

ASIAN TECHNOLOGY NEWSLETTER

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A Quarterly newsletter of developments in the technology sector

We hope that you find the Asian Technology Newsletter informative.

Business Development Asia (“BDA”) is an investment banking firm specializing in executing cross-border transactions involving Asia, including acquisitions, divestments, JVs, capital raising and restructuring. We have offices and professional staff throughout Asia, the Middle East, Europe, and the US. If you would like to learn more about how BDA

is positioned to help your business grow through acquisitions, or to achieve maximum value in a divestment or fund raising exercise, please contact us at any one of our offices.

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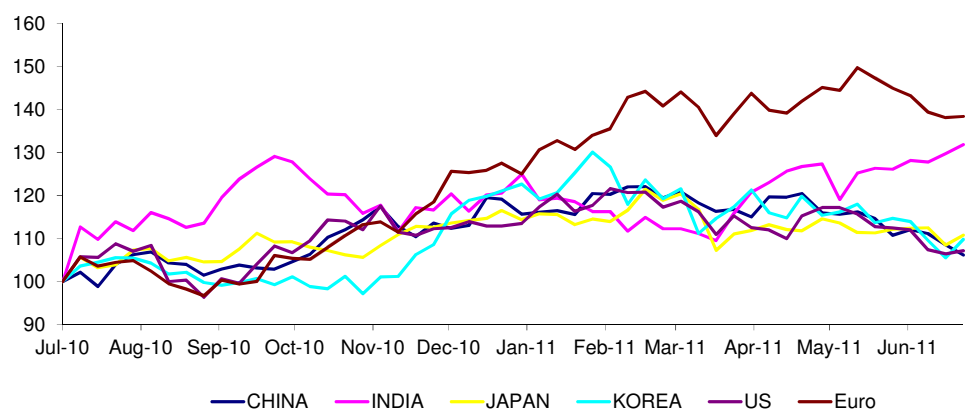
China

Alibaba acquired **CNZZ**, a Chinese provider of internet statistics monitoring, technical research on statistics analysis, and product development and application services, for an undisclosed amount. *May 10, 2011*

A group of private equity investors including **ARC Capital**, **Arch Digital Holding**, **Capital Ally Investments** and **GM Investment**, agreed to acquire the remaining 23% which they did not already own of **Funtalk**, a Chinese retailer and wholesale distributor of mobile communications devices, accessories and content, for US\$98m. *March 25, 2011*

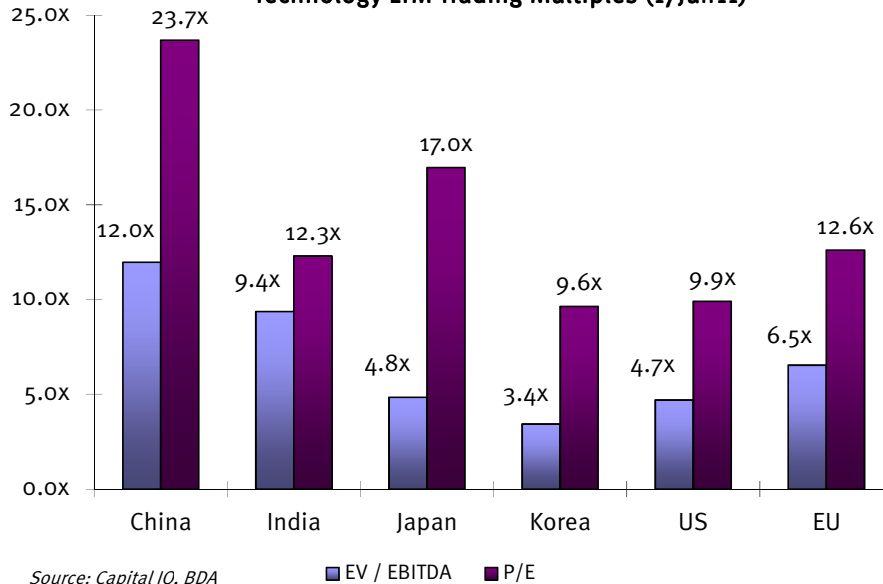
Anjuke.com, a Chinese real estate website providing online brokerage services for second-hand properties, raised US\$50m in its fourth round of funding from **Baidu**, a Chinese internet

Technology Sector Stock Indices (12 months ending 17Jun11)



Source: Capital IQ, BDA

Technology LTM Trading Multiples (17Jun11)



search provider and **Matrix Partners**, a VC firm. *March 7, 2011*

Beijing Venustech, a Chinese network security products provider agreed to acquire **Beijing Leadsec Technology**, a Chinese developer of information security software including firewalls, VPN, UTM, IDS, IPS, anti-virus gateways, security isolation gatekeepers and security management systems, for US\$51m. *May 11, 2011*

Mr. Chen Lihao, the Chairman, and **Mr. Huang Jianyuan**, Vice-Chairman and Deputy General Manager of **Ygsoft**, a Chinese developer of software for the power industry, acquired an additional 16% for US\$75m. *April 7, 2011*

Dianping.com, a Chinese local search and city portal, raised US\$100m in its third round of funding for expansion of its group-buying business, further deployment of mobile internet and for future acquisitions. *April 26, 2011*

Ftuan.com, a Chinese e-commerce platform offering discounted deals,

raised US\$30m through a private placement with VC firm **Tencent Holdings**. *March 21, 2011*

Hon Hai Precision Industry, a Taiwanese electrical products manufacturer, has acquired **Foxconn Precision Electronics**, a Chinese mobile handset manufacturer, through its investment holding company, **Prime Rich Holdings**, for US\$70m. *April 27, 2011*

Ku6 Media, a Chinese online video portal operator, raised US\$100m through a private placement with **Shanda Interactive Entertainment**, a Chinese entertainment media company. *April 1, 2011*

A group of investors including **Milestone Capital**, **Remgro**, **GSR Ventures**, **Norwest Venture Partners**, **Taishan Invest**, **Tenaya Capital**, and **Reinet Fund** invested US\$110m in **Lashou.com**, a Chinese B2C site specializing in discount offers for group purchases. *April 11, 2011*

MobileBest, a Chinese e-payment

application provider, raised US\$50m through a private placement with several large telecom companies.

April 1, 2011

Samsung Electronics agreed to acquire 15% of **Shenzhen Huaxing Photoelectric Technology**, a Chinese manufacturer of liquid crystal display (LCD) panels, for US\$231m. *April 21, 2011*

Hong Kong



China Great Wall Computer, a Chinese manufacturer of computer systems and peripheral products, is acquiring 11% of **TPV Technology**, a Hong Kong-based manufacturer of computer monitors, LCD TVs, and flat screen products, for US\$175m. *May 11, 2011*

Mitsui of Japan acquired an additional 5% of **TPV Technology** for US\$86m. *March 28, 2011*

India



e-Zest Solutions, an Indian software outsourcing company, acquired **Maestro Mobile Services**, an Indian smart phone application development company, for an undisclosed amount. *April 22, 2011*

Franklin Templeton Private Equity invested US\$37m for an undisclosed stake in **SFO Technologies**, an Indian software development and hardware manufacturing firm. *May 25, 2011*

Genpact, an Indian outsourcing company has acquired US-based cloud computing developer **Akritiv Technologies** for an undisclosed amount. *April 13, 2011*

Genpact has acquired **Headstrong**, a

US-based IT consulting and services company with delivery centers in Bengaluru and Delhi, for US\$550m.

May 3, 2011

KPIT Cummins has agreed to acquire 50% of **Systime Global solutions**, an Indian IT consulting service company, for US\$23m. *May 24, 2011*

Matrix Cellular Services, an Indian telecom solutions provider for foreign travelers, raised US\$30m from private equity investor **CX Partners**.

March 28, 2011

Matrix Partners, a private equity investor, acquired an undisclosed stake in **Chetas Control Systems**, an India ultrasonic flow metering technology company, for US\$13m. *April 25, 2011*

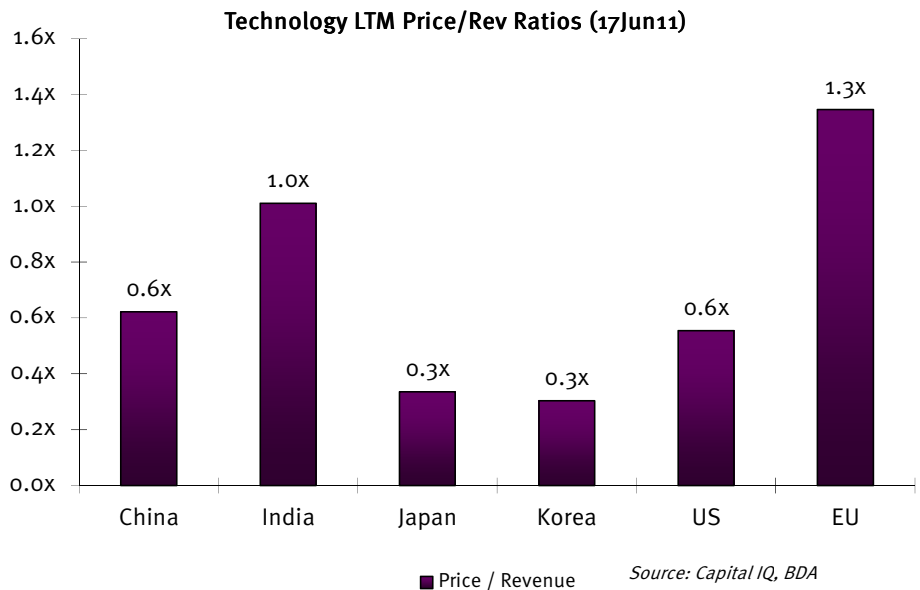
Polaris Software, an Indian financial technology company, acquired 85% of **IdenTrust**, a US-based provider of digital identity authentication services to several key banks, US federal identity programs, and supply chain markets.

April 27, 2011

Schneider Electric acquired the **Digilink Business**, comprising of structures cabling products, from **Smartlink Network Systems**, for US\$113m. *March 31, 2011*

PE firms **Sequoia Capital** and **IDG Ventures India** are making investments of US\$5m each in **Sourcebits**, an Indian third-party developer of mobile applications. *May 11, 2011*

Sprint Nextel and **Persistent Systems**, an Indian outsourced product development firm, have formed a JV for providing national long distance, international long distance, internet services and managed network



services. *April 7, 2011*

Wipro, an Indian IT major, has agreed to acquire the global oil and gas technology services business of **SAIC**, the US-based IT services company, for US\$150m. *April 1, 2011*

Tata Capital, the private equity arm of Indian industrial conglomerate, **Tata group**, invested US\$32m in **Tata Technologies**, another group company providing engineering services outsourcing, product lifecycle management software solutions (PLM), and enterprise resource management services. *May 2, 2011*

Japan

Fuji Electric, a Japanese electrical devices company, raised its stake in **Fujitsu**, the Japanese IT service company, from 5% to 10%, for an undisclosed amount. *April 8, 2011*

H2O Retailing, a Japanese retail company, is raising its stake in **everyD.com**, a Japanese online

platform for delivery service of fresh commodities, from 22% to 72%, for US\$12m. *April 1, 2011*

Komatsu is acquiring the remaining 50% of **Gigaphoton**, a Japanese manufacturer of excimer laser products used for lithography tools, for an undisclosed amount. *April 25, 2011*

Marubeni Corporation, a Japanese trader of various industrial and consumer goods, acquired 33% of **Fusion Communications**, a Japanese communication service provider, for US\$18m. *May 17, 2011*

Marvelous Entertainment, a Japanese entertainment company, agreed to acquire **AQ Interactive**, a Japanese videogame developer, for US\$89m. In another transaction, Marvelous Entertainment also agreed to acquire **Livewire**, a Japanese mobile phone application developer, for US\$7m. *May 10, 2011*

Silicon Graphics International acquired the remaining 90% of **SGL Japan**, a developer of digital contents

lifecycle management, molecular dynamic stimulation and enterprise solutions, from a consortium of investors including **Canon**, **Sony**, **Morgan Stanley and Nomura** among other, for US\$18m. *March 9, 2011*

Software Knowledge, a Japanese provider of professional outsourced staff, is acquiring **Alnes Information Systems**, a Japanese business application software developer, for an undisclosed amount. *May 13, 2011*

Ultizen Games, a Chinese game development and offshore game outsourcing company, acquired **Red Entertainment**, a Japanese character content developer for gaming and animation industries, for an undisclosed amount. *March 31, 2011*

Korea

Private equity investors, **Altos Ventures and Maverick Capital** invested US\$18m in **Coupang**, a Korean website providing collective buying service with daily deals. *March 29, 2011*

Crucialtec, a Korean manufacturer of communication devices, optical trackpads, and LED products, raised US\$28m through a private placement. *May 18, 2011*

Cymer Korea, a photolithographic tool company catering to the semiconductor industry, acquired **eDiag Solutions**, a local provider of software solutions for lithography source performance data mining and analytics for US\$15m. *April 1, 2011*

A group of private investors comprised of **Mr. In-Seok Yeo**, **Mr. Park Joon-Hyung** and **Mr. Kwang Ho Cho** agreed to acquire 18% of **N-Hitech**, a Korean developer, for US\$13m. *March 28, 2011*

Samsung SDS agreed to acquire 83% of **Miracom**, a Korean manufacturing operation management and enterprise solutions company, for an undisclosed amount. *March 22, 2011*

Seagate, a US global computer storage device major is acquiring the hard disk drive operations of **Samsung Electronics**, for US\$1.5bn. *April 19, 2011*

Uniconverse, a Korean IT and voice over internet protocol (VoIP) company, acquired 27% of **Topas**, a Korean travel information system website operator for airlines industry, for US\$17m. *April 29, 2011*

Malaysia

Green Packet Berhad, a Malaysian telecom and network solutions company, is investing US\$20 in **Packet One Networks**, a local wireless internet service provider. *May 16, 2011*

Singapore

Chuan Hup, an investment holding company providing marine transportation services to the mining and energy sectors, is acquiring the remaining 58% of **PCI**, a Singaporean provider of electronics manufacturing services to technology companies, for US\$46m. *May 5, 2011*

SMB United, a Singaporean manufacturer of electrical equipment and components, is acquiring the remaining 40% of **EDMI**, a local electronic revenue meters manufacturer, for US\$25m. *March 28, 2011*

Silverlake Axis, a Malaysian banking solutions company, is acquiring **Isis International**, a Singaporean banking technology software company, for US\$14m. *March 28, 2011*

Taiwan

KKR, along with **Mr. Pierre TM Chen**, the Chairman and his family, are acquiring the remaining 82% of **Yageo**, a Taiwanese passive components manufacturer, for US\$1.3bn. *April 6, 2011*

Mediatek, a Taiwanese fables semiconductor company, is acquiring **Ralink Technology**, another local semiconductor company, for US\$600m. *March 16, 2011*

TPK Universal Solutions, a manufacturer of transparent projected-capacitive touch technology components, is acquiring 20% of **Condo Corporation**, a Taiwanese manufacturer of optical communication coater components and ITO glass, for US\$193m. *May 18, 2011*

Vietnam

eBay acquired 20% of **Peacesoft Solutions**, a Vietnamese provider of online content management software for an undisclosed amount. It also provides video-conferencing and operates an online auction web site. *March 18, 2011*

VimpelCom, a Dutch telecom service provider increased its stake in **GTEL-Mobile**, a Vietnamese mobile telecommunication service provider, from 40% to 49%, for US\$196m. *April 26, 2011*

A consortium of investors comprised of **Western Commercial Joint Stock Bank**, **Investment Arm and Saigon Telecommunication & Technologies** is acquiring 40% of **S- Telecom**, a provider of CDMA phone service in Vietnam, for an undisclosed amount. *April 18, 2011*

Asian Technology Transactions with Multiples (12 months ending 23Jun11)

Announce Date	Target Name	Target Country	Acquirer Name	Acquirer Country	Deal Value	Percentage Acquired	EV / EBITDA	EV / Revenue	P/E
26-Apr-11	Samshin Circuit	Korea	Isupetasys	Korea	\$11.1	66.0%	-	0.3x	-
25-Mar-11	TPV Technology	Hong Kong	Mitsui & Co.	Japan	\$85.7	5.0%	7.7x	0.2x	6.6x
14-Feb-11	Sinosoft Technology	China	Alibaba.com	China	\$25.8	25.0%	28.1x	6.2x	-
23-Dec-10	Hyundai Information Technology	Korea	Lotte Data Communication	Korea	\$88.9	52.3%	9.3x	0.6x	NM
9-Dec-10	Aaeon Technology	Taiwan	ShuoYang Technology	Taiwan	\$171.3	93.3%	10.1x	1.8x	12.6x
2-Dec-10	Invoice Inc.	Japan	MBK Partners	Korea	\$244.2	72.7%	4.7x	0.2x	4.9x
26-Nov-10	Sammy Networks	Japan	Sega Sammy Holdings	Japan	\$103.7	45.3%	2.8x	1.1x	15.4x
22-Nov-10	Kale Consultants	India	Accelya World SL	France	\$21.0	37.9%	7.2x	1.4x	9.9x
1-Oct-10	Trendchip Technologies Corp	Taiwan	Ralink Technology	Taiwan	\$192.9	100.0%	16.5x	1.8x	20.9x
31-Aug-10	AGC Networks	India	Essar Capital	India	\$44.2	59.1%	6.4x	0.6x	10.4x
27-Aug-10	Kook Je Electric Korea	Korea	Hitachi Kokusai Electric	Japan	\$22.2	25.0%	142.5x	1.8x	41.5x
5-Aug-10	Universal Scientific Industrial	Taiwan	Advanced Semiconductor Engineering Inc	Japan	\$146.9	20.2%	5.1x	0.3x	10.5x
2-Aug-10	EEMS Test Singapore	Singapore	ASE Singapore	Singapore	\$67.3	100.0%	3.8x	1.5x	18.9x
29-Jul-10	Gamehi	Korea	Nexon Corp	Korea	\$47.3	23.3%	13.3x	5.9x	58.7x
19-Jul-10	Unidux Inc	Japan	Avnet Japan Co	Japan	\$181.3	94.6%	23.2x	0.3x	52.1x
2-Jul-10	Joymax Co	Korea	Wemade Entertainment	Japan	\$57.7	25.5%	12.8x	5.9x	18.7x
28-Jun-10	Full Speed Inc	Japan	FreeBit.com	Japan	\$23.4	50.3%	9.6x	0.6x	-
28-Jun-10	Tangshan Jingyuan Yufeng Electronics	China	Tongfang	China	\$41.0	25.0%	15.9x	4.2x	37.2x
14-May-10	NamKwang Engineering & Constr	Korea	Taihan Electric Wire	Korea	\$26.5	15.3%	13.0x	0.7x	-
28-Apr-10	Perduren	Malaysia	TS Law Group	Malaysia	\$8.1	19.5%	18.5x	11.6x	29.3x
15-Apr-10	Knowledge*on Inc	Korea	AUK Corp	Korea	\$48.7	100.0%	3.9x	1.0x	5.0x
2-Apr-10	Intelligent Wave Inc	Japan	Dai Nippon Printing	Japan	\$36.8	50.6%	9.9x	1.1x	26.0x
31-Mar-10	Galaxy Far East Corp	Taiwan	Macnica Chungju	Taiwan	\$25.3	59.3%	4.7x	0.2x	10.1x
24-Mar-10	Global Brands Manufacture	Taiwan	HannStar Board Corp	Taiwan	\$149.0	40.7%	6.5x	0.5x	14.3x
5-Mar-10	Barun Electronics	Korea	Korea Data Communications	Korea	\$19.4	30.0%	14.4x	0.7x	124.3x
18-Feb-10	Cyberdigm	Korea	BokwangcyBerdigm	Korea	\$10.5	15.9%	77.4x	8.2x	117.0x
12-Feb-10	Atlus	Japan	Index Holdings	Japan	\$26.7	37.8%	1.3x	0.2x	27.4x
8-Feb-10	Cuzco LBE	Korea	A-motion	Korea	\$34.3	24.3%	12.4x	1.0x	20.3x
29-Jan-10	TPV Technology	Hong Kong	Investor Group	Japan	\$291.1	18.5%	7.3x	0.2x	10.0x
				Median	\$44.2	37.9%	9.8x	1.0x	18.8x

Business Development Asia is an investment banking firm which assists multinational companies in expanding their businesses in Asia through acquisitions, divestments, JVs and capital raising. For further information on BDA's services or on any of the articles in this newsletter, please contact the offices listed.

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