

SagePoint Equipment M&A Review for Q2 2010

An Analysis of M&A Activity and Valuation
Metrics in the Communications, IT and Consumer
Electronics Equipment Market Segments



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SagePoint's Viewpoint - Key Takeaways

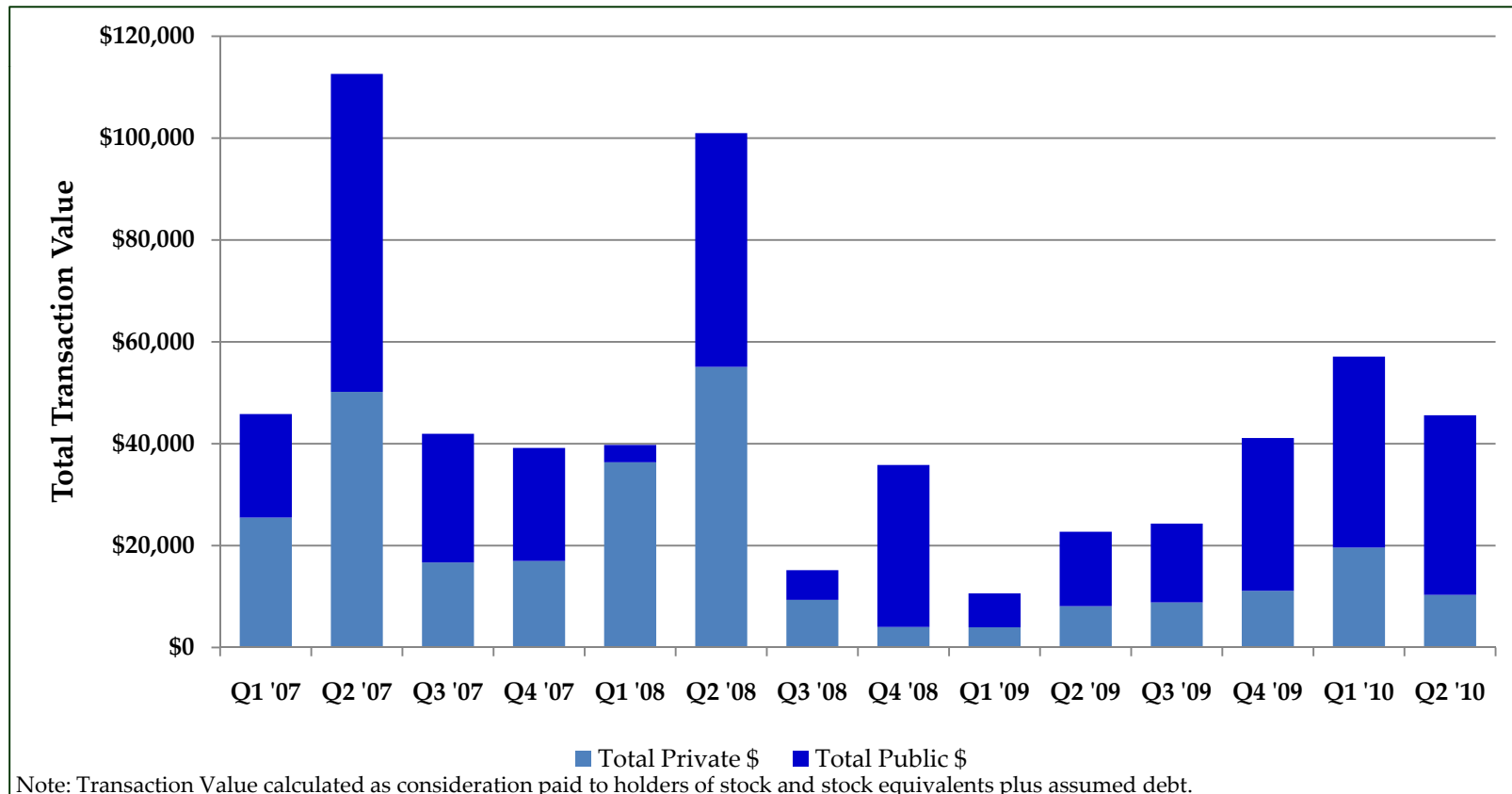
- M&A transaction volume across SagePoint 's entire ICIT Universe was up approximately 20% in Q2'10 versus Q2'09 but came in 10% below Q1'10 levels
 - Q2'10 deal volume of 349 still represents a fairly active quarter with activity accelerating late in Q2
 - Only the Semiconductors segment, up from 9 deals to 10 for the quarter, increased versus Q1
- M&A dollar volume across SagePoint 's Equipment Universe more than doubled in Q2 versus Q1 but still remains far below Q4'09 which saw five \$1B+ transactions
 - Hewlett-Packard's \$1.8B acquisition of Palm was the only \$1B+ deal in the quarter and accounted for about 40% of dollar volume
 - Private M&A showed a strong rebound, up to nearly \$2B in dollar volume
- Equipment M&A transaction volume fell slightly in Q2 versus Q1, moving further away from the very active Q4'09 when deal activity hit a three year peak
 - The drop in activity was evident across most segments
 - Components & Subsystems and ODMs & EMS bucked the trend with their strongest deal volumes in three years
- Four \$100M+ private deals were announced in Q2, the most in recent quarters aside from the very active Q4'09
 - Notable deals included Ericsson/LG-Nortel (\$242M), Harmonic/Omneon (\$338M), Panasonic/IPS Alpha (\$682M) and Gemalto/Cinterion Wireless Modules (\$199M)
 - Median deal size has increased to \$20M, its highest levels since Q2'08 though it appears there are still a number of distressed sales occurring

SagePoint's Viewpoint - Key Takeaways Continued

- Public deal size was distributed evenly across a range of deal sizes in Q2
 - Hewlett-Packard's \$1.8B acquisition of Palm was the only major deal for the quarter, a steep drop from five deals in Q4'09
- Median revenue multiples fell slightly for public and private companies to 0.7x and 0.9x revenues, respectively, as multiples continued to be dragged down by distressed sales
- The most active buyers included major OEMs Cisco, HP and Ericsson as well as more specialized vendors such as component provider Lite-On, optical provider Enablence, defense specialist Cobham and security leader McAfee
- Notable Q2 transactions include:
 - Hewlett-Packard's \$1.8B acquisition of Palm
 - Panasonic's \$683M acquisition of the 55% stake in IPS Alpha Technology it did not already own
 - Comtech's \$505M acquisition of CPI International
 - Harmonic's \$338M acquisition of Omneon
 - Ericsson's \$242M acquisition of Nortel's stake in LG-Nortel
- SagePoint expects M&A activity to pick up momentum in the second half of 2010 as buyers return to M&A to drive growth after digesting the acquisitions made in Q4'09
 - SagePoint expects to continue to see \$100M+ private deals as distressed sales become less prevalent
 - SagePoint expects to see more mid cap public deals
 - SagePoint expects public M&A multiples to settle into their historical range of 1-2x revenues
 - SagePoint expects private revenue multiples to improve in 2010 as distressed sales abate

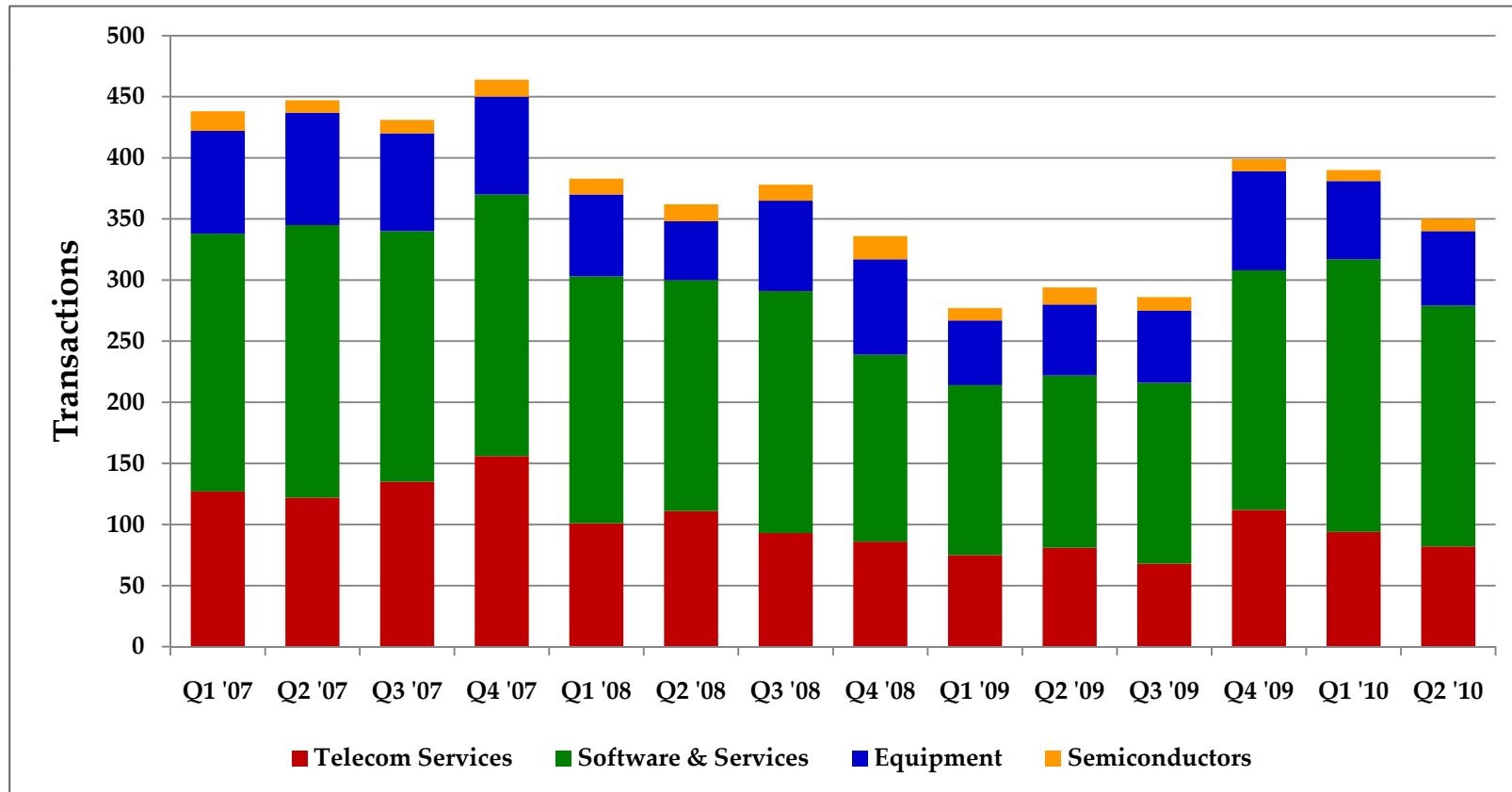
M&A Dollar Volume – SagePoint ICIT Universe

- M&A dollar volume across SagePoint 's entire Internet, Communications & IT Infrastructure (“ICIT”) universe fell in Q2'10 as CenturyLink's acquisition of Qwest was the only megamerger for the quarter as Telefonica's \$9B bid for the remainder of Brasilcel was rejected
 - CenturyLink's \$24B acquisition of Qwest represents more than half of total dollar volume
- M&A dollar volume was up significantly for Equipment and Software & Services with Semiconductors up as well
 - Q2 dollar volume for those three segments reached \$17.5B versus \$4.8B in the prior quarter



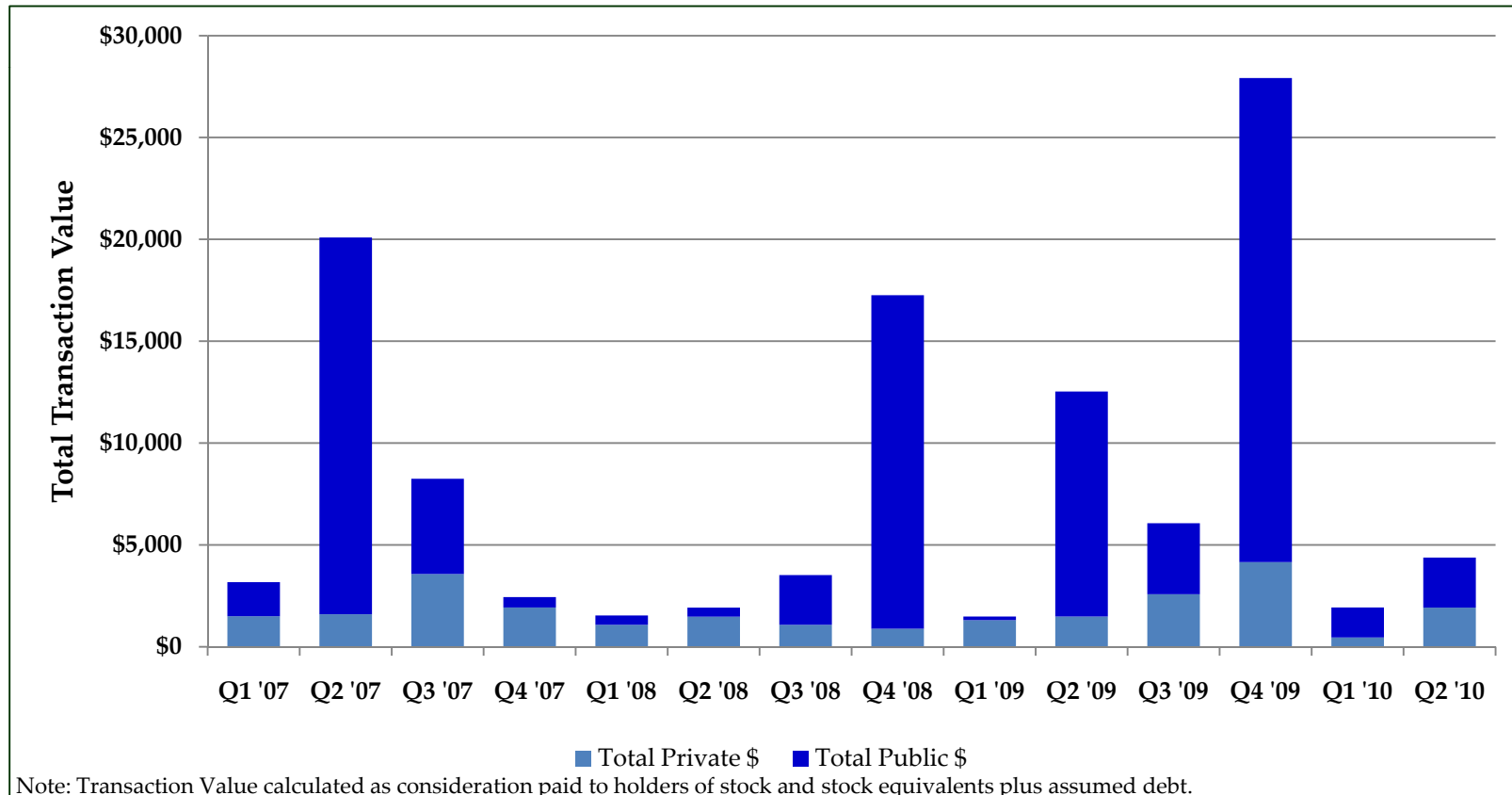
M&A Transaction Volume – SagePoint ICIT Universe

- M&A transaction volume across SagePoint’s ICIT universe was up approximately 20% in Q2’10 versus Q2’09 but came in approximately 10% below Q1’10 levels
 - Though not as strong as the past two quarters, Q2’10 deal volume of 349 still represents a fairly active quarter and deal volume was increasing in the second half of the quarter
 - Only the Semiconductors segment, up from 9 deals to 10 for the quarter, increased versus Q1
- SagePoint expects M&A transaction volume to remain relatively robust through 2010 and 2011



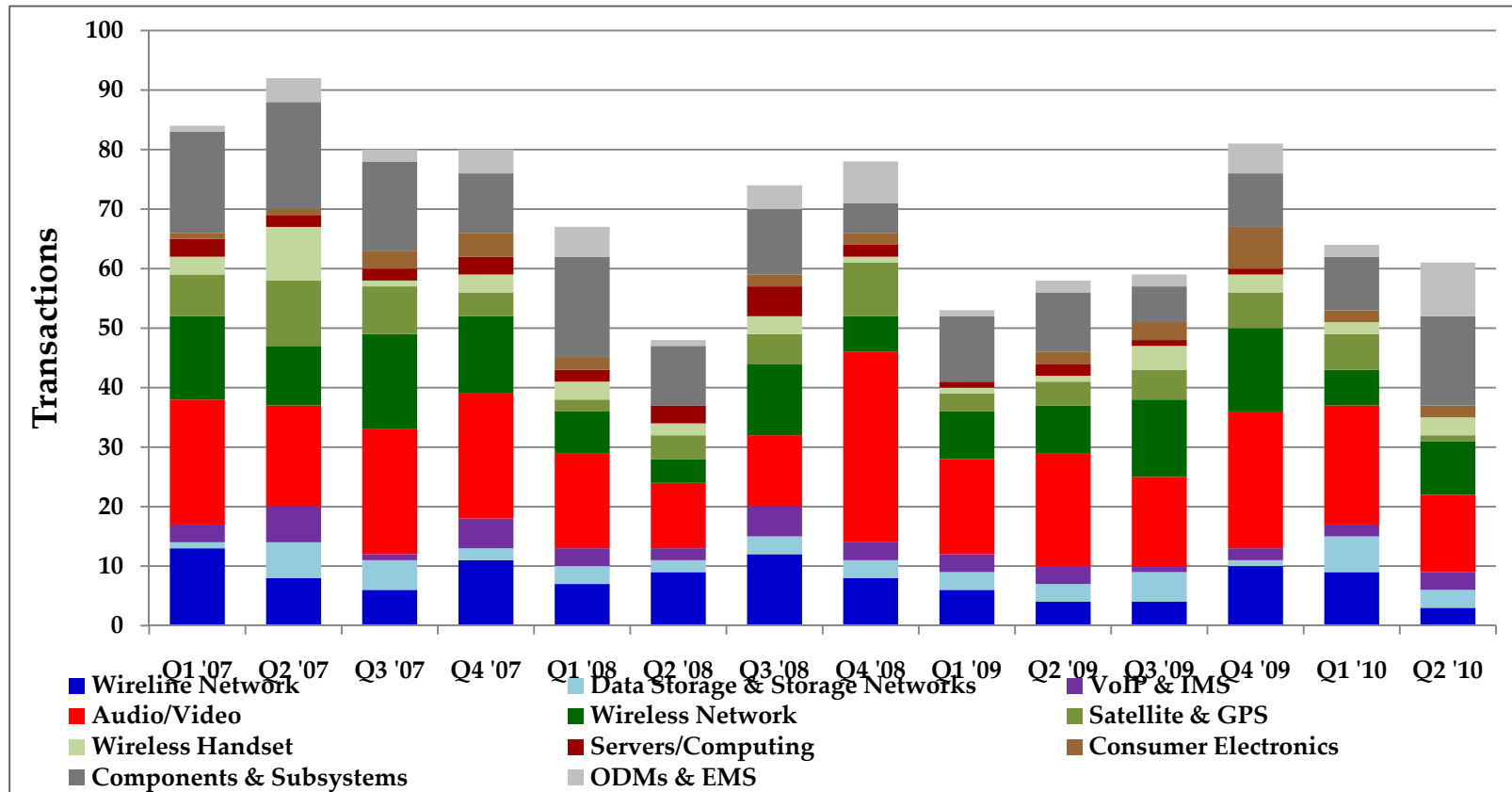
M&A Dollar Volume – SagePoint Equipment Universe

- M&A dollar volume across SagePoint’s Equipment universe more than doubled in Q2 versus Q1 but still remains far below Q4’09 which saw five \$1B+ transactions
 - Hewlett-Packard’s \$1.8B acquisition of Palm was the only \$1B+ deal in the quarter and accounted for about 40% of dollar volume
 - Private M&A showed a strong rebound, up to nearly \$2B in dollar volume



M&A Transaction Volume – Equipment Universe by Sector

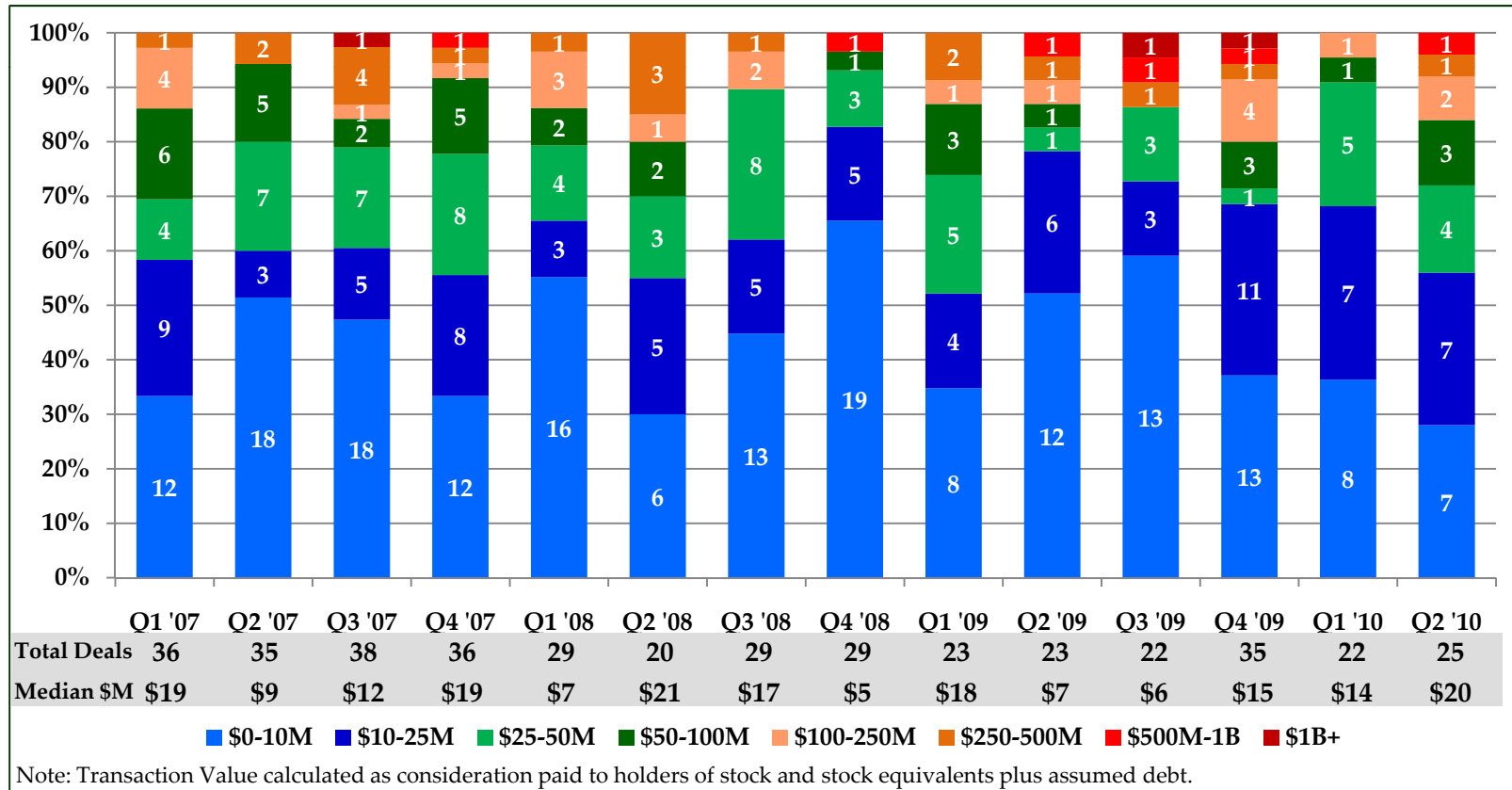
- Equipment M&A transaction volume fell slightly in Q2 versus Q1, moving further away from the very active Q4'09 when deal activity hit a three year peak
- The drop in activity was evident across most segments
 - Components & Subsystems and ODMs & EMS bucked the trend with their strongest deal volumes in three years as those segments strive to gain scale to drive profits as volume orders return
 - Wireless Network also experienced increased M&A activity
- SagePoint expects M&A activity to pick up in H2'10 and into 2011



Communications, IT & Consumer Electronics Equipment M&A – Q2 2010

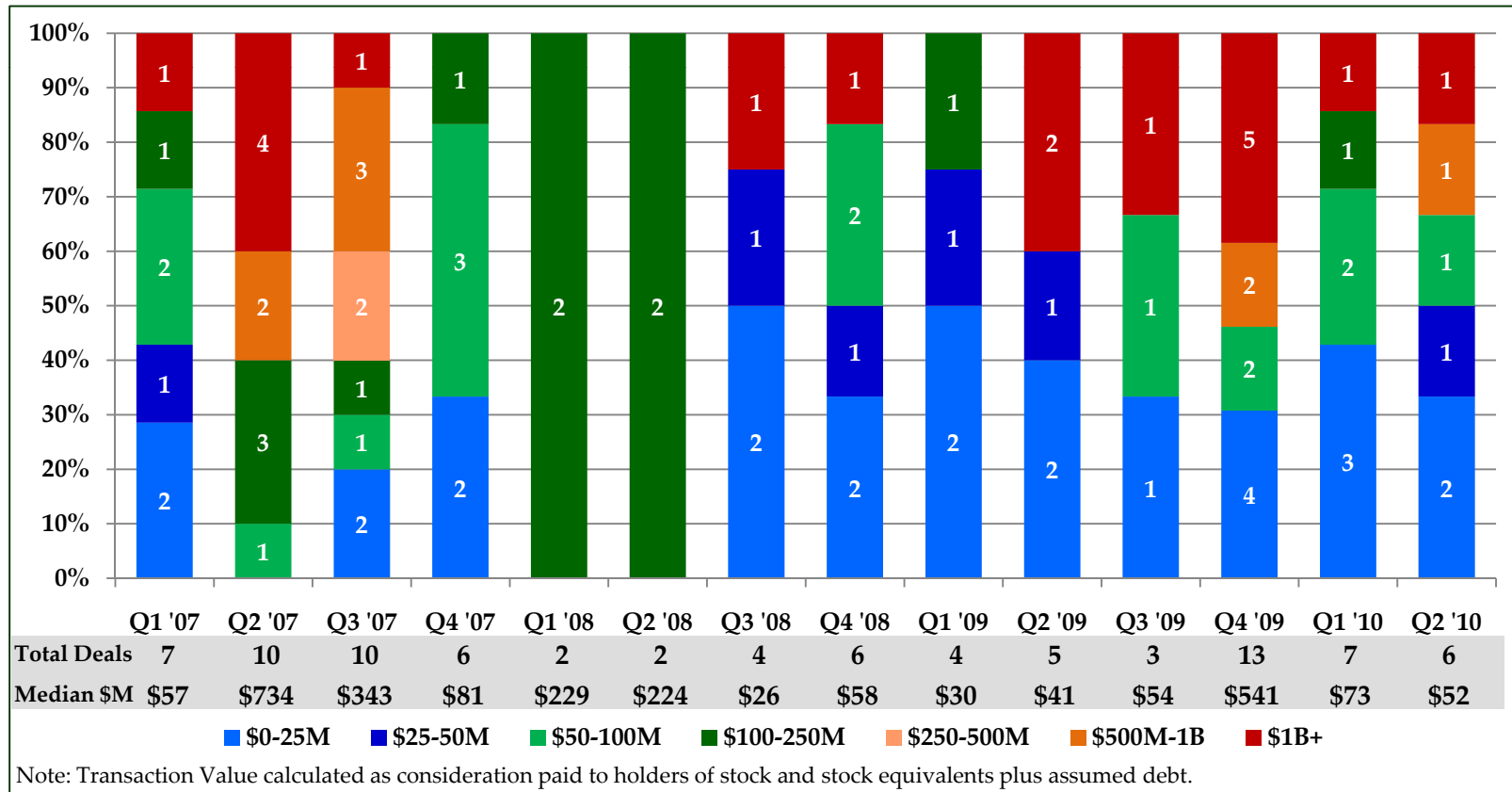
M&A Transaction Volume by Deal Size – Private Equip. Targets

- Four \$100M+ private deals were announced in Q2, the most in recent quarters aside from the very active Q4'09
 - Notable deals included Ericsson/LG-Nortel (\$242M), Harmonic/Omneon (\$338M), Panasonic/IPS Alpha (\$682M) and Gemalto/Cinterion Wireless Modules (\$199M)
- Median deal size has increased to \$20M, its highest levels since Q2'08 though it appears there are still a number of distressed sales occurring



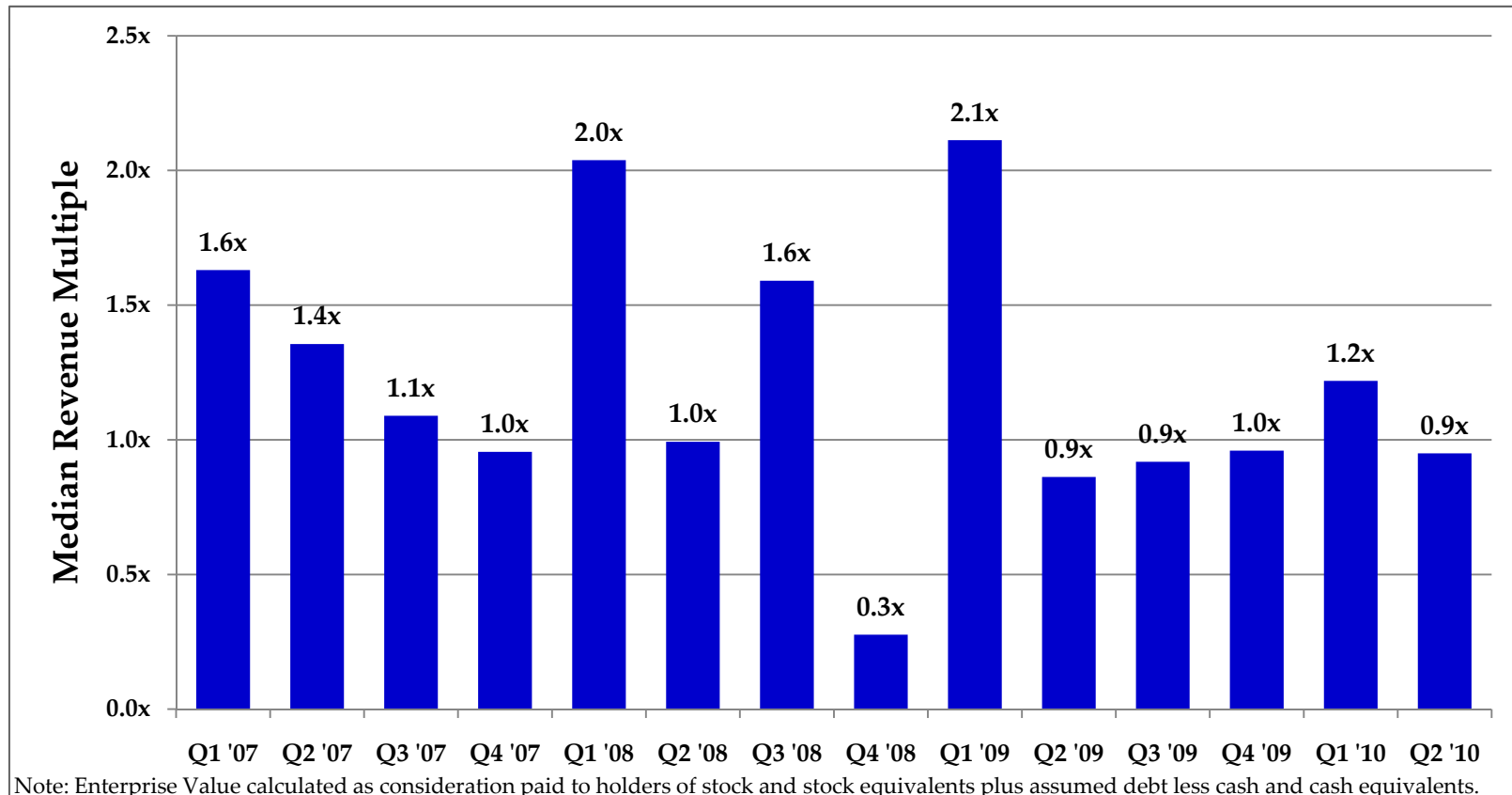
M&A Transaction Volume by Deal Size – Public Equip. Targets

- One \$1B+ public deal was announced in Q2, a steep drop from five deals in Q4'09
 - Hewlett-Packard's \$1.8B acquisition of Palm was the only major deal for the quarter
- Public deal size was distributed evenly across a range of deal sizes in Q2
- SagePoint expects to see mid-cap deal activity return for the remainder of 2010 although \$1B+ deals will likely remain sporadic



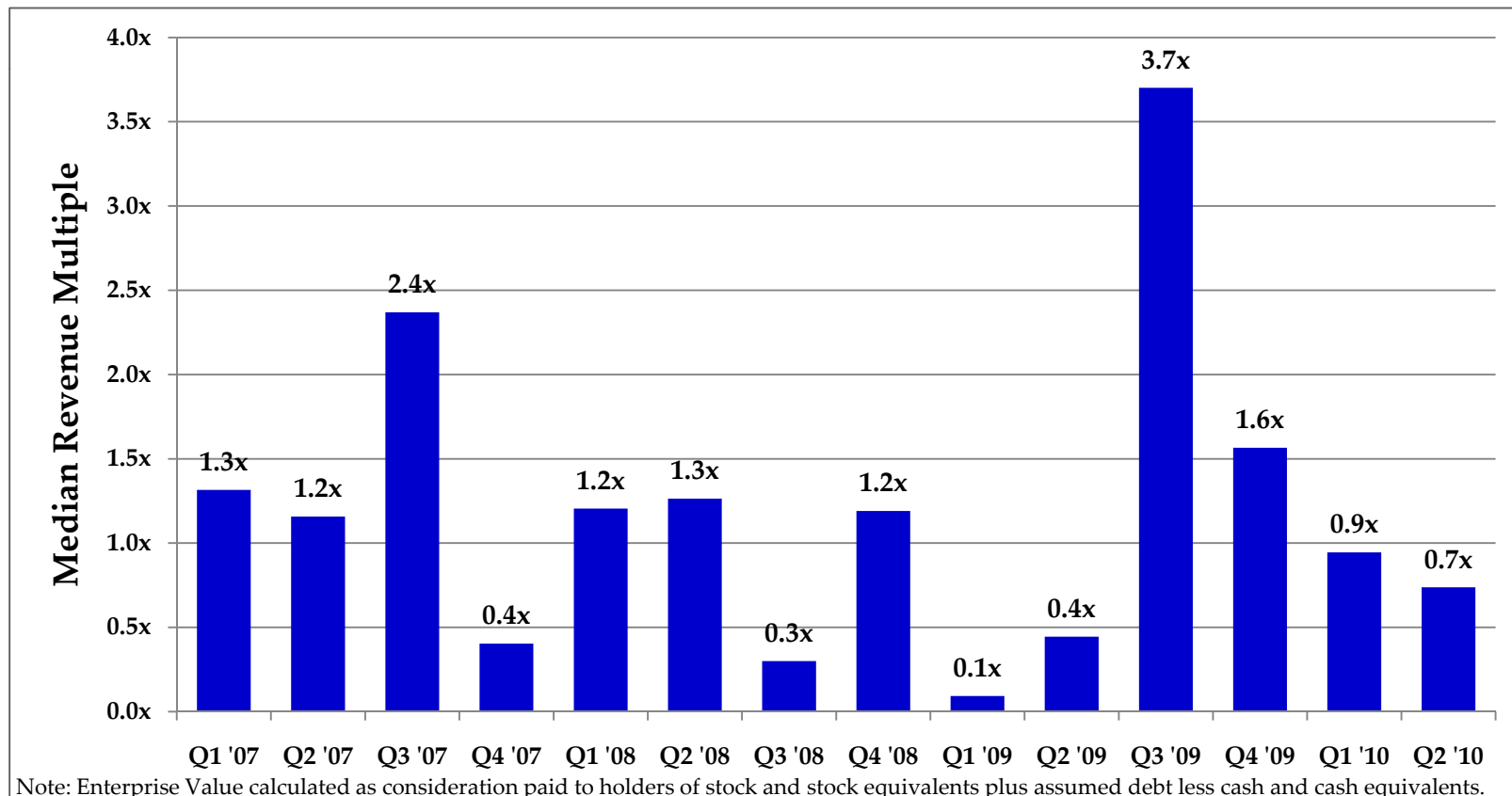
Median M&A Revenue Multiples – Private Equipment Targets

- Median revenue multiples for private targets fell to 0.9x
 - Harmonic’s acquisition of Omneon at 2.9x LTM revenue was the only premium multiple transaction with meaningful revenues
- SagePoint expects private revenue multiples to move up towards the 1.5-2.0x range as distressed sales become a smaller part of the mix and healthier buyers get more aggressive















Median M&A Revenue Multiples – Public Equipment Targets

- Median revenue multiples for public targets decreased to 0.7x as Q2 deals tended toward distressed sales at low valuations
 - The change in deal mix towards smaller, distressed sales is clearly evident in the multiples
 - The two largest deals of the quarter generated the highest multiples with HP's \$1.8B acquisition of Palm at 1.1x and Comtech's \$506M acquisition of CPI International at 1.4x
- SagePoint expects public M&A multiples to return to the historical range in 2010 as more typical deal volumes return and healthier targets become a larger part of the deal mix





Most Active Equipment Buyers – Last 2 Years



Company	# of Deals		Communications Equipment Transactions	
	Equip	Comm		
	5	11	5/20/10 - CoreOptics GmbH - \$99.0M 10/23/09 - Digital Video Networks (STB) - \$44.5M 9/30/09 - Tandberg - \$3,422M	12/31/09 - Rohati Systems, Inc. - NA 10/12/09 - Starent Networks, Corp. - \$2,828M 3/18/09 - Pure Digital Technologies - \$437M
	4	6	4/28/10 - Palm, Inc. - \$1,808M 9/30/08 - LeftHand Networks Inc. - \$347M	11/11/09 - 3Com Corporation - \$3,401M 8/11/08 - Colubris Networks, Inc. - NA
	4	4	4/15/10 - Teledata Networks Ltd. - \$50.0M 4/14/08 - Wave7 Optics - \$14.0M	11/3/08 - Pannaway Networks - \$7.6M 7/10/08 - DuPont Photonics Technologies - \$4.7M
	4	4	6/15/09 - Perlos Telecom & Elec. Comp. - \$10.1M 2/27/09 - Perlos (Guangzhou) Plastics - \$47.7M	6/15/09 - Perlos Precision Plastics - \$0.7M 2/27/09 - Perlos (Beijing) Elec & Teleco - \$28.2M
	3	7	4/20/10 - LG-Nortel - \$242M 6/17/09 - AS Elcoteq Tallinn - \$41.6M	7/24/09 - Nortel (CDMA & LTE) - \$1,130M
	3	4	1/18/10 - PROCON, Inc., SafeLife Systems - \$0.6M 5/12/08 - M/A-COM - \$425M	8/19/08 - Global Microwave Systems - \$26.0M
	3	4	9/21/08 - Secure Computing - \$522M 8/31/08 - Lockdown Networks - \$2.0M	7/31/08 - Reconnex - \$49.8M
	3	3	12/21/09 - Telecast Fiber Systems, Inc. - NA 6/6/08 - Trapeze Networks, Inc. - \$136M	12/15/08 - Newbury Networks, Inc. - NA
	3	3	1/31/10 - Alloptic, Inc. - NA 7/7/09 - Motorola Fiber-to-the-Node Product - NA	7/23/08 - Verso Technologies, Access Products - NA
	3	3	5/8/10 - CPI International (NasdaqGS:CPII) - \$505M 5/10/08 - Radyne Corp. - \$224M	7/21/08 - Verso Technologies (Network Backhaul, NetPerformer and AccessGate) - \$3.9M
	3	3	3/31/10 - Sony Slovakia, Spol. S R.O. - NA 11/14/09 - Chi Mei Optoelectronics - \$13,413M	10/5/09 - TPO Displays - \$1,175M
	2	4	2/15/10 - Edgewater Networks, Inc. - NA	8/4/08 - Novera Optics, Inc. - \$26.0M

Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.
 Communications, IT & Consumer Electronics Equipment M&A – Q2 2010



Q2 M&A Transaction Spotlight – Equipment

Acquiror	Target	Deal Rationale/Commentary
		<p>Palm provides mobile products including Palm Pre, Treo and Centro smartphones providing a range of productivity tools and entertainment applications. The company also offers Palm webOS, an operating system for mobile use.</p> <p>Palm’s webOS is recognized as a relatively strong platform, but the company has struggled to generate traction in the smartphone market and has a miniscule developer following. Perhaps HP’s strong R&D and channel platforms can help, but they are entering an ultra-competitive smartphone with RIM and Apple dominating while Google quickly gains market share and Microsoft attempts to bolster its presence with Windows Mobile 7. HP will likely have to gain a significant footprint in the tablet market as well to justify the acquisition.</p> <p>If HP is able to generate more market share with a proprietary OS than building on Android and Windows Mobile the deal could be a big winner for HP, but currently there appears too much risk to justify the acquisition regardless of the price paid.</p>
<h3>Deal Summary</h3>		
<p>Date: 4/28/10 Transaction Value: \$1,808M % Sought: 100% Consideration: Cash</p> <p><small>Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.</small></p>		
<h3>Valuation Metrics</h3>		
<p>LTM Revenue Multiple: 1.1x LTM P/E Multiple: NM</p> <p>Premium to:</p> <ul style="list-style-type: none"> 1 day prior: 22.6% 1 week prior: 17.3% 1 month prior: 46.2% 		

Q2 M&A Transaction Spotlight – Equipment

Acquiror	Target	Deal Rationale/Commentary
		<p>IPS Alpha Technology engages in the design and manufacture of amorphous TFT liquid crystal and in-plane-switching panels for flat panel televisions.</p> <p>Hitachi sold the majority of its stake in the IPS Alpha joint venture, retaining about 5% of the company giving Panasonic a 92% stake. Hitachi has announced in 2008 that it would consider shrinking its stake in IPS Alpha to 10% or less.</p> <p>Panasonic, one of the world leaders in plasma TVs, has been increasing its concentration on LCD panels as plasma continues to lose ground to LCD models. Gaining a controlling stake in the joint venture has been part of the company's plan to increase in-house procurement and development of LCD panels. Panasonic currently ranks fourth with just 7.7% of LCD market share behind Samsung, LG and Sony.</p>
<h3>Deal Summary</h3>		
<p>Date: 4/22/10 Transaction Value: \$682.5M % Sought: 55% Consideration: Cash <small>Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.</small></p>		
<h3>Valuation Metrics</h3>		
<p>LTM Revenue Multiple: 0.8x LTM P/E Multiple: NA Multiple on \$ Invested: NA</p>		
<h3>Investors</h3>		
<p>Development Bank of Japan, Hitachi Displays</p>		



Q2 M&A Transaction Spotlight – Equipment

Acquiror	Target	Deal Rationale/Commentary
		<p>CPI International provides high power/high frequency microwave and radio frequency signal components and high power amplifiers and networks for satellite communication uplink and industrial applications.</p> <p>CPI is a leading global supplier of vacuum electron devices which are used in hundreds of critical commercial and military applications.</p> <p>Comtech will broaden its product offering in its pursuit to develop a one-stop shop for RF microwave products, nearly tripling Comtech's RF microwave amplifier segment.</p> <p>The CPI acquisition will be accretive to Comtech and the sizable deal appears a good use of the company's large cash stockpile.</p>
<h3>Deal Summary</h3>		
<p>Date: 5/8/10</p> <p>Transaction Value: \$505.5M</p> <p>% Sought: 100%</p> <p>Consideration: Cash/Stock</p> <p><small>Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.</small></p>		
<h3>Valuation Metrics</h3>		
<p>LTM Revenue Multiple: 1.4x</p> <p>LTM P/E Multiple: 13.4x</p> <p>Premium to:</p> <ul style="list-style-type: none"> 1 day prior: 25.7% 1 week prior: 22.1% 1 month prior: 21.4% 		



Q2 M&A Transaction Spotlight – Equipment

Acquiror	Target	Deal Rationale/Commentary
		<p>Omneon produces video server and storage infrastructure for companies that produce and distribute audio and video content for television and the web with an impressive client list including the BBC, BSkyB, CBS, Comcast, Discovery Communications, Echostar, NBC Universal, News Corporation, Televisa, Turner Broadcasting System, and Viacom.</p>
<h3>Deal Summary</h3>		<p>Harmonic's deal drives scale bringing high quality triple digit revenue with two thirds of revenue from outside the US and no customer representing more than 10% of sales. It also adds breadth with a market leading product portfolio.</p>
<p>Date: 5/6/10 Transaction Value: \$338.3M % Sought: 100% Consideration: Cash/Stock <small>Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.</small></p>		<p>However, the profitable, well-run and well-positioned acquisition did not come cheap and Harmonic will need to retain Omneon's management to get full value from the deal.</p>
<h3>Valuation Metrics</h3>		
<p>LTM Revenue Multiple: 2.9x LTM P/E Multiple: NA Multiple on \$ Invested: 4.7x</p>		
<h3>Investors</h3>		
<p>Advanced Technology Ventures, Norwest Venture Partners, INVESCO Private Capital, Intel Capital, Lighthouse Capital Partners, MeriTech Capital Partners, Palisades Ventures Mgt, Accel Management Co</p>		

Q2 M&A Transaction Spotlight – Equipment

Acquiror	Target	Deal Rationale/Commentary
		<p>LG-Nortel JV develops and markets WCDMA, CDMA and LTE equipment for telecom service providers in Korea as well as enterprise products and services. It has contracts with KT, LG Telecom and SK Telecom.</p> <p>Ericsson is acquiring Nortel's majority (50% + 1 share) stake in the JV with LG which will be renamed LG-Ericsson.</p> <p>Ericsson is gaining an expanded footprint in the Korean market in addition to an established sales channel and R&D capability.</p> <p>LG-Ericsson is expected to contribute to Ericsson's agreement with the Korean government to grow a green ecosystem based on 4G technology.</p> <p>The transaction is expected to have a positive impact on 2010 earnings.</p>
<h3>Deal Summary</h3>		
<p>Date: 4/20/10 Transaction Value: \$242.0M % Sought: 50% Consideration: Cash</p> <p><small>Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.</small></p>		
<h3>Valuation Metrics</h3>		
<p>LTM Revenue Multiple: 0.7x LTM P/E Multiple: NM Multiple on \$ Invested: NA</p>		
<h3>Investors</h3>		
<p>Nortel Networks</p>		

Q2 M&A Transaction Spotlight – Equipment

Acquiror	Target	Deal Rationale/Commentary
		<p>Azalea Networks is a leading provider of outdoor wireless broadband mesh networks and has gained success in industrial applications with over 140 customers, primarily in the oil & gas, logistics and construction verticals.</p>
<h3>Deal Summary</h3>		<p>Azalea's access points pass data point-to-point wirelessly finding the shortest route to minimize delays. The relatively low-latency and high-speed roaming support of its solutions has had good success with video surveillance applications.</p>
<p>Date: 5/7/10 Transaction Value: \$40.5 % Sought: 100% Consideration: Stock/Cash <small>Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.</small></p>		<p>Aruba says that Azalea's technology will be far cheaper (\$2k apiece) than competitors Cisco, BelAir, Firetide, Motorola and Tropos.</p>
<h3>Valuation Metrics</h3>		<p>The addition of outdoor mesh will help improve Aruba's position in enterprise WLAN.</p>
<p>LTM Revenue Multiple: 8.1x LTM P/E Multiple: NA Multiple on \$ Invested: 2.4x</p>		
<h3>Investors</h3>		
<p>Authosis Ventures, Rayson Technology Co.</p>		

Appendix – Q2 Equipment M&A Transactions

Ann Date	Acquiror	Target	Transaction Value	Value / Revenue
Wireline Network				
4/15/10	Enablence Technologies Inc. (TSXV:ENA)	Teledata Netw orks Ltd.	50.0	NM
4/20/10	LM Ericsson Telephone Co. (OM:ERIC B)	LG-Nortel	242.0	0.7x
6/7/10	Aerelink Ltd.	Rapier Systems Ltd.	0.3	NA
Data Storage & Storage Networks				
5/8/10	PMC-Sierra Inc. (NasdaqGS:PMCS)	Adaptec, Inc., Channel Storage Business	34.0	NA
6/4/10	ViaSat Inc. (NasdaqGS:VSAT)	Stonew ood Group	20.0	NA
6/16/10	Violin Memory, Inc.	Gear6, Inc.	NA	NA
VoIP & IMS				
5/5/10	Tekelec Canada Inc.	Blueslice Netw orks Inc.	35.0	NA
6/1/10	Netcall plc (AIM:NET)	Telephonetics Plc (AIM:TPH)	14.7	0.5x
6/3/10	FDI Matelec S.A.	Castel France	NA	NA
Audio/Video				
4/1/10	HM Electronics, Inc.	Vitec Group Communications, LLC	13.3	0.4x
4/6/10	NDS Surgical Imaging, LLC	Netw ork Visualization Group	NA	NA
4/19/10	Adtech-GESI, LLC	Telindus Surveillance Solutions Ltd.	NA	NA
4/19/10	Accton Technology Corp. (TSEC:2345)	Mototech, Inc. (GTSM:8189)	21.5	0.7x
4/25/10	SMART Technologies ULC	NextWindow Limited	NA	NA
5/6/10	Harmonic Inc. (NasdaqGS:HLIT)	Omneon, Inc.	338.3	2.9x
5/7/10	Moog Inc. (NYSE:MOG.A)	Pfeper GmbH	NA	NA
5/17/10	Saab Ventures	Opax AS	NA	NA
5/18/10	Bluestar Secutech Inc (AIM:BSST)	KeAn Yuanjing Technologies Development Co. Ltd.	1.0	0.7x
5/19/10	NeuLion Incorporated (TSX:NLN)	TransVideo International Ltd.	9.5	NA
6/23/10	RGB Netw orks, Inc.	Ripcode, Inc.	NA	NA
6/28/10	Security First International Holdings, Inc. (OTCPK:SCFR)	Global Online Television Corporation	NA	NA
6/29/10	XCounter AB (AIM:XCT)	Oy Ajat Ltd.	1.7	NA

Ann Date	Acquiror	Target	Transaction Value	Value / Revenue
Wireless Network				
4/5/10	AnaTango, LLC	Stratos Wireless, Inc.	NA	NA
4/8/10	SCF Partners	Nautronix Group Limited	NA	NA
4/13/10	Cooper Pow er Systems, Inc.	EKA Systems, Inc.	NA	NA
4/29/10	Free2move AB	Free2move Scientific	NA	NA
5/3/10	Infrac Systems, Inc. (OTCBB:IFXY)	Trimax Wireless, Inc.	10.0	8.3x
5/7/10	Aruba Netw orks, Inc. (NasdaqGM:ARUN)	Azalea Netw orks, Inc.	40.5	8.1x
5/12/10	Value Team S.p.A.	Nokia Siemens Netw orks Italia Spa, Radio Access Activities	NA	NA
5/14/10	Cubic Corporation (NYSE:CUB)	Cubic Global Tracking Solutions Inc.	NA	NA
5/15/10	Francisco Partners Management LLC	EF Johnson Technologies, Inc. (NasdaqGM:EFJJ)	55.6	0.4x
Satellite & GPS				
5/25/10	NICE Systems Ltd. (TASE:NICE)	Lamda Communication Netw orks Ltd.	NA	NA
Wireless Handset				
4/26/10	CTX Virtual Technologies, Inc. (OTCPK:CTXV)	Kaibida International Limited	NA	NA
4/28/10	Hew lett-Packard Company (NYSE:HPQ)	Palm, Inc.	1,808.2	1.1x
4/28/10	ZOOM Technologies, Inc. (NasdaqCM:ZOOM)	Nollec Wireless Company, Ltd.	10.9	1.8x
Consumer Electronics				
6/18/10	Chilisin Electronics Corp. (TSEC:2456)	Belkin International, Inc.	90.0	NA
6/23/10	1st Global Financial Corporation (OTCPK:FGBF)	Seamless TEK Labs, Inc. And Seamless TEK Ware, Inc. And Seamless Sales LLC	NA	NA

Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt. Revenue per public filings and press releases if available, otherwise per analyst estimates. Partial year data is annualized if LTM data is not available. Deals with Public targets shaded.

Appendix – Q2 Equipment M&A Transactions

Ann Date	Acquiror	Target	Transaction Value	Value / Revenue
Components & Subsystems				
4/22/10	Panasonic Corporation (TSE:6752)	IFS Alpha Technology, Ltd.	682.5	0.8x
4/27/10	Integral Systems Inc. (NasdaqGS:ISYS)	Sophia Wireless, Inc.	2.5	NA
4/30/10	Tessera Technologies Inc. (NasdaqGS:TSRA)	Siimpel Corporation	15.0	NA
5/6/10	Ceramic and Microw ave Products Group	BSC Filters Ltd.	NA	NA
5/8/10	Comtech Telecommunications Corp. (NasdaqGS:CMTL)	CPI International, Inc. (NasdaqGS:CPII)	505.5	1.4x
5/12/10	Ace & Partners Corp (KOSE:A032930); ACE Technologies Corp (KOSE:A088800)	Axis Netw ork Technology Ltd.	35.0	NA
5/14/10	Tyco Electronics, Ltd. (NYSE:TEL)	Zarlink Semiconductor Inc., Optical Products Group Assets	15.0	NA
5/20/10	Linx Technologies, Inc.	Apex Wireless Inc.	NA	NA
5/27/10	DW Collection LLC	Aphex Systems, Ltd.	NA	NA
5/28/10	Sericad SAS	Meusonic SAS	NA	NA
6/7/10	Aeroflex Holding Corp	Advanced Control Components, Inc.	20.0	NA
6/11/10	Spectrum Microw ave, Inc.	Sage Laboratories, Inc.	6.5	0.5x
6/15/10	-	API Nanofabrication and Research Corporation	2.3	NA
6/16/10	Teledyne Technologies Inc. (NYSE:TDY)	Intelek plc (AIM:ITK)	47.6	0.8x
6/29/10	Gemalto NV (ENXTPA:GTO)	Cinterion Wireless Modules GmbH	198.6	1.1x

Ann Date	Acquiror	Target	Transaction Value	Value / Revenue
ODMs & EMS				
4/26/10	Sanmina-SCI Corp. (NasdaqGS:SANM)	BreconRidge Corporation	54.0	NA
5/4/10	Winscon Electronics Co. Ltd. (OTCPK:WIEC)	Uniw ell Electronics Ltd.	NA	NA
5/5/10	EIS by Semcon AB	Tritech Technology AB, Business in Örebro	NA	NA
5/6/10	ZAO Optogan	Elcoteq JSC	NA	NA
5/21/10	RockWood Equity Partners LLC	Minco Technology Labs, Inc.	NA	NA
6/1/10	Alta Manufacturing, Inc.	NRC Manufacturing, Inc.	NA	NA
6/1/10	Contract Production Ltd.	Micro Forge Ltd.	NA	NA
6/3/10	Falcon Holdings Ltd.	Merlin Flex-Ability Ltd.	NA	NA
6/28/10	Tellumat Pty Ltd	Tedexlex Manufacturing (Pty) Ltd.	NA	NA

Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt. Revenue per public filings and press releases if available, otherwise per analyst estimates. Partial year data is annualized if LTM data is not available. Deals with Public targets shaded.

Appendix – Q2 Equipment M&A Data

Quarter	Sector	# of Deals		%w/ Ann. Value	Trans Value		Revenue Multiple ⁽¹⁾	Deals w/ Rev. Mult.	Stock Premium to ⁽¹⁾			Deals w/ Prem Info
		Total	Ann. Value		Total	Median			1 Day	1 Week	1 Month	
Q1 '07	Communications Equipment	84	43	51%	\$3,174	\$20	1.5x	18	21.6%	19.8%	18.0%	6
Q2 '07	Communications Equipment	92	45	49%	\$20,091	\$33	1.2x	26	8.9%	11.9%	12.7%	10
Q3 '07	Communications Equipment	80	48	60%	\$8,249	\$23	1.5x	21	20.0%	27.3%	23.5%	9
Q4 '07	Communications Equipment	80	42	53%	\$2,441	\$22	0.8x	23	0.9%	6.7%	6.7%	6
Q1 '08	Communications Equipment	67	31	46%	\$1,538	\$8	1.3x	8	36.3%	30.1%	49.9%	2
Q2 '08	Communications Equipment	48	22	46%	\$1,928	\$25	1.1x	10	27.1%	24.2%	30.4%	2
Q3 '08	Communications Equipment	74	33	45%	\$3,526	\$17	0.9x	10	12.6%	18.9%	15.3%	4
Q4 '08	Communications Equipment	78	35	45%	\$17,256	\$8	0.6x	13	43.8%	25.4%	25.9%	6
Q1 '09	Communications Equipment	53	27	51%	\$1,487	\$25	0.3x	9	71.5%	63.5%	90.0%	4
Q2 '09	Communications Equipment	58	28	48%	\$12,536	\$11	0.5x	13	31.5%	37.8%	38.4%	5
Q3 '09	Communications Equipment	59	25	42%	\$6,066	\$7	1.3x	8	189.4%	206.6%	160.1%	2
Q4 '09	Communications Equipment	81	48	59%	\$27,920	\$17	1.2x	21	21.1%	19.8%	25.3%	12
Q1 '10	Communications Equipment	64	29	45%	\$1,930	\$14	1.2x	14	28.0%	29.9%	1.2%	5
Q2 '10	Communications Equipment	61	31	51%	\$4,381	\$22	0.8x	16	28.7%	26.5%	38.3%	6
Total	Communications Equipment	979	487	50%	\$112,521	\$17	1.1x	210	23.4%	24.3%	24.5%	79
Q1 '07	Wireline Network	13	10	77%	\$781	\$40	1.8x	3	NA	NA	NA	0
Q2 '07	Wireline Network	8	4	50%	\$9	\$2	0.3x	2	NA	NA	NA	0
Q3 '07	Wireline Network	6	3	50%	\$1,232	\$25	0.9x	2	9.3%	8.2%	24.5%	1
Q4 '07	Wireline Network	11	7	64%	\$428	\$28	1.3x	5	0.9%	1.1%	(0.3)%	2
Q1 '08	Wireline Network	7	3	43%	\$308	\$34	12.2x	1	NA	NA	NA	0
Q2 '08	Wireline Network	9	4	44%	\$56	\$11	2.9x	1	NA	NA	NA	0
Q3 '08	Wireline Network	12	6	50%	\$2,658	\$35	2.3x	3	12.6%	18.9%	15.3%	2
Q4 '08	Wireline Network	8	3	38%	\$18	\$8	NA	0	NA	NA	NA	0
Q1 '09	Wireline Network	6	4	67%	\$222	\$54	1.6x	2	65.7%	73.6%	110.7%	1
Q2 '09	Wireline Network	4	2	50%	\$6	\$3	NA	0	NA	NA	NA	0
Q3 '09	Wireline Network	4	1	25%	\$900	\$900	0.4x	1	NA	NA	NA	0
Q4 '09	Wireline Network	10	8	80%	\$4,219	\$12	0.9x	3	46.0%	50.5%	38.6%	1
Q1 '10	Wireline Network	9	3	33%	\$37	\$11	0.6x	1	NA	NA	NA	0
Q2 '10	Wireline Network	3	3	100%	\$292	\$50	0.7x	1	NA	NA	NA	0
Total	Wireline Network	110	61	55%	\$11,166	\$17	1.3x	25	9.3%	8.2%	24.5%	7
Q1 '07	Data Storage & Storage Networks	1	1	100%	\$57	\$57	NA	0	NA	NA	NA	0
Q2 '07	Data Storage & Storage Networks	6	3	50%	\$1,801	\$405	0.8x	2	10.9%	24.3%	39.5%	1
Q3 '07	Data Storage & Storage Networks	5	3	60%	\$508	\$200	30.5x	2	5.7%	4.0%	5.7%	1
Q4 '07	Data Storage & Storage Networks	2	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q1 '08	Data Storage & Storage Networks	3	2	67%	\$244	\$122	0.5x	1	42.6%	20.3%	42.1%	1
Q2 '08	Data Storage & Storage Networks	2	1	50%	\$3	\$3	NA	0	NA	NA	NA	0
Q3 '08	Data Storage & Storage Networks	3	2	67%	\$355	\$178	0.2x	1	(73.9)%	(77.4)%	(89.0)%	1
Q4 '08	Data Storage & Storage Networks	3	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q1 '09	Data Storage & Storage Networks	3	1	33%	\$270	\$270	NA	0	NA	NA	NA	0
Q2 '09	Data Storage & Storage Networks	3	2	67%	\$2,666	\$1,333	4.4x	2	31.5%	37.8%	94.1%	1
Q3 '09	Data Storage & Storage Networks	5	2	40%	\$66	\$33	0.9x	1	NA	NA	NA	0
Q4 '09	Data Storage & Storage Networks	1	1	100%	\$1,304	\$1,304	2.1x	1	24.5%	17.8%	45.4%	1
Q1 '10	Data Storage & Storage Networks	6	3	50%	\$14	\$2	12.0x	1	NA	NA	NA	0
Q2 '10	Data Storage & Storage Networks	3	2	67%	\$54	\$27	NA	0	NA	NA	NA	0
Total	Data Storage & Storage Networks	46	23	50%	\$7,342	\$41	0.9x	11	17.7%	19.0%	40.8%	6

Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.

1) Based on median revenue multiple and stock premium data where available.

Appendix – Q2 Equipment M&A Data

Quarter	Sector	# of Deals		% w/ Ann.	Trans Value		Revenue	Deals w/	Stock Premium to ⁽¹⁾			Deals w/
		Total	Ann. Value	Value	Total	Median	Multiple ⁽¹⁾	Rev. Mult.	1 Day	1 Week	1 Month	Prem Info
Q1 '07	VoIP & IMS	3	2	67%	\$258	\$129	1.5x	1	37.3%	30.0%	31.6%	1
Q2 '07	VoIP & IMS	6	3	50%	\$8,913	\$721	1.3x	2	7.8%	17.9%	19.6%	2
Q3 '07	VoIP & IMS	1	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q4 '07	VoIP & IMS	5	2	40%	\$72	\$36	2.7x	1	NA	NA	NA	0
Q1 '08	VoIP & IMS	3	2	67%	\$299	\$150	3.3x	2	NA	NA	NA	0
Q2 '08	VoIP & IMS	2	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q3 '08	VoIP & IMS	5	4	80%	\$34	\$4	NA	0	NA	NA	NA	0
Q4 '08	VoIP & IMS	3	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q1 '09	VoIP & IMS	3	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q2 '09	VoIP & IMS	3	2	67%	\$70	\$35	5.5x	1	NA	NA	NA	0
Q3 '09	VoIP & IMS	1	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q4 '09	VoIP & IMS	2	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q1 '10	VoIP & IMS	2	1	50%	\$0	\$0	NA	0	NA	NA	NA	0
Q2 '10	VoIP & IMS	3	2	67%	\$50	\$25	0.5x	1	26.3%	26.3%	8.2%	1
Total	VoIP & IMS	42	18	43%	\$9,697	\$30	1.5x	8	17.5%	27.1%	19.9%	4
Q1 '07	Audio/Video	21	8	38%	\$1,431	\$24	3.6x	4	7.8%	9.6%	9.5%	3
Q2 '07	Audio/Video	17	7	41%	\$717	\$33	1.8x	6	(2.2)%	7.1%	4.7%	1
Q3 '07	Audio/Video	21	14	67%	\$3,146	\$19	2.3x	5	28.1%	24.7%	19.0%	2
Q4 '07	Audio/Video	21	13	62%	\$335	\$13	1.2x	3	28.2%	28.2%	38.9%	1
Q1 '08	Audio/Video	16	6	38%	\$61	\$4	NA	0	NA	NA	NA	0
Q2 '08	Audio/Video	11	5	45%	\$391	\$26	0.9x	2	NA	NA	NA	0
Q3 '08	Audio/Video	12	5	42%	\$70	\$17	2.2x	3	154.6%	154.6%	37.5%	1
Q4 '08	Audio/Video	32	17	53%	\$16,446	\$9	0.7x	9	43.8%	31.5%	25.9%	4
Q1 '09	Audio/Video	16	8	50%	\$653	\$33	0.1x	3	53.3%	53.3%	9.5%	1
Q2 '09	Audio/Video	19	6	32%	\$531	\$21	0.4x	3	21.7%	23.3%	89.5%	2
Q3 '09	Audio/Video	15	7	47%	\$3,449	\$6	3.7x	1	24.4%	23.8%	22.4%	1
Q4 '09	Audio/Video	23	12	52%	\$18,111	\$142	1.2x	6	(0.6)%	2.5%	10.9%	3
Q1 '10	Audio/Video	20	9	45%	\$1,452	\$14	0.3x	3	0.0%	0.4%	0.4%	3
Q2 '10	Audio/Video	13	6	46%	\$385	\$11	0.7x	4	31.1%	26.8%	39.0%	1
Total	Audio/Video	257	123	48%	\$47,177	\$16	1.2x	52	24.4%	23.8%	10.9%	23
Q1 '07	Wireless Network	14	10	71%	\$110	\$8	1.3x	4	54.2%	39.9%	44.4%	1
Q2 '07	Wireless Network	10	7	70%	\$218	\$33	2.5x	2	NA	NA	NA	0
Q3 '07	Wireless Network	16	6	38%	\$58	\$5	9.3x	2	27.3%	27.3%	23.5%	1
Q4 '07	Wireless Network	13	7	54%	\$777	\$80	1.2x	5	38.4%	38.4%	40.8%	1
Q1 '08	Wireless Network	7	4	57%	\$43	\$7	0.7x	3	NA	NA	NA	0
Q2 '08	Wireless Network	4	3	75%	\$226	\$72	2.4x	1	NA	NA	NA	0
Q3 '08	Wireless Network	12	3	25%	\$33	\$5	NA	0	NA	NA	NA	0
Q4 '08	Wireless Network	6	4	67%	\$12	\$3	NA	0	(50.0)%	(51.7)%	(62.3)%	1
Q1 '09	Wireless Network	8	4	50%	\$136	\$9	0.3x	1	77.3%	53.3%	69.2%	1
Q2 '09	Wireless Network	8	2	25%	\$665	\$333	1.4x	1	NA	NA	NA	0
Q3 '09	Wireless Network	13	5	38%	\$1,161	\$11	1.1x	2	NA	NA	NA	0
Q4 '09	Wireless Network	14	8	57%	\$3,630	\$44	6.2x	4	21.7%	27.0%	30.3%	2
Q1 '10	Wireless Network	6	1	17%	\$73	\$73	3.5x	1	70.4%	64.3%	135.9%	1
Q2 '10	Wireless Network	9	3	33%	\$106	\$41	8.1x	3	45.6%	51.5%	37.6%	1
Total	Wireless Network	140	67	48%	\$7,250	\$11	1.8x	29	38.4%	38.4%	40.8%	9

Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.

1) Based on median revenue multiple and stock premium data where available.

Appendix – Q2 Equipment M&A Data

Quarter	Sector	# of Deals		%w/ Ann.	Trans Value		Revenue	Deals w/	Stock Premium to ⁽¹⁾			Deals w/
		Total	Ann. Value	Value	Total	Median	Multiple ⁽¹⁾	Rev. Mult.	1 Day	1 Week	1 Month	Prem Info
Q1 '07	Satellite & GPS	7	2	29%	\$94	\$47	1.3x	1	NA	NA	NA	0
Q2 '07	Satellite & GPS	11	4	36%	\$66	\$10	1.0x	2	NA	NA	NA	0
Q3 '07	Satellite & GPS	8	5	63%	\$556	\$38	3.4x	3	26.4%	31.3%	37.4%	1
Q4 '07	Satellite & GPS	4	1	25%	\$15	\$15	0.4x	1	NA	NA	NA	0
Q1 '08	Satellite & GPS	2	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q2 '08	Satellite & GPS	4	3	75%	\$270	\$45	1.1x	2	48.6%	45.2%	30.7%	1
Q3 '08	Satellite & GPS	5	1	20%	\$0	\$0	NA	0	NA	NA	NA	0
Q4 '08	Satellite & GPS	9	5	56%	\$138	\$20	1.2x	1	50.9%	50.9%	67.3%	1
Q1 '09	Satellite & GPS	3	2	67%	\$18	\$9	1.1x	1	NA	NA	NA	0
Q2 '09	Satellite & GPS	4	2	50%	\$133	\$67	0.5x	1	NA	NA	NA	0
Q3 '09	Satellite & GPS	5	3	60%	\$63	\$8	2.6x	2	354.5%	389.5%	297.7%	1
Q4 '09	Satellite & GPS	6	4	67%	\$25	\$3	NA	0	NA	NA	NA	0
Q1 '10	Satellite & GPS	6	4	67%	\$65	\$15	1.4x	3	NA	NA	NA	0
Q2 '10	Satellite & GPS	1	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Total	Satellite & GPS	75	36	48%	\$1,443	\$17	1.3x	17	49.7%	48.0%	52.3%	4
Q1 '07	Wireless Handset	3	1	33%	\$8	\$8	NA	0	NA	NA	NA	0
Q2 '07	Wireless Handset	9	5	56%	\$63	\$5	5.6x	1	NA	NA	NA	0
Q3 '07	Wireless Handset	1	1	100%	\$2	\$2	NA	0	NA	NA	NA	0
Q4 '07	Wireless Handset	3	2	67%	\$21	\$10	0.8x	1	NA	NA	NA	0
Q1 '08	Wireless Handset	3	3	100%	\$370	\$100	2.0x	1	29.9%	39.9%	57.7%	1
Q2 '08	Wireless Handset	2	1	50%	\$279	\$279	NA	0	NA	NA	NA	0
Q3 '08	Wireless Handset	3	3	100%	\$236	\$31	NA	0	NA	NA	NA	0
Q4 '08	Wireless Handset	1	1	100%	\$51	\$51	NA	0	NA	NA	NA	0
Q1 '09	Wireless Handset	1	1	100%	\$0	\$0	NA	0	NA	NA	NA	0
Q2 '09	Wireless Handset	1	1	100%	\$1	\$1	NA	0	NA	NA	NA	0
Q3 '09	Wireless Handset	4	3	75%	\$19	\$6	NA	0	NA	NA	NA	0
Q4 '09	Wireless Handset	3	2	67%	\$201	\$101	NA	0	NA	NA	NA	0
Q1 '10	Wireless Handset	2	1	50%	\$23	\$23	1.7x	1	NA	NA	NA	0
Q2 '10	Wireless Handset	3	2	67%	\$1,819	\$910	1.4x	2	22.6%	17.3%	46.2%	1
Total	Wireless Handset	39	27	69%	\$3,095	\$14	1.7x	6	26.3%	28.6%	51.9%	2
Q1 '07	Servers/Computing	3	1	33%	\$3	\$3	0.0x	1	NA	NA	NA	0
Q2 '07	Servers/Computing	2	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q3 '07	Servers/Computing	2	2	100%	\$241	\$121	0.1x	1	NA	NA	NA	0
Q4 '07	Servers/Computing	3	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q1 '08	Servers/Computing	2	1	50%	\$1	\$1	NA	0	NA	NA	NA	0
Q2 '08	Servers/Computing	3	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q3 '08	Servers/Computing	5	1	20%	\$34	\$34	1.0x	1	NA	NA	NA	0
Q4 '08	Servers/Computing	2	1	50%	\$1	\$1	NA	0	NA	NA	NA	0
Q1 '09	Servers/Computing	1	1	100%	\$25	\$25	0.1x	1	220.5%	155.1%	180.9%	1
Q2 '09	Servers/Computing	2	1	50%	\$8,342	\$8,342	0.4x	1	42.0%	42.2%	17.3%	1
Q3 '09	Servers/Computing	1	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q4 '09	Servers/Computing	1	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q1 '10	Servers/Computing	0	0	NA	\$0	NA	NA	0	NA	NA	NA	0
Q2 '10	Servers/Computing	0	0	NA	\$0	NA	NA	0	NA	NA	NA	0
Total	Servers/Computing	27	8	30%	\$8,647	\$30	0.1x	5	131.3%	98.7%	99.1%	2

Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.

1) Based on median revenue multiple and stock premium data where available.

Appendix – Q2 Equipment M&A Data

Quarter	Sector	# of Deals		%w/ Ann.	Trans Value		Revenue	Deals w/	Stock Premium to ⁽¹⁾			Deals w/
		Total	Ann. Value	Value	Total	Median	Multiple ⁽¹⁾	Rev. Mult.	1 Day	1 Week	1 Month	Prem Info
Q1 '07	Consumer Electronics	1	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q2 '07	Consumer Electronics	1	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q3 '07	Consumer Electronics	3	2	67%	\$1,083	\$541	0.8x	2	12.7%	11.9%	6.1%	2
Q4 '07	Consumer Electronics	4	4	100%	\$582	\$15	0.3x	3	NA	NA	NA	0
Q1 '08	Consumer Electronics	2	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q2 '08	Consumer Electronics	0	0	NA	\$0	NA	NA	0	NA	NA	NA	0
Q3 '08	Consumer Electronics	2	1	50%	\$7	\$7	NA	0	NA	NA	NA	0
Q4 '08	Consumer Electronics	2	1	50%	\$580	\$580	0.1x	1	NA	NA	NA	0
Q1 '09	Consumer Electronics	0	0	NA	\$0	NA	NA	0	NA	NA	NA	0
Q2 '09	Consumer Electronics	2	1	50%	\$2	\$2	0.2x	1	(26.0)%	(7.5)%	(53.8)%	1
Q3 '09	Consumer Electronics	3	1	33%	\$42	\$42	NA	0	NA	NA	NA	0
Q4 '09	Consumer Electronics	7	4	57%	\$49	\$15	1.4x	2	366.7%	320.0%	342.1%	1
Q1 '10	Consumer Electronics	2	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q2 '10	Consumer Electronics	2	1	50%	\$90	\$90	NA	0	NA	NA	NA	0
Total	Consumer Electronics	31	15	48%	\$2,435	\$18	0.3x	9	12.7%	11.9%	6.1%	4
Q1 '07	Components & Subsystems	17	7	41%	\$395	\$55	2.7x	3	NA	NA	NA	0
Q2 '07	Components & Subsystems	18	9	50%	\$3,195	\$7	1.1x	7	12.2%	11.9%	13.8%	4
Q3 '07	Components & Subsystems	15	12	80%	\$1,422	\$11	1.1x	4	17.5%	33.9%	28.8%	1
Q4 '07	Components & Subsystems	10	4	40%	\$193	\$52	1.3x	2	NA	NA	NA	0
Q1 '08	Components & Subsystems	17	8	47%	\$51	\$4	NA	0	NA	NA	NA	0
Q2 '08	Components & Subsystems	10	4	40%	\$692	\$124	1.1x	3	5.6%	3.2%	30.1%	1
Q3 '08	Components & Subsystems	11	6	55%	\$69	\$3	0.5x	1	NA	NA	NA	0
Q4 '08	Components & Subsystems	5	2	40%	\$3	\$1	0.2x	1	NA	NA	NA	0
Q1 '09	Components & Subsystems	11	5	45%	\$150	\$28	NA	0	NA	NA	NA	0
Q2 '09	Components & Subsystems	10	7	70%	\$97	\$10	1.1x	3	NA	NA	NA	0
Q3 '09	Components & Subsystems	6	3	50%	\$367	\$6	1.6x	1	NA	NA	NA	0
Q4 '09	Components & Subsystems	9	6	67%	\$265	\$35	1.6x	3	25.8%	45.1%	35.0%	2
Q1 '10	Components & Subsystems	9	5	56%	\$228	\$41	1.2x	2	28.0%	29.9%	33.8%	1
Q2 '10	Components & Subsystems	15	11	73%	\$1,530	\$20	0.8x	5	69.5%	67.4%	71.0%	2
Total	Components & Subsystems	163	89	55%	\$8,657	\$16	1.1x	35	17.5%	22.1%	28.8%	11
Q1 '07	ODMs & EMS	1	1	100%	\$37	\$37	0.2x	1	(18.4)%	(13.4)%	(18.4)%	1
Q2 '07	ODMs & EMS	4	3	75%	\$5,109	\$747	0.8x	2	8.8%	8.6%	12.7%	2
Q3 '07	ODMs & EMS	2	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q4 '07	ODMs & EMS	4	2	50%	\$19	\$9	0.2x	2	(14.6)%	(8.4)%	1.0%	2
Q1 '08	ODMs & EMS	5	2	40%	\$160	\$80	NA	0	NA	NA	NA	0
Q2 '08	ODMs & EMS	1	1	100%	\$10	\$10	0.9x	1	NA	NA	NA	0
Q3 '08	ODMs & EMS	4	1	25%	\$29	\$29	0.9x	1	NA	NA	NA	0
Q4 '08	ODMs & EMS	7	1	14%	\$8	\$8	0.3x	1	NA	NA	NA	0
Q1 '09	ODMs & EMS	1	1	100%	\$12	\$12	2.1x	1	NA	NA	NA	0
Q2 '09	ODMs & EMS	2	2	100%	\$21	\$11	NA	0	NA	NA	NA	0
Q3 '09	ODMs & EMS	2	0	0%	\$0	NA	NA	0	NA	NA	NA	0
Q4 '09	ODMs & EMS	5	3	60%	\$116	\$15	0.3x	2	(48.2)%	(50.3)%	(45.5)%	2
Q1 '10	ODMs & EMS	2	2	100%	\$37	\$18	0.3x	2	NA	NA	NA	0
Q2 '10	ODMs & EMS	9	1	11%	\$54	\$54	NA	0	NA	NA	NA	0
Total	ODMs & EMS	49	20	41%	\$5,612	\$23	0.3x	13	(9.0)%	(12.8)%	(3.4)%	7

Note: Transaction Value calculated as consideration paid to holders of stock and stock equivalents plus assumed debt.

1) Based on median revenue multiple and stock premium data where available.



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