

ASIAN TECHNOLOGY NEWSLETTER

SEPTEMBER 2010, ISSUE 64

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.

Andrew Huntley
Senior Managing Director,
ahuntley@bdallc.com

CONTENTS

CHINA.....	1
HONG KONG.....	2
INDIA.....	3
INDONESIA.....	3
JAPAN.....	3
KOREA.....	4
MALAYSIA.....	4
SINGAPORE.....	4
TAIWAN.....	5

China

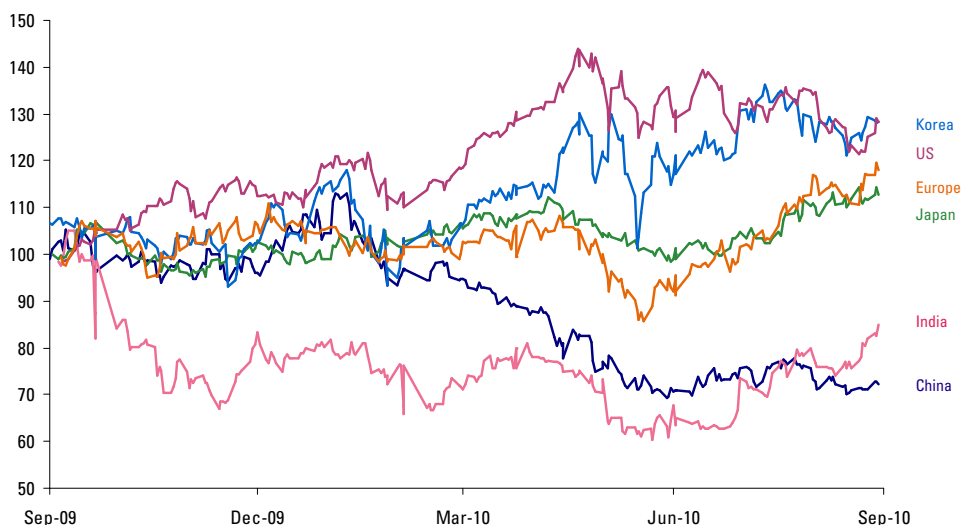
Anhui Wantong Technology, a Chinese IT systems integration company, is acquiring **Yantai Huadong Electric Software Technology**, a Chinese software development company and a wholly-owned unit of **Yantai Huadong Electric Science & Technology**. *July 30, 2010*

Beijing Shiji Information Technology, a Chinese hotel information software systems company, has acquired **Nanjing SilverStone Computer System**, a Chinese financial software developer, for US\$9m. *July 3, 2010*

Chai Guoqiang has acquired 93.25% of **Shanghai University Yoshiba Information Technology**, a Chinese computer software developer, for an undisclosed amount. *June 3, 2010*

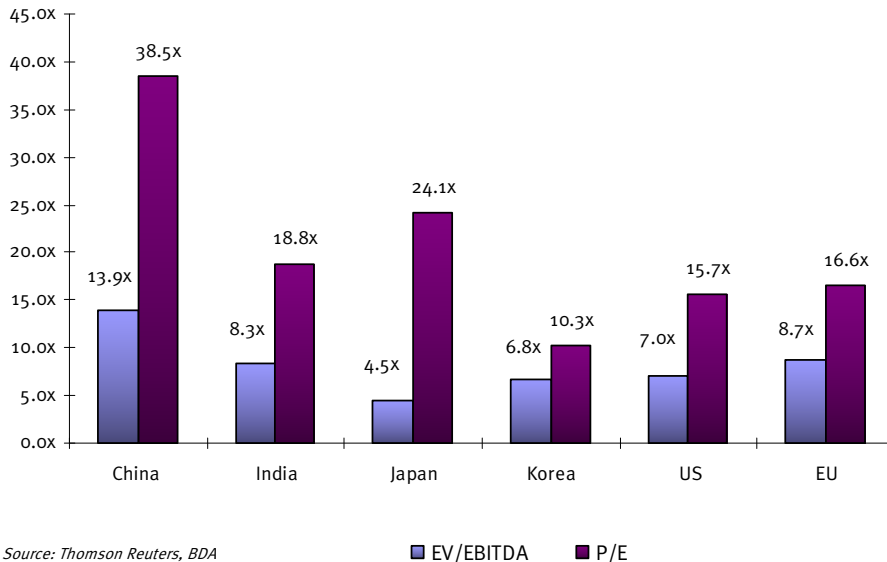
Changyuan Group, a Chinese power grid equipment manufacturer, is increasing its

Technology Stock Indices for Selected Countries (12 months ending 10Sep10)



Source: Thomson Reuters, BDA

Technology Trading Multiples for Selected Countries (15Sep10)



stake in **Shenzhen Nari Technologies**, a manufacturer of automation systems, by 15% to 53.33% for US\$37m. *June 11, 2010*

Chengdu Yuanhong Venture Capital is acquiring 4.63% of **BesTV**, a Chinese provider of internet protocol television, for US\$12m. *July 1, 2010*

ChinaVision Media Group, a Hong Kong media company, has acquired 50% of an undisclosed Chinese internet services provider, for US\$100m. *August 1, 2010*

Founder International, an antivirus and security software JV between Peking University Founder Group and an undisclosed partner, is acquiring **Beijing Founder Order Computer Systems**, a software development firm, for US\$6m. *June 24, 2010*

HiSoft, Chinese global IT outsourcing company, announced its acquisition of **Insurance Systems Laboratory**, an IT consulting firm focused on the insurance industry, for an undisclosed amount. *July 1, 2010*

Huayi Brothers Media, a Chinese movie

company, is acquiring 22% of **Beijing Ourpalm**, a developer of mobile games software, for US\$21m. *June 22, 2010*

Hurray! Holding Company is acquiring online audio business of **Shanda Interactive Entertainment**, an online games provider, for US\$14m. In exchange, Shanda will acquire Hurray!'s recorded music and wireless value-added services businesses for US\$37m. *June 1, 2010*

Kunming Tianhe Doute Industrial Group acquired **Wuxi Wanfang Telecommunication Technology**, a Chinese provider of telecommunication services, for US\$27m. *July 15, 2010*

An investor group comprised of **Lotte Shopping** and **Lotte Midopa**, a unit of **Dainong Corp**, will acquire 63.2% of **LuckyPai**, an operator of television shopping stations, for US\$130m. *June 1, 2010*

Ningbo Ligong Online Monitoring Tech, a Chinese company specializing in online monitoring of high-voltage equipment in electricity generation and

transformation, is acquiring **Hangzhou Thunderbird Software**, a Chinese software development company, for US\$9m. *June 24, 2010*

Silver Lake Partners, a unit of US-based **Silver Lake Management**, has agreed to acquire 62% of **Allyes Online Media Holdings**, a Chinese provider of online marketing and advertising services, for US\$124m. *July 30, 2010*

UFIDA Software, a Chinese developer of internet-based management software and solutions, is acquiring **Infoservice Information Technology**, a Chinese auto industry applications and solutions software developer, for US\$72m. *June 18, 2010*

US Wireless Online, a US-based wireless internet access provider, is acquiring **Vu365**, a Chinese internet software developer and a wholly-owned unit of **Beijing Zhengleja Technology**. *July 6, 2010*

Hong Kong

FTSE International, a UK-based stock market indices provider, is acquiring the remaining 50% interest it did not already own in **FTSE/Xinhua Index**, the real time financial information services JV it formed with **Xinhua News Agency**, for US\$40m. *July 7, 2010*

Ingram Micro, a US-based tech distributor, acquired **Asiasoft Hong Kong**, an IT service provider, for an undisclosed sum. *July 2, 2010*

MAXX Capital International acquired 52.65% of **Finet Group**, a Hong Kong-based financial IT services provider, for US\$8m. *August 4, 2010*

India

Accentia Technologies, an Indian BPO firm, is acquiring an undisclosed stake in **IQ Group**, a UK-based communication and computing solutions provider for the healthcare sector. *June 1, 2010*

Aditya Birla Minacs Worldwide, the BPO arm of **Aditya Birla Nuvo**, has acquired **Bureau of Collections Recovery**, a US-based accounts receivables management company. *June 2, 2010*

Bharti Airtel, an Indian telecoms company, has agreed to acquire **Telecom Seychelles** for US\$62m. *August 11, 2010*

Essar Group, an Indian conglomerate, is acquiring a majority stake in **ACG Networks**, the India unit of global BPO firm **Avaya**, for US\$44m. *May 30, 2010*

HCL Infosystems, an Indian India's hardware, IT services and ICT systems integration company, has acquired 60% of **NTS Group**, a Dubai-based IT services and solutions provider, for US\$7m. *July 9, 2010*

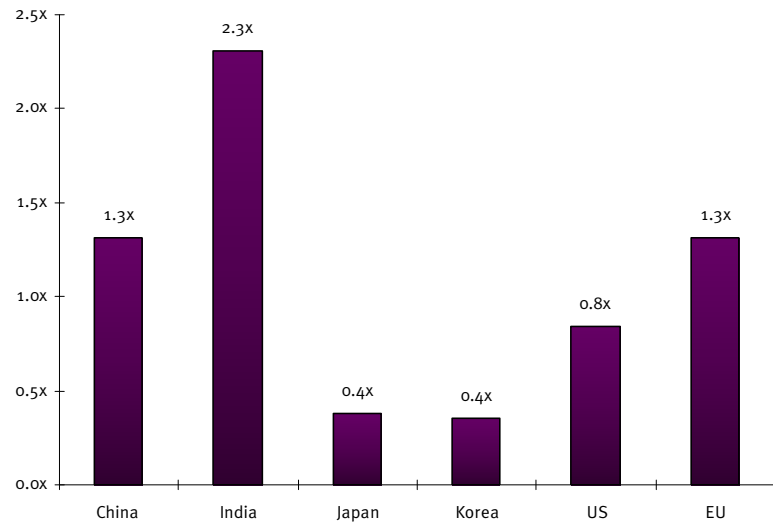
IMImobile, an Indian mobile value-added services company, has increased its stake to 50.26% in the UK-based mobile applications company **WIN**. *August 3, 2010*

Midday Infomedia, an Indian multimedia company, is acquiring the assets of **SnatchKing Online**, an Indian online classifieds technology company, for an undisclosed amount. *July 28, 2010*

NTT Data Corp, a Japanese systems integration and IT consulting company, is acquiring **Intelligroup**, a US-based enterprise software implementation firm with a large Indian footprint, for US\$199m. *June 14, 2010*

Qualcomm, the US-based mobile chip

Technology EV/Revenue for Selected Countries (15Sep10)



Source: Thomson Reuters, BDA

maker, has agreed to sell 26% of its India broadband venture to Indian firms **Global Holdings** and **Tulip Telecom**, for US\$58m. *July 30, 2010*

Reliance Communications, an Indian CDMA & GSM service provider, is acquiring **Digicable**, India's largest cable TV service provider. The combined entity will be called Reliance DigiCom and will be Asia's largest, and the world's fifth largest company, to offer digital TV, ultra high-speed broadband and voice. *July 1, 2010*

Reliance Industries, an Indian conglomerate, has agreed to acquire 95% of **Infotel Broadband Services** for US\$1bn. *June 12, 2010*

Tejas Networks, an Indian optical networking products manufacturer, acquired **Ethos Networks**, an Israeli hi-tech company specializing in carrier ethernet and network management products, for an undisclosed amount. *June 8, 2010*

Ybrant Digital, an Indian digital marketing solutions firm, is buying **Lycos**, a US-based

subsidiary Korean company **Daum Communications**, for US\$36m. *August 16, 2010*

Indonesia

East Ventures, a Singaporean company focusing on Internet business ventures, acquired 15% of **Urbanesia.com**, an Indonesian provider of city lifestyle directory services based in web 2.0. *June 2, 2010*

Yahoo! acquired **Koprol**, an Indonesian online social networking services provider, for an undisclosed sum. *May 25, 2010*

Japan

Blackstone Group acquired 6% of **eMobile**, a Japanese mobile broadband service provider, for US\$183m. Existing investor, **Goldman Sachs**, and the parent company, **eAccess**, also injected US\$190m

and US\$130m, respectively. *May 17, 2010*
Daitec Holding, a Japanese provider of computer-aided design software and point-of-sale systems, is launching a tender offer to raise its stake to 47.5% by acquiring 26.1% of **Fukui Computer**, a Japanese software developer and wholesaler, for US\$16m. *August 13, 2010*

FreeBit, Japanese online service provider, acquired 50.3% of **Full Speed**, a Japanese web advertising firm, for US\$24m. *June 28, 2010*

Fujitsu and **Toshiba** have decided to merge their mobile phone businesses. Fujitsu will own 80.1%, and Toshiba will 19.9%. *July 28, 2010*

GMO Hosting & Security, a Japanese web developer, is acquiring **IT Next Holdings**, a Japanese computer server management service provider, for US\$9m. *August 9, 2010*

GMO Mobile acquired the mobile mail magazine delivery business of **Yumemi Inc**, a Tokyo-based provider of internet mobile content services, for an undisclosed amount. *June 7, 2010*

Internet Initiative Japan has agreed to acquire **AT&T Japan**, a Japanese outsourcing services provider, for US\$101m. *June 1, 2010*

I-O Data Device, a Japanese manufacturer of computer peripheral equipment, plans to raise its stake to 32.8% by acquiring 21.4% of **DigiOn**, a Japanese software development company, for an undisclosed amount. *June 28, 2010*

Marubeni Corp, a Japanese trading company, has agreed to acquire 54.2% of **izts Inc**, a Japanese network design and

operating services provider, for US\$7m. *June 24, 2010*

Nihon Unisys, a Japanese ICT solutions provider, acquired 21.8% of **Netmarks**, a Japanese network system services provider, for US\$11m. *May 21, 2010*

System Support acquired 51% of **T4C**, a Japanese software development company, for an undisclosed amount. *May 25, 2010*

Korea

Abco Electronics, a Korean manufacturer of inductors and resistors for the electronics industry, agreed to acquire 35% of **Joy Planet**, a Korean online games developer. *June 22, 2010*

Aromasoft Corp, a Korean wireless internet platform provider, agreed to acquire 50% of **If Co Ltd**, a Korean online games developer, for US\$31m. *May 24, 2010*

H&C Network, a Korean HR consulting services company, acquired 57% of **Initech**, a Korean e-commerce service provider, for US\$63m. *June 30, 2010*

Neowiz Games, a Korean online games developer and publisher, acquired 48.9% of **CR Space**, a Korean online games developer and publisher, for US\$11m. *May 20, 2010*

Nexon Corp, a Korean video game developer and online games publisher, raised its interest in **Gamehi Company**, a Korean software game developer, by 23.3% to 52.64%, for US\$47m. *July 29, 2010*

Samsung SDC acquired 51% of

TmaxCore, a Korean computer operating systems developer. *June 17, 2010*

Telink Corp, a Korean wireless telecommunication service provider, is merging with **TU Media Corp**, a Korean satellite broadcasting stations owner and operator, in a stock swap transaction. *July 23, 2010*

WeMade Entertainment, a Korean online games and software developer, acquired 25.46% of **Joymax**, also a Korean online games developer, for US\$57m. *July 2, 2010*

Malaysia

Malaysia Venture Capital Management, the state-owned VC company, acquired 23% of **Aexio**, a Malaysian cellular software company specializing in network optimization and operations engineering, for an undisclosed amount. *June 10, 2010*

SK Telecom, a Korean mobile telecommunications operator, acquired 25.8% of **Packet One Networks**, a Malaysian wireless broadband services provider, for US\$100m. *May 27, 2010*

Teknologika Serumpun acquired 25% of **Mexter Technology**, a Malaysian IT company catering to manufacturing, telecommunications, healthcare, and oil and gas industries, for an undisclosed sum. *May 21, 2010*

Singapore

McAfee, a US-based digital security company, has acquired Singaporean mobile security company, **tenCube**, for an

undisclosed sum. *July 30, 2010*

NTT Data, a majority owned unit of Japanese **Nippon Telegraph & Telephone**, acquired 79.7% of **Apex Systems**, a Singaporean provider of system development services, for an undisclosed amount with the aim of expanding its insurance solutions business in Asia. *June 7, 2010*

Taiwan

HTC, a Taiwanese mobile phone manufacturer, acquired **Abaxia**, a French mobile applications developer, for US\$13m. *June 8, 2010*

LG Display, a Korean LCD manufacturer, is forming a JV with two Taiwanese

companies, **Everlight Electronics** and **Amtran Technology**, for LED chip packaging and LED light strip production. The JV will construct a plant in China with an investment of US\$30m. LG Display and Amtran Technology will each own 20% of the JV, and the balance 60% will be held by Everlight Electronics. *June 18, 2010*

The stock indices and trading multiples graphs shown in this newsletter represent the ten largest publicly traded technology companies (by market capitalization) in China, India, Japan, Korea, the EU and the US.

Asian Technology Transactions with Multiples for Selected Countries (12 months ending in 29July10)

Announce Date	Target Name	Target Country	Acquirer Name	Acquirer Country	Deal Value	Acquisition Type	EV / EBITDA	EV / Revenue	P/E
29-Jul-10	Gamehi	Korea	Nexon Corp	Korea	\$47.3	23.3%	13.3x	5.9x	1,012.1x
28-Jun-10	Full Speed Inc	Japan	FreeBit.com	Japan	\$23.4	50.3%	9.6x	0.6x	-
30-May-10	AGC Networks	India	Essar Services Holdings	Mauritius	\$44.5	59.1%	3.7x	0.4x	10.4x
14-May-10	NamKwang Engineering & Constr	Korea	Taihan Electric Wire	Korea	\$26.5	15.3%	13.0x	0.7x	-
19-Apr-10	Universal Scientific Indus Co	Taiwan	Advanced Semiconductor	Taiwan	\$147.0	20.2%	4.9x	0.3x	11.2x
15-Apr-10	Knowledge*on Inc	Korea	AUK Corp	Korea	\$48.7	100.0%	3.9x	1.0x	5.0x
24-Mar-10	Global Brands Manufacture	Taiwan	HannStar Board Corp	Taiwan	\$149.0	40.7%	6.5x	0.5x	14.3x
12-Feb-10	Atlus	Japan	Index Holdings	Japan	\$26.7	37.8%	1.3x	0.2x	27.4x
10-Feb-10	Intelligent Wave Inc	Japan	DNP	Japan	\$38.7	50.6%	18.1x	1.1x	33.6x
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
11-Jan-10	Galaxy Far East Corp	Taiwan	Macnica Chungju	Taiwan	\$24.1	59.3%	6.8x	0.3x	11.8x
14-Dec-09	Catena Corp	Japan	SystemPro	Japan	\$43.5	60.2%	4.1x	0.2x	9.7x
9-Dec-09	Motech Industries Inc	Taiwan	Taiwan Semiconductor Mfg	Taiwan	\$193.1	20.0%	22.0x	1.7x	143.8x
17-Nov-09	Universal Scientific Indl Co	Taiwan	Investor Group	Taiwan	\$452.3	58.6%	4.2x	0.3x	56.8x
14-Nov-09	Chi Mei Optoelectronics Corp	Taiwan	Innolux Display Corp	Taiwan	\$5,139.5	100.0%	13.5x	1.5x	-
10-Nov-09	Sorun Corp	Japan	IT Holdings Corp	Japan	\$209.9	91.5%	4.4x	0.3x	14.2x
4-Nov-09	SJI Inc	Japan	Investor Group	Japan	\$40.0	30.7%	8.0x	0.5x	-
18-Sep-09	Intl Display Solutions	Korea	Leneco	Korea	\$33.2	25.0%	27.8x	1.4x	-
7-Sep-09	Chartered Semiconductor Mngf	Singapore	Advanced Tech Invest Co LLC	Utd Arab Em	\$3,923.2	100.0%	9.8x	2.2x	-
30-Jul-09	VarioSecure Networks Inc	Japan	ACP One Holdings	Japan	\$60.1	97.1%	7.6x	2.7x	16.3x
22-May-09	Kyoshin Technosonic	Japan	USC Corp	Japan	\$28.6	100.0%	1.8x	0.0x	6.2x
7-Nov-08	Sanyo Electric	Japan	Panasonic Corp	Japan	\$4,520.7	50.2%	5.1x	0.4x	9.7x
			Median		\$48.0	50.3%	7.3x	0.5x	14.2x

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.

Andrew Huntley,
Senior Managing Director
ahuntley@bdallc.com

Marc Liu, Associate
mliu@bdallc.com

www.bdallc.com
newsletter@bdallc.com

NEW YORK

Charles Maynard, cmaynard@bdallc.com
Euan Rellie, erellie@bdallc.com
Business Development Asia LLC
1270 Avenue of the Americas, Suite 2310
New York, NY 10020, USA
T (212) 265-5300
F (212) 265-4300

SHANGHAI

Jeffrey Wang, jwang@bdallc.com
Business Development Asia Co Ltd
The Center, #1602, 989 Changle Road
Shanghai, 200031, China
T (86) 21-5407-5580
F (86) 21-5407-5680

SEOUL

Heejun Yang, hyang@bdallc.com
Business Development Asia
21 Floor, S-Tower
116 Sinmunno 1-Ga, Jongno-Gu
Seoul, 110-061, Korea
T (82) 2767-2730
F (82) 2757-2702

MUMBAI

Arun Bagchi, abagchi@bdallc.com
Business Development Asia
898 Notan Plaza, Suite 4A
Turner Road, Bandra (West)
Mumbai, 400050, India
T (91) 22-2643-0290
F (91) 22-2643-0291
F (973) 1758-1483

LONDON

Andrew Huntley, ahuntley@bdallc.com
Business Development Asia Ltd
33 Cavendish Square
London W1G 0PW, United Kingdom
T (44) 20-7182-4518
F (44) 20-7182-4100

HONG KONG

Paul DiGiacomo, pdigiaco@bdallc.com
Business Development Asia (HK)
Suite 905, ICBC Tower
3 Garden Road, Hong Kong
T (852) 2537-9565
F (852) 2537-4406

TOKYO

Jeff Acton, jacton@bdallc.com
Business Development Asia K.K.
Shiroyama Trust Tower, 27th Floor
4-3-1 Toranomon, Minato-ku
Tokyo, 105-6027
T (81) 3-3433-5803
F (81) 5404-8181

BAHRAIN

Ahmed Al Balooshi, abalooshi@bdallc.com
Business Development Asia
Meral Building #2572, Road #2833
4th Floor, Office #42, Block #428
PO Box 30295, Seef District
Kingdom of Bahrain
T (973) 1758-1336