2 %	NA	(49.8)%	3.0 x	27.8 %	25.9 %	NA
ViaSat	39.84	1,657	1,937	45	325	(3.1)%	2.4 x	2.1 x	12.4 x	10.7 x	28.3 x	31.6 x	(5.7)%	(17.0)%	9.2 %	(16.9)%	1.8 x	13.3 %	13.2 %	21.5 %
Mean	3,394	4,649	200	1,455	23.2 %	5.4 x	3.9 x	11.4 x	17.2 x	20.1 x	20.7 x	(3.2)%	(2.6)%	22.1 %	(48.2)%	1.6 x	32.0 %	20.1 %	70.5 %	
Median	2,017	2,074	174	712	2.7 %	3.6 x	3.1 x	9.0 x	7.9 x	17.0 x	19.3 x	(3.4)%	(0.2)%	25.0 %	(35.0)%	1.8 x	20.5 %	16.6 %	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	2,592	9,491.4	10,763.9	502	1,926.7	2,425.6	0.15	0.55	0.71	11.2%	8.3%	23.0%	13.4%	25.9%	28.3%	14.6 %	19.4 %	10.4 %
Cablevision	1,869	7,231.2	7,702.1	617	2,529.1	2,851.8	0.41	1.24	1.92	5.7%	2.0%	128.5%	6.5%	12.8%	54.3%	57.6 %	33.0 %	6.6 %
Charter Comm	1,784	7,059.0	7,298.0	675	2,573.0	2,671.7	(0.34)	(1.34)	0.64	4.3%	7.3%	(105.8)%	3.4%	3.8%	148.1%	58.1 %	37.8 %	(2.1)%
Comcast	9,721	37,937.0	45,962.5	3,782	14,662.0	16,911.0	0.35	1.31	1.52	7.2%	8.4%	5.7%	21.2%	15.3%	15.8%	59.9 %	38.9 %	10.1 %
DIRECTV	6,621	24,102.0	26,526.0	1,686	6,367.0	6,809.0	0.74	2.48	3.08	10.7%	12.9%	NM	10.1%	6.9%	24.4%	48.3 %	25.5 %	9.3 %
Dish Netw ork	3,207	12,640.7	13,243.9	814	3,150.2	3,367.1	0.89	2.74	2.65	8.2%	23.7%	123.6%	4.8%	6.9%	(3.4)%	41.0 %	25.4 %	12.3 %
Liberty Global	2,426	9,013.7	9,884.6	1,038	3,985.7	4,465.0	0.21	(3.51)	0.80	17.8%	21.2%	(75.7)%	9.7%	12.0%	122.8%	62.2 %	42.8 %	2.2 %
Rogers	3,169	11,870.3	13,000.3	1,112	4,467.5	4,859.0	0.64	2.88	3.11	8.6%	7.6%	31.1%	9.5%	8.8%	8.0%	84.2 %	35.1 %	11.4 %
Shaw Comm	1,051	3,715.5	5,161.4	440	1,518.3	2,101.1	0.35	1.29	1.56	22.8%	24.4%	42.8%	38.9%	38.4%	20.9%	39.0 %	41.8 %	14.5 %
Time Warner Cable	4,801	18,868.0	19,552.6	1,738	6,875.0	7,151.4	0.99	3.82	4.52	5.9%	1.6%	8.8%	3.6%	4.0%	18.4%	52.4 %	36.2 %	7.4 %
Mean	3,724	14,193	15,910	1,240	4,805	5,361	0.44	1.15	2.05	10.3%	11.7%	20.2%	12.1%	13.5%	43.8%	51.7 %	33.6 %	8.2 %
Median	2,881	10,681	11,882	926	3,568	3,916	0.38	1.30	1.74	8.4%	8.3%	23.0%	9.6%	10.4%	22.6%	55.0 %	35.6 %	9.7 %

Satellite Voice & Data																		
Globalstar	17	67.9	127.3	(7)	(18.2)	19.0	(0.03)	(0.31)	(0.17)	4.1%	(6.4)%	85.9%	87.4%	204.2%	45.2%	24.7 %	(39.4)%	(53.8)%
Hughes	281	1,043.3	1,139.3	59	209.0	278.1	0.74	0.98	2.43	7.3%	47.6%	NM	9.2%	33.1%	147.4%	94.7 %	21.1 %	6.0 %
Inmarsat	300	1,167.8	1,367.4	180	672.0	855.3	0.17	0.57	0.77	13.5%	17.3%	95.6%	17.1%	27.3%	35.5%	68.1 %	59.8 %	28.9 %
Loral	327	1,159.0	1,346.5	35	121.2	NA	2.55	5.15	NA	25.5%	21.5%	29.0%	16.2%	NA	NA	15.4 %	10.7 %	24.4 %
SES	601	2,333.4	2,604.3	436	1,713.0	1,924.9	0.51	NA	1.85	NA	NA	NA	11.6%	12.4%	NA	100.3 %	72.5 %	33.5 %
ViaSat	196	798.5	908.5	33	156.5	180.8	0.43	1.41	1.26	25.3%	134.9%	377.8%	13.8%	15.5%	(10.5)%	30.1 %	16.8 %	9.5 %
Mean	287	1,095	1,249	123	476	652	0.73	1.56	1.23	15.2%	43.0%	147.1%	25.9%	58.5%	54.4%	55.5 %	23.6 %	8.1 %
Median	291	1,101	1,243	47	183	278	0.47	0.98	1.26	13.5%	21.5%	90.7%	15.0%	27.3%	40.3%	49.1 %	18.9 %	16.9 %

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 /	D&A /	CapEx /
	3/31/11	Cap	Value				LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue	Revenue
Wireless - Int'l Emerging																				
America Movil	2.90	115,891	132,708	7,771	24,588	8.7 %	4.6 x	2.5 x	9.8 x	6.1 x	15.9 x	12.5 x	4.5 %	(2.1)%	(0.1)%	(14.5)%	1.2 x	51.1 %	16.4 %	19.5 %
Bharti Airtel	8.02	30,432	43,880	502	13,950	(1.3)%	3.7 x	2.9 x	10.8 x	8.2 x	20.1 x	17.5 x	3.2 %	(4.3)%	(25.5)%	(44.2)%	3.3 x	NA	17.2 %	16.3 %
China Mobile	9.21	184,864	145,630	44,340	5,106	(10.0)%	2.0 x	1.8 x	4.1 x	3.8 x	10.2 x	9.8 x	1.4 %	(2.6)%	1.7 %	21.2%	(1.1) x	29.5 %	17.2 %	20.2 %
China Unicom	1.66	39,143	50,106	3,755	14,718	13.5 %	2.0 x	1.7 x	5.7 x	4.9 x	NM	40.9 x	6.9 %	(4.3)%	42.9 %	(28.0)%	1.2 x	50.3 %	30.1 %	NA
Maroc Telecom	19.48	17,125	17,655	111	642	7.4 %	4.8 x	4.3 x	8.2 x	7.3 x	15.2 x	13.9 x	(3.9)%	NA	NA	(3.1)%	0.2 x	14.3 %	12.7 %	20.4 %
Mobile Telecom	4.76	18,427	16,893	2,314	780	(0.3)%	3.6 x	3.2 x	6.7 x	7.2 x	17.4 x	13.5 x	NA	NA	NA	8.3%	(0.6) x	25.2 %	45.7 %	20.0 %
Mobile Telesystems	21.23	20,347	26,247	1,261	7,161	0.0 %	2.3 x	2.2 x	5.4 x	4.9 x	24.4 x	10.9 x	2.4 %	(1.6)%	(45.1)%	(29.0)%	1.2 x	31.3 %	17.6 %	39.7 %
MTN Group	20.18	38,032	37,938	5,456	5,362	11.9 %	2.4 x	2.1 x	5.7 x	4.7 x	18.9 x	12.0 x	NA	NA	NA	0.2%	(0.0) x	23.0 %	13.7 %	18.7 %
Perusahaan Telekom	0.84	16,598	17,978	1,055	2,435	(18.1)%	2.4 x	2.1 x	4.4 x	3.8 x	12.8 x	10.7 x	NA	NA	0.0 %	(8.3)%	0.3 x	13.6 %	21.5 %	25.3 %
Reliance	2.42	4,987	12,261	334	7,608	(35.4)%	2.8 x	2.3 x	8.6 x	6.7 x	10.5 x	14.2 x	(3.8)%	(10.0)%	17.8 %	(145.9)%	5.1 x	15.7 %	20.7 %	48.6 %
Saudi Telecom	10.27	20,532	26,958	1,716	8,142	(0.5)%	2.0 x	1.9 x	5.2 x	5.0 x	8.8 x	8.8 x	(0.4)%	46.8 %	(1.4)%	(31.3)%	1.2 x	19.3 %	16.5 %	16.9 %
Singapore Telecom	2.40	37,439	40,919	1,651	5,131	0.1 %	3.1 x	2.8 x	10.9 x	8.9 x	13.3 x	11.8 x	1.2 %	4.0 %	8.5 %	(9.3)%	0.9 x	NA	10.7 %	10.7 %
Telenor	16.45	26,860	30,318	2,464	5,921	5.5 %	1.9 x	1.6 x	6.2 x	5.3 x	21.3 x	11.6 x	1.9 %	3.8 %	(29.3)%	(12.9)%	0.7 x	30.7 %	16.7 %	13.8 %
Mean	43,898	46,115	5,595	7,811	(1.4)%	2.9 x	2.4 x	7.0 x	5.9 x	15.7 x	14.5 x	1.3 %	3.3 %	(3.1)%	(22.8)%	1.1 x	27.6 %	19.7 %	22.5 %	
Median	26,860	30,318	1,716	5,921	0.0 %	2.4 x	2.2 x	6.2 x	5.3 x	15.6 x	12.0 x	1.6 %	(2.1)%	(0.0)%	(12.9)%	0.9 x	25.2 %	17.2 %	19.8 %	

(\$ 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
Wireless - Int'l Emerging																		
America Movil	13,118	28,541.2	53,709.7	4,606	13,604.2	21,602.1	0.05	0.18	0.23	14.8%	11.1%	(20.1)%	88.2%	58.8%	26.9%	86.2 %	35.1 %	13.7 %
Bharti Airtel	3,532	11,785.3	15,255.2	1,117	4,069.9	5,337.9	0.08	0.40	0.46	59.1%	29.5%	(38.3)%	29.4%	31.2%	14.9%	31.6 %	31.6 %	8.3 %
China Mobile	19,369	72,210.7	79,569.6	9,413	35,680.1	38,353.0	0.24	0.91	0.94	10.6%	4.7%	13.0%	10.2%	7.5%	4.0%	78.1 %	48.6 %	25.6 %
China Unicom	6,993	25,475.2	29,200.5	2,126	8,847.7	10,318.2	0.00	0.02	0.04	22.4%	21.0%	NM	14.6%	16.6%	71.5%	80.7 %	30.4 %	1.0 %
Maroc Telecom	970	3,647.8	4,154.1	583	2,155.8	2,423.9	0.34	1.28	1.40	(2.7)%	(1.2)%	(1.4)%	13.9%	12.4%	9.7%	74.4 %	60.1 %	31.1 %
Mobile Telecom	1,214	4,711.1	5,219.9	985	2,527.9	2,333.6	0.08	0.27	0.35	(34.6)%	69.4%	NM	10.8%	(7.7)%	29.2%	74.4 %	81.2 %	25.5 %
Mobile Telesystems	2,995	11,292.1	12,198.4	1,149	4,847.9	5,404.6	0.24	0.87	1.94	(19.6)%	(29.3)%	NM	8.0%	11.5%	123.0%	69.7 %	38.4 %	7.7 %
MTN Group	4,454	16,106.1	18,436.6	1,767	6,661.1	7,990.6	0.25	1.07	1.69	20.2%	21.0%	(2.8)%	14.5%	20.0%	58.3%	62.7 %	39.7 %	10.6 %
Perusahaan Telekom	1,834	7,587.8	8,678.7	983	4,114.5	4,737.1	0.02	0.07	0.08	(1.3)%	(3.9)%	40.0%	14.4%	15.1%	20.3%	67.2 %	53.6 %	16.4 %
Reliance	1,122	4,356.9	5,263.5	374	1,419.8	1,835.7	0.05	0.23	0.17	3.0%	(1.7)%	(54.1)%	20.8%	29.3%	(26.2)%	49.0 %	33.3 %	9.6 %
Saudi Telecom	3,585	13,808.4	14,207.7	1,397	5,231.6	5,389.6	0.30	1.16	1.17	3.2%	9.8%	(23.5)%	2.9%	3.0%	0.4%	58.3 %	39.0 %	17.0 %
Singapore Telecom	3,671	13,308.6	14,870.6	993	3,757.2	4,598.2	0.05	0.18	0.20	15.9%	12.4%	11.1%	11.7%	22.4%	12.3%	26.3 %	27.0 %	21.3 %
Telenor	4,272	15,990.3	18,454.8	1,205	4,891.7	5,748.0	0.21	0.77	1.42	NA	NA	NA	15.4%	17.5%	83.9%	58.9 %	28.2 %	8.1 %
Mean	5,164	17,602	21,478	2,054	7,524	8,929	0.15	0.57	0.78	7.6%	11.9%	(8.5)%	19.6%	18.3%	32.9%	62.9 %	42.0 %	15.1 %
Median	3,585	13,309	14,871	1,149	4,848	5,390	0.08	0.40	0.46	6.9%	10.4%	(2.8)%	14.4%	16.6%	20.3%	67.2 %	38.4 %	13.7 %

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 /	D&A /	CapEx /
	3/3/11	Cap	Value				LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue	Revenue
Wireless - Int'l Developed																				
Deutsche Telekom	15.42	66,290	130,140	3,929	67,779	12.8 %	1.7 x	1.5 x	6.0 x	4.7 x	15.2 x	15.4 x	0.7 %	(2.1)%	13.4 %	(96.3)%	2.9 x	20.6 %	14.6 %	11.9 %
France Telecom	22.42	59,342	101,759	6,954	49,370	4.1 %	1.7 x	1.5 x	5.2 x	4.6 x	10.6 x	9.1 x	1.2 %	0.1 %	0.0 %	(71.5)%	2.2 x	13.2 %	14.6 %	13.1 %
KDDI	6,214.93	26,529	37,142	1,430	12,044	30.0 %	0.9 x	0.9 x	3.5 x	3.3 x	11.5 x	12.5 x	(1.6)%	0.5 %	NA	(40.0)%	1.0 x	21.3 %	13.7 %	9.5 %
NTT DoCoMo	1,764.32	73,162	71,564	9,104	7,506	6.1 %	1.5 x	1.4 x	3.9 x	3.6 x	12.1 x	11.9 x	(1.0)%	9.6 %	NA	2.2%	(0.1) x	25.4 %	16.3 %	9.6 %
Rogers	36.28	20,270	29,655	333	9,717	(2.7)%	2.5 x	2.3 x	6.6 x	6.1 x	12.6 x	11.7 x	(0.7)%	36.8 %	(0.1)%	(46.3)%	2.1 x	49.1 %	13.6 %	18.8 %
Royal KPN	17.05	25,811	41,519	1,104	16,811	10.6 %	2.4 x	2.2 x	5.9 x	5.3 x	11.2 x	9.6 x	(0.4)%	(1.3)%	(1.1)%	(60.9)%	2.2 x	5.2 %	18.1 %	7.5 %
SOFTBANK	40.07	43,364	64,191	9,678	30,505	22.6 %	1.9 x	1.8 x	6.3 x	5.5 x	25.0 x	13.2 x	1.2 %	(7.2)%	NA	(48.0)%	2.1 x	23.3 %	9.3 %	4.7 %
Telecom Italia	1.54	28,491	74,602	9,175	55,285	10.5 %	2.1 x	1.8 x	4.8 x	4.3 x	10.0 x	8.1 x	2.0 %	(0.3)%	60.6 %	(161.8)%	3.0 x	25.5 %	17.9 %	14.5 %
Telefonica	25.05	112,952	187,580	7,500	82,128	1.5 %	2.3 x	2.0 x	6.4 x	5.4 x	7.7 x	9.3 x	0.4 %	(11.7)%	8.0 %	(66.1)%	2.5 x	75.6 %	14.6 %	NA
TeliaSonera	8.64	38,815	46,235	2,317	9,738	7.4 %	3.1 x	2.7 x	8.9 x	7.6 x	13.1 x	11.2 x	(0.5)%	(1.9)%	(0.9)%	(19.1)%	1.4 x	18.2 %	8.9 %	22.5 %
Vodafone	2.83	146,111	195,069	10,814	59,772	14.8 %	2.8 x	2.6 x	8.7 x	8.1 x	11.8 x	11.2 x	5.3 %	NA	0.0 %	(33.5)%	2.2 x	0.9 %	17.3 %	9.4 %
Mean	58,285	89,041	5,667	36,423	10.7 %	2.1 x	1.9 x	6.0 x	5.3 x	12.8 x	11.2 x	0.6 %	2.2 %	10.0 %	(58.3)%	2.0 x	25.3 %	14.5 %	12.1 %	
Median	43,364	71,564	6,954	30,505	10.5 %	2.1 x	1.8 x	6.0 x	5.3 x	11.8 x	11.2 x	0.4 %	(0.8)%	0.0 %	(48.0)%	2.2 x	21.3 %	14.6 %	10.7 %	

(\$ 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
Wireless - Int'l Developed																		
Deutsche Telekom	20,754	77,249.6	87,739.8	4,463	21,787.4	27,471.7	0.21	1.02	1.00	(10.6)%	(28.1)%	NM	13.6%	26.1%	(1.6)%	42.1 %	21.5 %	4.3 %
France Telecom	15,661	58,572.6	66,010.3	4,977	19,426.4	22,180.0	0.38	2.12	2.48	10.6%	10.4%	(29.5)%	12.7%	14.2%	17.1%	45.0 %	31.8 %	6.8 %
KDDI	10,518	39,669.5	41,401.0	3,032	10,701.9	11,366.0	184.42	541.89	497.30	13.6%	11.1%	13.5%	4.4%	6.2%	(8.2)%	50.2 %	28.8 %	7.7 %
NTT DoCoMo	13,200	49,205.4	52,426.3	4,945	18,327.0	19,625.7	39.77	145.97	148.45	12.1%	17.7%	14.7%	6.5%	7.1%	1.7%	62.9 %	37.5 %	12.5 %
Rogers	3,169	11,870.3	13,000.3	1,112	4,467.5	4,859.0	0.64	2.88	3.11	8.6%	7.6%	31.1%	9.5%	8.8%	8.0%	84.2 %	35.1 %	11.4 %
Royal KPN	4,519	17,584.1	19,285.0	1,797	7,050.5	7,848.0	0.42	1.52	1.77	(5.8)%	(6.4)%	(57.4)%	9.7%	11.3%	16.9%	45.0 %	39.8 %	14.1 %
SOFTBANK	9,674	34,418.7	36,585.7	2,954	10,145.5	11,715.3	0.75	1.60	3.05	29.4%	29.5%	222.3%	6.3%	15.5%	90.2%	53.8 %	30.5 %	8.7 %
Telecom Italia	10,288	36,326.6	42,143.0	4,115	15,490.9	17,450.5	0.04	0.15	0.19	4.0%	10.1%	(3.4)%	16.0%	12.7%	23.4%	65.5 %	40.0 %	6.6 %
Telefonica	23,543	82,316.6	92,307.5	7,824	29,517.1	34,570.6	0.71	3.27	2.70	4.0%	(4.7)%	(8.3)%	12.1%	17.1%	(17.6)%	108.9 %	33.2 %	13.6 %
TeliaSonera	3,984	15,039.3	16,878.0	1,229	5,181.5	6,060.4	0.17	0.66	0.77	3.4%	(14.1)%	12.1%	12.2%	17.0%	17.1%	49.1 %	30.9 %	19.3 %
Vodafone	18,176	70,074.3	75,678.6	5,706	22,492.8	24,193.1	0.06	0.24	0.25	(0.9)%	(2.9)%	(1.9)%	8.0%	7.6%	5.5%	32.3 %	31.4 %	16.5 %
Mean	12,135	44,757	49,405	3,832	14,963	17,031	20.69	63.76	60.10	6.2%	2.7%	19.3%	10.1%	13.0%	13.9%	58.1 %	32.8 %	11.1 %
Median	10,518	39,670	42,143	4,115	15,491	17,451	0.42	1.60	2.48	4.0%	7.6%	5.1%	9.7%	12.7%	8.0%	50.2 %	31.8 %	11.4 %

Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 3/31/11	Market Cap	Enterprise Value	Cash	Debt	% Change 9/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	D&A / Revenue	CapEx / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS					
Wireless - US																				
AT&T	30.61	181,151	245,881	1,437	66,167	7.0 %	2.0 x	2.0 x	6.3 x	5.6 x	13.3 x	12.9 x	(0.3)%	(9.2)%	1.3 %	(35.7)%	1.7 x	33.5 %	15.5 %	20.9 %
Atlantic Tele	37.19	572	827	37	292	(24.5)%	1.3 x	1.1 x	6.4 x	5.8 x	28.2 x	24.3 x	1.9 %	(13.2)%	(54.5)%	(44.5)%	2.0 x	30.6 %	12.4 %	22.6 %
Clearwire	5.59	1,364	3,665	1,736	4,036	(30.9)%	6.6 x	2.8 x	NM	NM	NM	NM	(6.8)%	NA	116.2 %	(168.6)%	NA	154.3 %	98.5 %	388.0 %
Leap Wireless	15.47	1,217	3,638	419	2,841	25.3 %	1.3 x	1.2 x	7.4 x	6.4 x	NM	NM	11.0 %	(8.1)%	(133.3)%	(199.0)%	4.9 x	24.3 %	15.6 %	12.4 %
MetroPCS	16.24	5,792	8,420	1,171	3,800	55.3 %	2.1 x	1.8 x	7.4 x	6.1 x	22.2 x	16.4 x	0.9 %	6.2 %	13.8 %	(45.4)%	2.3 x	14.8 %	11.2 %	26.6 %
NTELOS	18.40	774	1,508	16	749	8.7 %	2.8 x	2.4 x	7.0 x	6.0 x	17.0 x	14.0 x	2.8 %	3.8 %	(19.4)%	(94.7)%	3.4 x	28.5 %	17.2 %	16.4 %
Shenandoah	18.06	429	597	27	195	(0.6)%	3.1 x	2.4 x	8.4 x	6.6 x	20.7 x	26.2 x	15.8 %	2.7 %	12.6 %	(39.1)%	2.4 x	33.8 %	17.4 %	38.0 %
Sprint Nextel	4.64	13,875	28,593	5,473	20,191	0.2 %	0.9 x	0.9 x	5.0 x	5.3 x	NM	NM	1.8 %	0.6 %	(12.4)%	(106.1)%	2.6 x	29.1 %	16.7 %	6.3 %
US Cellular	51.49	4,405	4,832	441	868	12.0 %	1.2 x	1.1 x	6.2 x	6.1 x	32.6 x	29.7 x	(0.7)%	(18.6)%	(30.7)%	(9.7)%	0.5 x	44.7 %	13.6 %	19.1 %
Verizon	38.54	107,912	153,493	7,213	52,794	18.3 %	1.4 x	1.4 x	4.4 x	4.4 x	17.2 x	17.3 x	(0.2)%	19.9 %	(1.3)%	(42.2)%	1.3 x	27.1 %	15.8 %	17.5 %
Mean	31,749	45,145	1,797	15,193	7.1 %	2.3 x	1.7 x	6.5 x	5.8 x	21.6 x	20.1 x	2.6 %	(1.8)%	(10.8)%	(78.5)%	2.3 x	42.1 %	23.4 %	56.8 %	
Median	2,884	4,248	806	3,320	7.9 %	1.7 x	1.6 x	6.4 x	6.0 x	20.7 x	17.3 x	1.3 %	0.6 %	(6.9)%	(44.9)%	2.3 x	29.9 %	15.7 %	20.0 %	
Wireless Towers																				
American Tower	51.82	20,594	25,255	930	5,591	1.1 %	12.7 x	11.0 x	20.3 x	16.4 x	55.7 x	51.8 x	1.6 %	0.6 %	(7.7)%	(22.6)%	3.7 x	15.9 %	22.7 %	21.6 %
Crown Castle	42.55	12,391	19,063	113	6,784	(3.6)%	10.1 x	9.5 x	16.8 x	15.1 x	NM	93.1 x	2.0 %	2.1 %	30.1 %	(53.8)%	5.9 x	8.8 %	27.7 %	16.1 %
GTL Infrastructure	0.84	802	530	272	0	(19.2)%	6.2 x	1.7 x	11.3 x	3.1 x	NM	NM	NA	NA	NA	34.0%	(5.8) x	NA	NA	NA
SBA Comm	39.68	4,544	7,303	68	2,827	(1.5)%	11.7 x	10.4 x	19.8 x	16.5 x	NM	NM	1.9 %	2.1 %	(31.1)%	(60.7)%	7.5 x	9.1 %	43.9 %	11.3 %
Mean	9,583	13,038	346	3,801	(5.8)%	10.2 x	8.1 x	17.1 x	12.8 x	55.7 x	72.5 x	1.8 %	1.6 %	(2.9)%	(25.8)%	2.8 x	11.3 %	31.4 %	16.3 %	
Median	8,468	13,183	192	4,209	(2.6)%	10.9 x	10.0 x	18.3 x	15.7 x	55.7 x	72.5 x	1.9 %	2.1 %	(7.7)%	(38.2)%	4.8 x	9.1 %	27.7 %	16.1 %	

(\$ 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 - US																		
AT&T	31,361	124,280.0	125,887.1	6,838	38,870.0	43,752.8	0.55	2.30	2.37	2.1%	(26.4)%	24.8%	1.3%	12.6%	2.9%	55.3 %	21.8 %	10.4 %
Atlantic Tele	195	618.9	729.7	31	128.8	143.3	0.15	1.32	1.53	226.3%	18.2%	(56.9)%	17.9%	11.3%	15.9%	46.7 %	16.1 %	1.2 %
Clearwire	181	556.8	1,287.2	(496)	(1,599.1)	(706.6)	0.09	(1.48)	(1.78)	126.1%	(42.1)%	104.0%	131.2%	55.8%	(20.0)%	(120.4)%	(274.7)%	50.4 %
Leap Wireless	807	2,727.0	2,945.3	100	491.2	571.7	(2.55)	(4.45)	(2.82)	15.7%	(18.0)%	(214.3)%	8.0%	16.4%	36.8%	36.6 %	12.4 %	(24.0)%
MetroPCS	1,066	4,069.4	4,624.2	304	1,132.9	1,374.7	0.20	0.73	0.99	14.6%	26.4%	122.4%	13.6%	21.3%	35.7%	43.3 %	28.5 %	6.7 %
NTELOS	142	545.7	626.1	54	216.1	250.7	0.21	1.08	1.32	6.1%	13.1%	(38.2)%	14.7%	16.0%	22.1%	66.9 %	38.4 %	6.2 %
Shenandoah	58	195.0	246.7	14	71.2	90.4	0.15	0.87	0.69	43.9%	(16.2)%	(37.0)%	26.5%	27.0%	(20.9)%	58.5 %	24.8 %	6.5 %
Sprint Nextel	8,301	32,563.0	32,809.9	1,315	5,717.0	5,377.9	(0.31)	(0.93)	(0.69)	5.5%	(4.3)%	8.3%	0.8%	(5.9)%	25.8%	45.0 %	15.8 %	(11.2)%
US Cellular	1,063	4,177.7	4,241.8	141	783.1	796.2	0.11	1.58	1.73	0.3%	(18.1)%	NM	1.5%	1.7%	9.8%	58.0 %	13.3 %	0.9 %
Verizon	26,395	106,565.0	110,224.2	8,819	34,926.0	35,256.5	0.54	2.24	2.22	(2.6)%	10.0%	157.1%	3.4%	0.9%	(0.8)%	60.5 %	33.4 %	5.8 %
Mean	6,957	27,630	28,362	1,712	8,074	8,691	(0.09)	0.33	0.56	43.8%	(5.7)%	7.8%	21.9%	15.7%	10.7%	35.0 %	(7.0)%	5.3 %
Median	935	3,398	3,594	121	637	684	0.15	0.98	1.15	10.4%	(10.2)%	8.3%	10.8%	14.3%	12.8%	51.0 %	18.9 %	6.0 %
Wireless Towers																		
American Tower	548	1,985.3	2,301.9	328	1,245.1	1,538.7	0.21	0.93	1.00	22.2%	8.4%	32.5%	15.9%	23.6%	7.6%	75.7 %	59.8 %	15.5 %
Crown Castle	496	1,878.7	2,008.3	299	1,131.9	1,265.4	0.12	0.10	0.46	11.9%	16.2%	169.2%	6.9%	11.8%	378.6%	69.2 %	60.3 %	7.0 %
GTL Infrastructure	25	85.4	318.1	14	46.9	172.7	(0.00)	(0.01)	(0.04)	NA	NA	NA	272.4%	268.5%	(401.2)%	89.0 %	55.2 %	(9.3)%
SBA Comm	165	626.6	699.7	99	369.0	442.1	(0.26)	(1.12)	(0.60)	14.2%	17.8%	30.1%	11.7%	19.8%	46.8%	68.7 %	59.6 %	(18.0)%
Mean	308	1,144	1,332	185	698	855	0.02	(0.03)	0.21	16.1%	14.1%	77.3%	76.7%	80.9%	8.0%	75.7 %	58.7 %	(1.2)%
Median	331	1,253	1,354	199	750	854	0.06	0.04	0.21	14.2%	16.2%	32.5%	13.8%	21.7%	27.2%	72.5 %	59.7 %	(1.2)%



Introduction to SagePoint Advisors

Introduction to SagePoint Advisors

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

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

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

Transaction Experience of SagePoint Team




























































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

Transaction Experience by Market Segment

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

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

Representative Buyer Relationships

Internet / Media	Service Providers	IT Infrastructure & Software	Telecom Equipment	Consumer Electronics	Semiconductors
          	         	           	       	        	         

Why Work With SagePoint?

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