

# 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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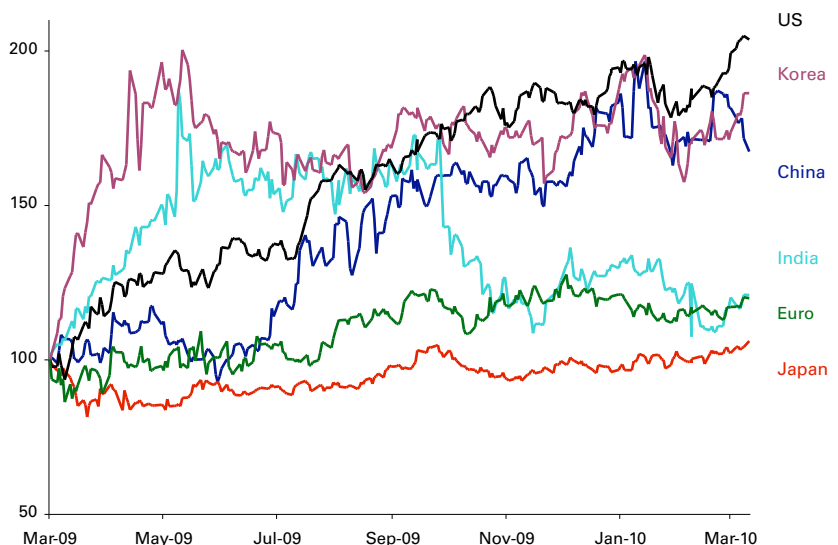
## China

**Feng Youyi**, a Chinese investor, acquired 4% of **Huda Technology & Education Development**, a Chinese manufacturer of electrical cables and wires, from **Sichuan Pujin Medical Investment Management**, a healthcare-focused investment firm, for US\$5m. *December 17, 2009*

**Hundsun Technologies**, a Chinese software developing company, plans to acquire 99.9% of **Shanghai Juyuan Shuju Service**, a provider of financial data services, from 17 individuals and **Xinliyi Group**, for US\$9m. *January 29, 2010*

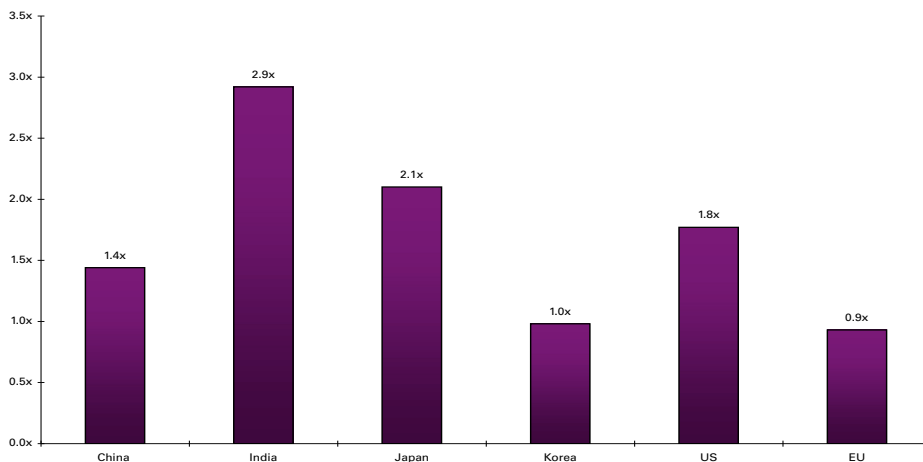
**Hurray Holding Co**, a Chinese wireless services provider, acquired **Ku6 Holding**, a Chinese provider of online video hosting services, for US\$37m. *November 27, 2009*

Technology Stock Indices for Selected Countries (12 months ending 15Mar10)



Source: ThomsonOne, BDA

Technology Price/Revenue Multiples for Selected Countries (15Mar10)



Source: ThomsonOne, BDA

**Innovate International Group**, a Chinese film production service provider and wholly owned unit of **Xing Lin Medical Information Technology**, agreed to acquire 20% of **Redart Digital Technology**, a Chinese developer of internet software, from individual investor **Ng Leung Wai**, for US\$19m. *January 22, 2010*

**Lenovo Group**, the Chinese PC manufacturer, acquired **Lenovo Mobile Communication Technology**, a Chinese manufacturer of mobile handsets, from **Gainnew International**, **Shenzhen AoYinShi Investment**, **Jade Ahead** and **Super Pioneer International** for US\$200m. *January 31, 2010*

**Linktone**, a Chinese wireless and software developer, acquired 51% of **Letang Game**, a Chinese developer of mobile and PC games, for US\$9m. *January 13, 2010*

**NIVS IntelliMedia Technology Group**, a manufacturer of audio and video

products, plans to acquire **Huizhou Dongri Digital**, a Chinese mobile phone manufacturer, for US\$23m. *January 19, 2010*

**Shi Peixin**, a private Chinese investor, acquired 4.71% of **Shanghai Broadband Technology**, a Chinese manufacturer of communication network equipment, from **Wuxi Wanfang Telecommunication Technology** for US\$15m. The transaction increases Shi Peixin's stake to 8.51%. *February 11, 2010*

**Tbea**, a Chinese transformers manufacturer, acquired 31% of **China Xinjiang Sunoasis**, a provider of solar resources products, from **China Foreign Economy & Trade Trust & Investment** for US\$16m. The transaction raises Tbea's stake to 73%. *December 4, 2009*

**Zoom Technologies**, a US-listed technology equipment provider, plans to acquire **Beijing Leimone Shengtong**

**Culture Development**, a mobile video and value added services company, for US\$7m. *January 26, 2010*

## Hong Kong

**CDC Software**, a Hong Kong developer of enterprise software applications, acquired **PeoplePoint Software**, an Australian aged care residential, clinical and community services management software developer. *January 25, 2010*

**Host Union International**, a Hong Kong gaming JV between internet gaming companies **ISM Communications** and **PhilWeb**, acquired 65% of **Acentic GmbH**, a German provider of digital television services, from **GI Partners** for US\$28m. *December 23, 2009*

**Union Day Group**, an investment company, acquired 41% of **Sinotronics Holdings**, a Hong Kong manufacturer of printed circuit boards, from individual investor **Lin Wan Qiang**, for US\$6m. *November 23, 2009*

## India

**Axis India Strategic Opportunities Fund** invested US\$9m in **Precision Automation and Robotics**, an Indian automation solutions provider. *November 13, 2009*

**Bharti Airtel**, an Indian mobile phone company, plans to buy 70% of **Warid Telecom**, an Indian telecom company for US\$300m, from investment firm **Abu Dhabi Group**. *January 5, 2010*

**Blue Coat Systems**, a US-based technology provider, acquired a majority stake of **S7 Software Solutions**, an Indian IT research and development firm, for an undisclosed consideration. *February 10, 2010*

**Genpact**, an Indian business process outsourcing provider, plans to acquire **Symphony Marketing Solutions**, a provider of analytics and data management services from **Symphony Technology Group**, for an undisclosed consideration. *February 3, 2010*

**OneAccess Networks**, a European provider of networking equipment, has acquired Indian router manufacturer **BA Systems** from investor groups **Bessemer Venture Partners**, **Gold Hill Capital** and **Silicon Valley Bank** for an undisclosed consideration. *January 14, 2010*

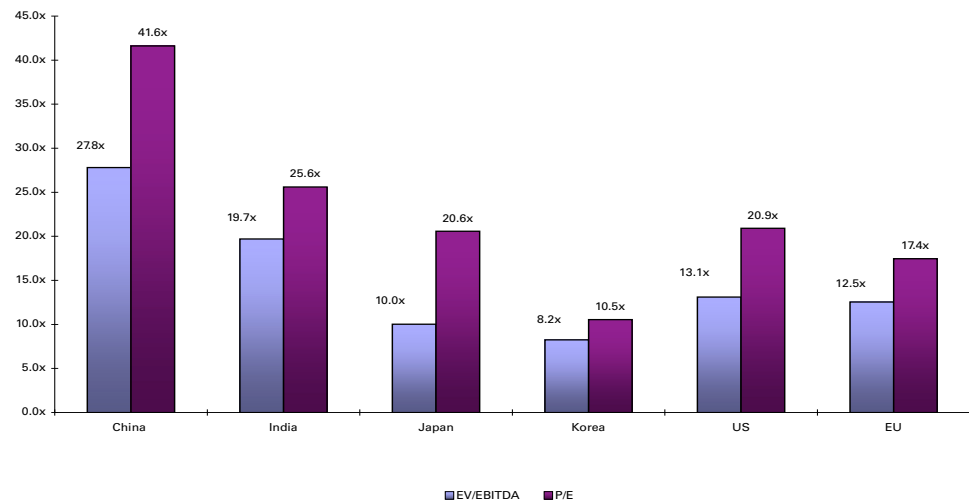
**SinglePoint**, a US mobile technology company, has acquired **M2Junction**, an Indian mobile advertising startup. *February 12, 2010*

**Telenor Asia**, a telecom company, has acquired an additional unknown stake in **Uninor**, Telenor's Indian JV mobile company with **Unitech Wireless**, for US\$440m. *February 10, 2010*

**TA Associates**, a US private equity firm, has acquired a minority stake in **Micromax Informatics Ltd**, an Indian telecom products manufacturer, for US\$50m. *January 13, 2010*

**Zylog Systems**, an Indian technology and solutions provider, has acquired

Technology Trading Multiples for Selected Countries (15Mar10)



Source: ThomsonOne, BDA

**Brainhunter**, an IT consulting and engineering staffing company, for US\$33m. *February 2, 2010*

## Japan

**Canon**, a Japanese technology company, plans to acquire 90% of **Optopol Technology**, a manufacturer of optical devices, for US\$85m. *December 22, 2009*

**Experian**, a provider of credit processing and checking services, has acquired 88% of **A-Care Systems**, a Japanese software provider, from its founding shareholders. *January 5, 2010*

**GMO Internet**, an internet service provider, has acquired 5% of **paperboy&co**, a Japanese provider of server hosting services, from **Kazuma Leiri**, the CEO of **paperboy&co** for US\$2m. The transactions raises GMO's stake to 62%. *February 15, 2010*

**IT Holdings Corp** has acquired 91.5% of **Sorun Corp**, a Japanese provider of system consulting services, for US\$210m via its tender offer to acquire the entire share capital of Sorun. IT plans to acquire the remaining 8.5% stake in Sorun. *December 15, 2009*

**Mitsubishi Electric Corp** announced that it has developed transmission devices for super high-speed, 100 Gb Ethernet applications. These developments stem partly from a government project called "R&D on High-speed Optical Transport System Technologies (High-Speed Low-power-consumption Optical Transport Technology for Ethernet)", overseen by the **Ministry of Internal Affairs and Communications** in Japan. *March 10, 2010*

**OKOZE**, an investment holding company, has acquired 4% of **Kaga Electronics**, a Japanese wholesaler of electronic

components, from **Isao Tsukamoto**, the Chairman of **Kaga Electronics**, for US\$12m. *February 3, 2010*

**Panasonic Electric Works**, a technology subsidiary of **Panasonic**, the Japanese electronics manufacturer, has acquired 70% of **Taiko Device**, a Japanese manufacturer of automotive power relays. The transaction raises Panasonic's stake to 85%. *January 29, 2010*

**Softbank**, a Japanese wireless telecom provider, has acquired 14% of **Ustream**, a US provider of interactive video platform services, for US\$20m. *January 29, 2010*

**Sony** has acquired 7% of **Sharp Display Product**, a Japanese manufacturer of LCD panels and modules, and a wholly-owned subsidiary of **Sharp Corp**, for US\$105m. This transaction raises Sony's stake in Sharp Display to 34%. *December 29, 2009*

## Korea

**Aegis Hyosung**, a Korean e-commerce information services provider, has acquired **Kiwoong Inform&Comm**, a Korean software consulting provider, for US\$6m. *February 1, 2010*

**Connectra**, a Korean manufacturer of computer parts and a subsidiary of **MC Network**, has acquired 13% of **Wealth Bridge**, a Korean manufacturer of bluetooth kits, from investor groups **PTG 21** and **Miracle Holdings**, for US\$17m. *December 23, 2009*

**Golden Bough**, a Korean publishing company, has acquired 33% of **YNK**

**KOREA**, a Korean developer of online games, for US\$6m. *February 10, 2010*

**Korea Data Communications**, a Korean provider of network technology services, has acquired 30% of **Barun Electronics**, a Korean manufacturer of semiconductors, for US\$20m from private investors including **Seokwon Yoon**. *January 29, 2010*

**Samsung Electronics**, a Korean electronics company, has acquired 9% of **Rambus**, a US manufacturer of semiconductors, for US\$200m. *January 19, 2010*

**Samsung Electronics**, a Korean electronics company, has acquired warrants convertible into 10% of **Shinwha Intertek**, a Korean manufacturer of optical films, for US\$26m. *December 15, 2009*

**Samsung Electronics** and **LG Display**, the leading global producers of LCD panels, are seeking to boost output, which has some industry watchers concerned about a possible oversupply in the market. Both Korean companies have strong aspirations in mainland China, where they both hope to establish major LCD manufacturing bases. LG Display will invest US\$900m another LCD line in its Paju LCD complex. *March 8, 2010*

**VSST**, a Korean software developer, has acquired 33% of **Hallim Venture Capital**, a Korean software developer, for US\$134m. *December 3, 2009*

## Malaysia

**Datatec**, an African IT services provider,

has acquired **NetStar Group Holding**, a Malaysian provider of network integration services, for US\$20m. *December 8, 2009*

**Nikon**, the Japanese optics and imaging company, has acquired 9% of **Notion Vtec**, a Malaysian manufacturer of high precision metal machines, for US\$10m. *January 19, 2010*

## Singapore

UAE state-owned **Advanced Technology Investment Co** has acquired **Chartered Semiconductor Manufacturing**, a manufacturer of semiconductors, from state-owned **Temasek Holdings** and other undisclosed sellers for US\$3.9bn, including the assumption of an estimated US\$ 2.2bn in liabilities. Chartered will be delisted from the Singapore Stock Exchange and Nasdaq. *December 18, 2009*

**Flextronics International**, a Singaporean manufacturer of electronic components, has acquired **AFL Stribel Production**, a manufacturer of electronic control units, from aluminum producer **Alcoa**. *December 1, 2009*

**Mox Telecom AG**, a German telecom service provider, has acquired 78% of **Aglow Alicom**, a Singaporean provider of telecom services. *February 12, 2010*

**One97 Communications**, an Indian telecom service provider, has acquired 25% of **tenCube**, a Singaporean developer of mobile software, for US\$22m. *February 3, 2010*

**SUTL Global**, a Singaporean retailer, has acquired 23% of **Achieva**, a Singaporean manufacturer of electrical and electronic products, for US\$11m. *December 9, 2009*

manufacturer of electronic components, for US\$15m. *December 1, 2009*

products manufacturer, for US\$12m. *December 18, 2009*

## Taiwan

**Chang Wah Electromaterials**, a Taiwanese manufacturer of backlight module materials and a technology subsidiary of **Beam Mode Optronics**, has acquired 81% of **How Weih International**, a Taiwanese

**Epistar**, a Taiwanese chemicals provider, has acquired 50% of **Nanya Photonic**, a Taiwanese LED lighting manufacturer, from Taiwanese plastic manufacturer **Formosa Plastics** for US\$31m. *December 10, 2009*

**Taiwan Semiconductor Manufacturing Company** has acquired 20% of **Motech Industries**, a manufacturer of solar cells, for US\$193m. *December 9, 2009*

Private investors **Nam Liong Enterprise**, **Chang Yan Investment** and **Lin Chia Ching** have acquired 45% of **Prolink Microsystems**, a Taiwanese multimedia

### Selected Asian Technology Transactions with Multiples (12 months ending 15Mar10)

Announce Date	Target Name	Target Country	Acquirer Name	Acquirer Country	Deal Value	Acquisition Type	EV / EBITDA	EV / Revenue	P/E
10-Feb-10	Intelligent Wave Inc	Japan	DNP	Japan	\$76.4	-	18.1x	1.1x	33.6x
8-Feb-10	Cuzco LBE	Korea	A-motion	Korea	\$34.3	24.2%	27.9x	1.1x	13.1x
4-Feb-10	Cogo Group Inc	China	Cogo Group Inc	China	\$33.3	-	9.3x	0.5x	29.5x
29-Jan-10	TPV Technology	HK	Investor Group	Japan	\$290.9	-	12.4x	0.2x	25.8x
29-Jan-10	TPV Technology	HK	Investor Group	HK	\$895.2	-	12.4x	0.2x	25.8x
11-Jan-10	Galaxy Far East Corp	Taiwan	Macnica Chungju	Taiwan	\$40.6	-	7.6x	0.3x	17.5x
22-Dec-09	Centrin Online Tbk PT	Indonesia	Teledata(Singapore)	Singapore	\$12.2	-	31.3x	1.7x	164.8x
14-Dec-09	STARLIMS Technologies	Israel	Abbott Laboratories	US	\$118.1	-	15.4x	3.0x	20.9x
14-Dec-09	Catena Corp	Japan	SystemPro	Japan	\$43.5	-	4.1x	0.2x	9.7x
11-Dec-09	Unity Opto Technology	Taiwan	HannStar Display Corp	Taiwan	\$37.5	-	12.1x	2.4x	22.9x
9-Dec-09	Achieva	Singapore	SUTL Global Pte	Singapore	\$10.9	23.4%	9.7x	0.1x	-
9-Dec-09	Motech Industries Inc	Taiwan	Taiwan Semiconductor Mfg	Taiwan	\$193.1	20.0%	21.8x	1.6x	142.3x
7-Dec-09	Intl Semiconductor Tech	Taiwan	Chipbond Technology Corp	Taiwan	\$190.9	-	14.9x	2.3x	-
17-Nov-09	Universal Scientific	Taiwan	Investor Group	Taiwan	\$419.4	59.5%	5.7x	0.4x	50.9x
17-Nov-09	City Telecom(HK)	HK	City Telecom(HK)	HK	\$26.9	-	3.8x	1.4x	9.8x
17-Nov-09	Universal Scientific	Taiwan	Investor Grp	Taiwan	\$576.7	-	5.7x	0.4x	50.9x
10-Nov-09	Sorun Corp	Japan	IT Holdings Corp	Japan	\$229.3	-	4.4x	0.3x	14.2x
30-Oct-09	Cyntec Co	Taiwan	Delta Electronics Inc	Taiwan	\$335.4	-	13.9x	3.7x	17.7x
30-Oct-09	BancTec Japan Inc	Japan	BT Holdings	Japan	\$110.7	-	7.2x	0.7x	20.2x
12-Oct-09	Valor Computerized	Israel	Mentor Graphics Corp	US	\$82.0	-	10.6x	1.4x	214.4x
5-Oct-09	TPO Displays Corp	Taiwan	Innolux Display Corp	Taiwan	\$668.5	-	6.5x	1.0x	-
18-Aug-09	Skyworth Digital	HK	Skyworth Digital	HK	\$81.6	-	10.9x	0.4x	14.8x
22-May-09	Elec & Eltek Intl	Singapore	Kingboard Chemical	HK	\$121.7	-	6.6x	1.2x	13.5x
7-May-09	Home Inns & Hotels Mgmt	China	Ctrip.com International	China	\$50.0	9.5%	11.9x	1.9x	21.3x
20-Mar-09	Phoenix Precision Tech	Taiwan	Unimicron Technology	Taiwan	\$234.0	-	4.7x	0.9x	254.2x

Business Development Asia is an investment banking firm which assists multinational companies in expanding their businesses in Asia through JVs, acquisitions, divestments 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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