

Intrinsyc Software International Inc. (ICS-T, \$0.75)

Monday, March 24, 2008

Rating:	SECTOR OUTPERFORM
Target Price:	\$1.50
Return:	100%
YTD Performance	: -14%
Risk Profile:	SPECULATIVE

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> With the stub quarter out of the way, look for Soleus royalties to begin in Q2/08. We also expect further software license agreement (SLAs) announcements in the near-term.

St	ub Quarter a bit Light; Growth Story Intact	Forecast Risk	High
Eve	ent: Intrinsyc reported their stub financial quarter, Sep – Dec 2007.	Financial Risk Valuation Risk	High High
Imj	pact - Positive/Neutral: Financial results were below consensus but the growth story remains strong.	52-Week High / Low Dividend / Yield	\$1.30/\$0.39 0.00%
	Forecasts – We expect FY2008E revenues of \$25.9M (from \$27.0M), EBITDA of -\$11.9M (from -\$10.8M), and EPS of -\$0.08 (from -\$0.08).	Shares O/S	151 (basic) / 154 (F/D)
•	Target Price, Ratings – Unchanged, SECTOR OUTPERFORM and a blended DCF-based target of \$1.50.	Market Capitalization Daily Volume	\$113.3M 620K
leei	Jes:	Financial Forecasts (US\$)	
		CY Est. 2007A	2008E 2009E
	Stub financials below forecasts, minimal impact Revenues, EBITDA, and EPS numbers are below our forecasts; higher operating expenses and one-time charges contribute to the loss.	Revenues (\$mlns) 21.2 EBITDA (\$mlns) (15.0) EPS (FD) (\$) (0.14) CFPS (FD) (\$) (0.13)	25.9 50.5 (11.9) 0.4 (0.08) 0.00 (0.07) 0.02
	Expect Soleus TM royalties to begin in Q2/08	-	(0.07) 0.02
	Micro-Star MSI 5608 in trial phase; expect Soleus TM royalties to begin during $Q2/08$.	Valuation (US\$) 2007A P/E NM	
•	High possibility of near-term tier-one license agreements Expect a tier-one Japanese partnership announcement by April-end. Possibility of future contracts arising from existing license agreements.	EV/SALES 3.5x EV/EBITDA NM DCF \$ 1.17 Company Profile - www.in Intrinsyc is a leader in softwa	<u>NM NM</u> \$1.36 \$1.55 trinsyc.com
Hay (EV the	Luation: From a valuation perspective, Intrinsyc is trading at a discount to the wood global software universe based on our CY2009 target estimates V/Sales: 1.6x versus 2.2x). The situation should remedy itself throughout 2008 as Company's customers start shipping devices with the Soleus platform integrated. DCF-based target of \$1.50 yields a CY2009 valuation of 3.2x EV/Sales.	that enable next-generation embedded products, incl handsets, smart phones a devices. Intrinsyc is a Micr Embedded Gold Partner, the Embedded Excellence Awar System Integrator, and a Syr	handheld and uding mobile ind converged osoft Windows 2007 Windows rd winner for
one Ger	talysts: 1) Software License Agreements – Soleus [™] contracts, notably a tier- manufacturer, should increase revenue visibility and expectations; 2) Royalty meration – We expect Soleus [™] royalties to begin in Q2/08; 3) Product Visibility bleus [™] product reviews will increase visibility and drive future signings (min. of	Partner. Company CEO - Glenda M. E Revisions, Date of Record Rating - Unchanged. Target - up from \$1.25, Jar	
1/qt	r).	Price Performance	
Win pro	estment Brief : Soleus is a comprehensive software platform (based on adows CE), whose modular architecture speeds up the development process, vides a reusable platform, allows a higher degree of customization, and ers the manufacturer's bill of materials (BOM).	S14 Intrinsyc Software International Inc. (ICS-T) S12 S10 S10 S10 S10 S10 S10 S10 S10	

Please see rating structure, important disclosure, risk profile parameters, disclaimers, and notes on pages 5 - 8 of this report.



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Source: Bloomberg

ICS-T 153.6

ducts, including mobile handsets, smart phone

Price Market Cap. (\$M):

\$0.75 \$113

Rating: Sector Outperform Target: \$1.50

Intrinsyc Software International Inc.

Alpha: Product delivery in Taiwan, China and EMEA will provide positive synergy and momentum to future licensing deals.

Investment Highlights

Company Description and converged devices. ntrinsvc is a leader in software and services that enable nex

Investment Brief - The company's mobile software products, engineering services, and years of expertise help OEMs, service providers, and silicon providers deliver compelling wireless products with faster time-to-market and improved development cost. Intrinsyc is a Microsoft Windows Embedded Gold Partner, the 2007 Windows Embedded Excellence Award winner for System Integrator, and a Symbian Platinum Partner.

ration handheld and embedded pr

Ticker Shares O/S (M)

Catalysts - Continued design wins, five have been announced so far, should drive royalty revs.

Risks - Handset mftrs and OEMs decide not to go with Windows CE platform; slow shipments delay royalty stream.

Recent Financings: Equity Offering May 2007 - 33.3M @ \$0.60 Past Equity Offering March 2006 - 24.2M @ \$0.90

Management: Glenda Dorchak, Chairman & CEO; David Fischer, CFO; Randy Kath, CTO

Financial Forecasts		A	nnual							
FY-end Dec-31	2006A	2007A	2008E	2009E	2010E	Q3/2007A Q4/	2007A	Stub Q Q	2/2008E	Q3/2008
Revenues (\$mins)	18.7	19.7	25.9	50.5	63.0	5.1	4.5	5.2	4.8	6.
Rev. Growth %		6%	31%	95%	25%		-11%		6%	279
Consensus Revenue Est. (\$mlns)	0.0	19.5	25.9	56.0	59.4	5.1	4.3	4.7	4.9	5.
3 months ago.	-	19.5	-	-	-	5.1	4.3		5.3	5.9
EBITDA (\$mlns)	(13.7)	(15.1)	(11.9)	0.4	11.2	(3.6)	(3.8)	(6.0)	(2.7)	(3.2
EBITDA Growth %		11%	-22%	-103%	3038%		5%		-29%	20%
Consensus EBITDA Est. (\$mlns)	-	(14.2)	(15.7)	(0.9)	8.2	(3.7)	(4.0)	(2.7)	(4.3)	(4.4
3 months ago.	-	(14.2)	-	-	-	(3.7)	(4.0)		-	-
EPS (FD) (\$)	(0.24)	(0.18)	(0.08)	0.00	0.08	(0.05)	(0.03)	(0.06)	(0.02)	(0.03
EPS Growth %		-26%	-56%	-103%	2723%		-31%		-33%	199
Consensus EPS Est. (\$)	-	(0.17)	(0.10)	0.04	0.04	(0.04)	(0.04)	(0.03)	(0.03)	(0.03
3 months ago.	-	(0.17)	-	-	-	(0.04)	(0.04)		(0.04)	(0.04
CFPS (FD) (\$)	(0.19)	(0.15)	(0.07)	0.02	0.08	(0.03)	(0.03)	(0.06)	(0.02)	(0.03
CFPS Growth %		-20%	-51%	-132%	248%		-7%		-24%	285
Consensus CFPS Est. (\$)	-	-	-	-	-	-	-	(0.02)	(0.03)	(0.03
3 months ago.	-	-	-	-		-	-		-	

Comparables	Today	Target 1.50	Return 100%	2008 3.2x	2009 1.6x	2010	2008 -46%	2009	2008	2009 NM	2008	2009 NM
Comparables	Stock Price		Pot.		EV/Sales		FRITDA	Margin	Р	/E	EV/E	BITDA
DCF Target		\$1.17	\$1.36	\$1.55			# of Ana	llysts		5		
Current, 1-Year, 2-Year								Jnderperf	orm	0		
Est. EV/SALES - Target			7.7x	3.9x			Sector I			0		
EV/SALES - Current	1.9x	4.6x	3.2x	1.6x				Outperform	n	5		
Est. EV/EBITDA - Target			NM	NM			Median	Target		\$1.50		100
EV/EBITDA - Current	NM	NM	NM	NM			Average	e Target		\$1.55		107
/aluation Metrics	2006	2007	2008	2009			Analyst F	atings: C	apital IQ		Pote	ntial Upsic

Intrinsyc Software International Inc.	0.75	1.50	100%	3.2x	1.6x	1.1x	-46%	1%	NM	NM	NM	NM	
Research In Motion Ltd.	104.94	139.18	33%	6.9x	5.1x	4.4x	32%	30%	33.2x	24.4x	21.2x	17.3x	
Access Company, Ltd.	275,000	685,000	149%	2.9x	2.6x	2.0x	11%	10%	NM	NM	25.8x	26.3x	
Opera Software ASA	14.10	17.31	23%	2.8x	2.0x	1.7x	12%	18%	40.9x	20.8x	23.1x	11.2x	
BSQUARE Corp.	3.80	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	
Smith Micro Software Inc.	5.79	12.83	122%	0.9x	0.8x	NM	17%	20%	9.2x	6.9x	5.3x	3.8x	
Infraware Inc.	13,700	35,000	155%	3.4x	NM	NM	36%	NM	13.4x	NM	9.4x	NM	
Palm, Inc.	4.72	6.27	33%	0.6x	0.5x	NM	0%	6%	NM	36.9x	NM	8.5x	
Average	2.9x	2.2x	2.7x	18%	17%	24.2x	22.3x	17.0x	13.4x				
	*All consensus numbers are from Capital IQ												

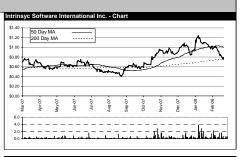
Historical Valuation Parameters	EV/E	BITDA	P/9	CF	EBITDA	Growth	EPS G	Growth	Sales Growth		Returns %	
3-Yr Avg.	NTM	TTM	2008	2009	2008	2009	2008	2009	2008	2009	Last 3mtl	YTD
Intrinsyc Software International Inc.	NM	NM	NM	NM	-22%	-103%	56%	103%	31%	95%	-18%	79%
Research In Motion Ltd.	18.9x	27.4x	27.5x	20.8x	72%	23%	69%	36%	65%	34%	-2%	16%
Access Company, Ltd.	18.0x	6.7x	30.8x	NM	NM	-2%	4%	102%	18%	12%	-49%	-13%
Opera Software ASA	NM	NM	32.8x	17.2x	NM	106%	NM	96%	105%	37%	9%	-1%
BSQUARE Corp.	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	-40%	-38%
Smith Micro Software Inc.	17.9x	29.4x	NM	NM	145%	39%	NM	32%	36%	23%	-24%	-65%
Infraware Inc.	13.7x	NM	10.8x	NM	NM	NM	NM	NM	142%	NM	-3%	-36%
Palm, Inc.	NM	11.3x	NM	NM	NM	NM	NM	144%	-12%	20%	-23%	-70%
Average	17 1 x	18 7v	25.5x	19 Ov	108%	41%	36%	82%	50%	25%	-10%	-30%

*All consensus numbers are from Capital IQ

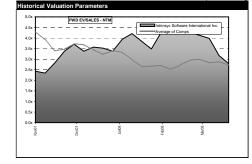
		Intrinsyc Software			
Discounted Cash Flow Analysis (FY-End Dec, US\$)	2007	2008	2009	2010	2011
Modeled Units Shipped	125,000	1,604,167	7,500,000	10,000,000	11,250,000
Revenue (\$)	19,705,794	25,896,448	50,455,471	62,969,931	71,257,305
Revenue growth	6%	31%	95%	25%	13%
EBITDA (\$)	(14,455,074)	(11,856,311)	357,093	11,203,196	14,742,955
EBITDA Margin	-73%	-46%	1%	18%	21%
Amortization (\$)	821282	626,370	532,268	617,467	672,498
EBIT (\$)	(15,276,356)	(12,482,681)	(175,175)	10,585,729	14,070,456
NOPAT [EBIT * (1- effective tax rate)]	(15,565,689)	(12,482,681)	(175,175)	10,585,729	14,070,456
Plus Amortization (\$)	821282	626,370	532,268	617,467	672,498
Less Capital Expenditures (\$)	(575,046)	(517,929)	(807,288)	(755,639)	(855,088)
Capital Intensity	0	0	0	0	0
Net Working Capital Changes	471,143	(464,031)	1935,229	(442,164)	(200,029)
Terminal Value		200,184,071	200,184,071	200,184,071	
Equity Value		177,636,129	207,376,432	236,856,012	
0051/11		10	100	155	

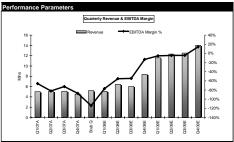
DCF Value 1 171 1 Source: Haywood Securities Inc., Company Reports, Target, Return and Forecasts are Consensus Based Using Capital IQ.

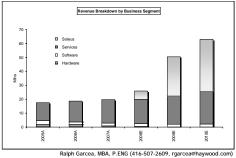
Source: Haywood Securities



Key Statistics			
Price / Target / Return	\$0.75	\$1.50	100.0%
52wk Hi / Lo		\$1.30	\$0.39
Shares O/S (mins)			
Basic / F.D.		151	154
Float			118.8
Dividend Yield			0.0%
Short Interest / as % of Float		0.0	0.0%
Daily Volume (3-Mth. Avg. ml	ns)		0.62
Market Cap. / Enterprise Val	ue (mlns)	113.3	70.1
Cash / Debt (mins)		42.0	0.0
Net Cash / Share			\$0.28
Tang. Book Value / Share			\$0.17
Company CEO / Website	Glenda M	 Dorchak 	www.intrinsyc.com
Top Holders:			
 IG Investment Manageme 	nt Ltd		2.7%
2) Sprott Asset Management			2.6%
3) Gruber & McBaine Cap.			2.1%
Ownership:			
Management Control (Proxy)	1.7 M	1.1%
			10







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Investment Thesis

Intrinsyc Software operates primarily as two businesses: the wireless systems engineering group, and the mobility software business that has been responsible for the development of SoleusTM, a consumer software product for wireless and handheld devices since 2004.

SoleusTM is a comprehensive software platform (based on Windows CE) and includes a highlevel operating system (HLOS), an application suite, a pre-certified telephony stack, and sophisticated user interface-generation tools. Soleus' modular architecture speeds up the development process, provides a reusable platform, allows a higher degree of customization, and lowers the manufacturer's bill of materials (BOM). Within the mobile phone market, feature phones (Intrinsyc's target segment) have evolved as the biggest segment, and in 2006, contributed approximately 60% of the global sales (587 million units). We expect feature phones to continue to be 60% to 65% of global shipments going forward.

Stub Quarter a bit Light; Growth Story Intact

Intrinsyc Software reported their stub-quarter financial results, releasing their Sep – Dec 2007 numbers. The financial numbers were below our expectations, but the growth story remains strong. The company incurred lower revenues and higher losses than forecasted, but remains on-time for future deliverables, specifically the SoleusTM royalties that we expect to see in Q2/08. In the near-term, we expect: (1) a tier-one Japanese partnership announcement by April-end; and (2) further software license agreement (SLAs) announcements (min. of 1/qtr).

Financially, Intrinsyc reported revenues of \$5.2M (HW: \$6.5M, cons: \$4.72M), EBITDA of (\$6.0M) (HW: -\$3.7M, cons: -\$2.7M), and reported EPS of (\$0.06) (HW: -\$0.03, cons: -\$0.03). Operating expenses were higher than expected, coming in at \$7.9M (HW: \$6.9M), and the company incurred a one-time hit of \$0.7M of restructuring fees from the closure of their UK office and the opening of their Taipei office.

We estimate revenues of \$25.9M for 2008 and \$50.5M for 2009; EBITDA of (\$11.9M) for 2008 and \$0.4M for 2009; EPS of (\$0.08) for 2008 and (\$0.00) for 2009. We believe our estimates are conservative, assuming one SoleusTM signing per quarter. Another tier-one SoleusTM signing can easily drive revenues beyond our forecasted levels.

With the closing of the latest financing, the company has approx. \$40M in cash and is debt free. This is more than enough cash to sustain their run-rate and complete an acquisition. An ideal take-out candidate will have complementary synergies from operations and provide an opportunity for Intrinsyc to "extract more value from the stack".

Our expectations remain unchanged for the SoleusTM royalty timeline. We believe that Intrinsyc will begin collecting royalties during Q2/08 from the MSI 5608; the other handset that should generate royalties is undisclosed, but we believe it is the MIO handheld. Intrinsyc should release details of a tier-one Japanese partnership by April-end, and we believe that existing contracts can be leveraged for future software agreements. Overall, Intrinsyc missed our estimates for the quarter, but the growth story is intact with improving revenue visibility. We maintain our Sector OUTPERFORM rating, and a \$1.50 target price.





Valuation

From a valuation perspective, Intrinsyc is trading at a discount to the Haywood global software universe based on our CY2009 target estimates (EV/Sales: 1.6x versus 2.2x). The situation should remedy itself throughout 2008 as the Company's customers start shipping devices with the Soleus platform integrated. Our DCF-based target of \$1.50 yields a CY2009 valuation of 3.2x EV/Sales.

Haywood Global Software Comparables																											
CANADA TECHNOLOGY Small Cap - Software/Services	Ticker		Trdg Curr	Local F 20-Mar	Price Target	Pot. Return	% of 5 Low		Mkt. Cap. (US\$mm)		arket Ind 7-day		Return % 90-day) YTD	Revenue CY08E	(USD) CY09E	180-day CY08E	% chg CY09E (P/ CY08E	E CY09E	EV/Sa CY08E		EV/EB CY08E (Headcour CY08E C	nt CY09E
Absolute Software Corporation Constellation Software Inc. Points International Ltd. Corel Corporation Intermap Technologies Corp. Logbec Groupe Informatique Ltee Gemcom Software International 20-20 Technologies Inc. Intrinsy Software International I Matrikon Inc. Betzberg Technologies Inc. Immersive Media Corp. Grey Island Systems International I Brainhunter Inc. Iseemedia Inc. SXC Health Solutions, Corp.	TSX:ABT TSX:CSU TSX:PTS TSX:CRE TSX:IMP TSX:LGI TSX:TWT TSX:CS TSX:MTX TSX:MTX TSX:MIX TSX:MIX TSX:MIX TSX:BLZ CDNX:IMC CDNX:GIS TSX:BH CDNX:ICS	NR NR NR NR NR NR NR NR NR NR NR NR NR N	CAD CAD CAD CAD CAD CAD CAD CAD CAD CAD	11.58 22.50 2.48 10.40 5.67 19.20 6.23 0.75 3.15 1.33 4.40 1.02 0.29 0.42 0.35 10.48	21.03 27.36 4.63 14.28 11.17 27.73 3.25 7.63 1.50 3.93 1.69 NA 2.92 0.79 NA 1.20 25.50	82% 22% 86% 37% 97% 44% 22% 25% 27% NA 25% 27% NA 186% 172% NA 243% 143%	158% 100% 243% 149% 120% 166% 120% 154% 129% 104% 101% 132% 102% 140% 106%	57% 80% 58% 68% 50% 83% 84% 58% 71% 58% 71% 18% 48% 51% 37% 35%	535 464 290 258 254 184 125 114 110 93 66 63 37 25 18 17 0 Mean	9% -1% -6% 2% -1% 5% 0% 0% -2% 1% 0% -7% 0% 0% 30% 1%	-1% -2% -6% 6% 16% -2% -3% -3% -3% -2% 6% 0% -11% -5% 0% -5% 0% -2%	-26% -5% -14% 8% -24% -7% -4% -4% -4% -17% 10% -11% -22% -24% -13% 21% -33%	-32% -10% -32% -32% -47% -13% -10% -10% -10% -34% -34% -11% -5% -13% -28%	-37% -11% -40% 7% -46% -14% 2% -4% -18% 31% -35% -12% -9% -30% -28% -16%	48 285 70 281 33 69 57 25 78 58 NA 12 24 NA 113 36%	68 330 94 268 44 NA 65 NA 65 NA 54 NA NA NA NA NA 137 37%	3% 2% NMF -12% NMF 9% 1% NMF -7% 3% NMF NMF NMF NMF NMF 0%	NMF -2% NMF NMF NMF 14% NMF NMF NMF NMF NMF NMF NMF 0%	NMF 12.2 NMF 6.6 NMF 19.6 15.1 24.7 NMF 13.5 NMF 10.5 NMF 10.5 NMF 10.5 NMF 12.0	NMF 10.8 31.0 6.1 NMF 12.3 NMF 18.7 NMF 21.8 NMF NMF 10.1 15.8x	10.0 1.6 4.1 1.4 6.2 2.9 0.8 3.6 1.0 0.0 NMF 1.2 0.5 NMF NMF NMF NMF 2.8x	7.1 1.4 3.0 1.5 4.6 NMF 1.7 NMF NMF NMF NMF NMF NMF NMF NMF NMF NMF	NMF 9.8 NMF 6.3 NMF 7.7 7.6 7.2 NMF 7.1 11.5 NMF 3.5 NMF NMF NMF NMF	NMF 8.7 NMF 5.8 NMF 7.1 NMF NMF NMF NMF NMF NMF NMF NMF NMF NMF	217 1,200 76 1,110 660 430 118 534 174 530 316 95 NM NM 250 37 426 412	0.22 0.24 0.92 0.25 0.16 0.48 0.16 0.14 0.15 0.18 NA NA NA NA NA NA O.27 0.27	0.32 0.27 1.24 0.07 NA 0.55 NA 0.31 NA NA NA NA NA NA NA NA O.32
			Trdg	Local F		Pot.	% of 5		Median Mkt. Cap.		-2% arket Ind	-14% icators (-13% Return %		20% Revenue		2% 180-day		12.9x P/	E	1.6x EV/Sa		7.4x EV/EB			0.20 Headcour	
GLOBAL SOFTWARE Microsoft Corporation Oracle Corp. SAP AG VMware, Inc. Adobe Systems Inc. Symantec Corporation CA, Inc. BEA Systems Inc. VeriSign Inc. Salesforce.com Dassault Systemes SA BMC Software Inc. Critix Systems, Inc. McAfee Inc. Sage Group plc Autonomy Corp. plc Ansys, Inc. Sybase, Inc. Parametric Technology Corp. Informatica Corp. Open Text Corp. Open Text Corp. MicroStrateg Inc. Existon Software Inc. Concur Technologies, Inc. BioroSoftware Corp. MSC Software Corp. MSC Soft	Ticker MSFT ORCL SCA ADBE SYMC CA ADBE SYMC CA ADSK BAC CA CRM ENXTPA-DSN BMC CRM ENXTPA-DSN BMC CTXS MFE ENXTPA-DSN BMC CTXS MFE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:SGE SY MTC IIIFA OTEX MSTR CNOR MSTR ST MSTR SS SS SS SS SS SS SS SS SS SS SS SS SS	N R N R R R R R R R R R R R R R R R R R	Curr USD USD USD USD USD USD USD USD USD USD	29-Mar 29-18 29-18 20.08 30.171 45.12 22.36 32.00 34.97 55.83 32.00 34.97 55.83 33.39 19.05 55.83 33.39 45.18 8.70 26.49 19.05 15.15 17.48 12.35 17.48	Target 38.82 25.04 33.97 71.24 34.54 21.36 66.00 44.50 44.50 77.79 44.50 77.79 74.24 44.50 77.79 74.24 71.24 44.50 44.50 77.77 71.84 71.91 72.42 71.91 72.42 71.91 73.80 71.91 72.43 71.91 71.92 71.93 71.94 71.94 71.95 71.97 71.94 71.97 71.94 71.97 71.94 71.97 71.94 71.94 71.95 71.94 71.94 71.95<	Return 33% 25% 58% 32% 24% 24% 18% 24% 17% 22% 18% 22% 18% 13% 30% 30% 38% 38% 33% 33% 33%	Low 109% 113% 112% 108% 112% 108% 118% 108% 118% 108% 135% 108% 123% 101% 123% 101% 123% 101% 123% 101% 123% 101% 123% 101% 123% 111% 118%	High 78% 86% 76% 36% 71% 80% 71% 80% 71% 83% 85% 87% 92% 85% 87% 92% 80% 87% 92% 80% 87% 92% 80% 87% 73% 80% 87% 74% 80% 85% 74% 80% 86% 86% 86% 86% 86% 87% 86% 86% 86% 86% 86% 86% 86% 86% 86% 86	(USSmm)) 271,578 103,143 58,879 17,303 18,983 14,465 11,478 7,782 7,742 6,661 6,364 6,364 6,364 6,364 6,364 6,364 6,364 6,364 6,364 6,364 2,922 2,362 2,362 2,362 2,362 2,362 1,757 1,484 1,424 1,424 1,424 1,424 1,424 1,424 1,424 1,424 1,424 1,424 1,424 1,424 1,424 1,424 1,425 1,446 1,447 1,447 1,446 1,447 1,444 1,447 1,446 1,446 1,446 1,446 1,447 1,446 1,446 1,446 1,446 1,446 1,446 1,446 1,446 1,446 1,446 1,446 1,447 1,447 1,446 1,466 1,446	2% 3% 2% 5% 4% 1% 5% 1% 2% 3% 2% 3% 3% 2% 3% 4% 4% 4% 4% 2% 3% 2% 3% 2%	$\begin{array}{c} 2\%\\ 11\%\\ -2\%\\ -3\%\\ 3\%\\ 0\%\\ -7\%\\ 4\%\\ -5\%\\ -7\%\\ -3\%\\ -7\%\\ 2\%\\ -7\%\\ 2\%\\ -5\%\\ -5\%\\ 11\%\\ 12\%\\ -1\%\\ -1\%\\ -1\%\\ -1\%\\ -1\%\\ -1\%\\ -1\%\\ -1$	30-day 4% 6% -4% -1% -1% -1% -3% -1% -3% -1% -3% -3% -3% -1% 8% -3% -3% -11% 4% 8% 0% -5% -13% -13% -13% -13% -13% -13% -13% -13	-19% -12% -50% -85% -13% -37% -37% -13% -13% -11% -11% -11% -16% -16% -17% -5% -3% -27% -27% -27% -27% -3% -10% -10% -10% -10% -10%	YTD -18% -11% -11% -11% -19% 6% -19% -36% -21% -36% -11% -18% -18% -19% -2% -15% -2% -19% -2% -11% -2% -2% -3% -2% -11% -2% -2% -11% -2% -2% -2% -11% -2% -2% -11% -2% -2% -11% -3% -2% -19% -19% -3% -3% -19% -3% -3% -19% -10% -3% -3% -10% -3% -3% -10% -10% -3% -2% -10% -10% -10% -2% -10% -10% -10% -2% -10% -10% -2% -10% -10% -2% -10% -10% -2% -10% -10% -3% -2% -10% -10% -2% -10% -3% -2% -11% -10% -2% -2% -2% -2% -2% -2% -2% -2	63,230 23,168 18,935 2,013 3,572 6,152 4,406 2,443 1,656 1,115 1,033 2,127 1,795 1,633 1,475 NA 484 446 1,089 1,084 450 743 661 1 NA 885 2213 381 549 258 389	CY095 70,859 25,808 20,809 2,816 4,018 4,586 4,018 4,586 4,018 4,586 2,2744 1,355 2,2744 1,355 2,322 1,156 1,355 2,322 1,1921 1,625 NA 559 514 1,625 1,62	5% 3% 1% 4% 4% 4% 1% 1% 5% 4% 6% 4% 6% 4% 4% 8% 4% 1% 13% 13% 1%	CY09E 8% 2% 6% 3% 3% 2% 2% 2% 2% 7% 5% 6% 5% 8% 8% 8% 3% 15% 6% 3% 15% 8% 3%	14.9 15.0 16.7 NMF 18.4 13.0 17.0 14.7 24.8 30.6 14.7 25.1 14.7 29.7 25.1 14.0 12.1 12.4 4 13.7 NMF 14.3 11.0 NMF 14.3 11.0 NMF 14.3 11.0 12.1	12.9 12.4 14.2 29.2 16.0 15.0 15.0 12.6 22.1 14.5 15.7 15.6 14.5 15.7 15.7 10.4 19.0 11.7 14.7 10.2 12.2 10.4 10.0 11.7 10.2 12.2 10.4	400 44 49 82 82 48 42 42 42 42 42 42 42 42 42 42 42 42 42	3.6 3.9 2.6 5.9 4.2 2.3 2.4 6.4 4.6 2.6 6.4 4.6 2.6 6.4 4.6 2.6 5.5 5.5 5.5 5.5 5.5 5.5 1.8 1.5 2.17 1.2 1.3 3 NMF 1.4 1.3 1.4	9.1 9.7 10.3 NMF 10.9 8.1 8.8 14.9 16.6 6.2 12.1 13.0 6.6 6.0 13.0 8.5 8.5 8.5 8.5 NMF 8.5 8.5 8.1 NMF 19.4 13.0 8.6 6.0 13.0 8.5 8.5 8.1 13.0 9.6 6.0 13.0 8.5 13.0 9.6 13.0 9.6 13.0 10.9 10.9 10.9 10.9 10.9 10.9 10.9 10	NMF 8.3 8.6 19.0 10.1 7.1 8.3 7.7 7.7 13.3 NMF 8.6 6.2 5.4 10.0 8.4 15.5 6.2 5.4 11.1 8.0 7.0 7.0 7.0 7.5 6.5 5.6	79,000 74,674 42,772 5,000 6,959 5,169 4,119 4,251 2,606 4,250 4,500 4,5	0.80 0.31 0.44 0.51 0.36 0.30 0.40 0.26 0.40 0.40 0.40 0.40 0.35 NA 0.35 0.23 0.23 0.23 0.23 0.23 0.23 0.23 0.24 0.24 0.25 0.24 0.25 0.24 0.25	YODE 0.90 0.35 0.49 0.56 0.38 0.31 0.53 0.53 0.53 0.53 0.53 0.53 0.53 0.53 0.54 0.52 0.32 0.43 0.32 0.43 0.32 0.33 0.34 0.35 0.32 0.33 0.43 0.34 0.35 0.32 0.33 0.43 0.34 0.35 0.25 0.32 0.25 0.32 0.25 0.32 0.25 0.42 0.25 0.44
			Trdg	Local F		Pot.	% of 52		Mean Median Mkt. Cap.				-13% -11% Return %		15% 13% Revenue		4% 4% 180-day		17.6x 16.4x P/	14.4x	3.5x 2.8x EV/Sa		10.3x 9.0x			0.34 0.32 Headcour	
CANADA TECHNOLOGY Research In Motion Ltd. Nortel Networks Corp. CGI Group, Inc. Macdonald Dettwiler & Associates Open Text Corp. & Associates Open Text Corp. & Celestica Inc. Aastra Technologies Ltd. Cinram International Income Fund Descartes Systems Group Inc. Certicom Corp.	TICKET RIMM NT TSX:GIB.A TSX:GIB.A OTEX CLS TSX:AAH TSX:CRW.UN DSGX TSX:CIC	NR NR NR NR NR NR NR NR	Curr USD USD CAD USD USD CAD CAD USD CAD	20-Mar 104.94 6.10 10.40 47.50 28.96 6.30 27.57 5.62 3.49 1.49	Target 139.18 13.97 15.00 60.90 37.77 6.68 41.38 9.52 5.20 5.45	Return 33% 129% 44% 28% 30% 6% 50% 69% 49% 266%	Low 244% 105% 116% 127% 165% 139% 114% 115% 104% 115%	High 77% 23% 85% 88% 79% 86% 67% 19% 70% 29%	58,923 2,667 3,272 1,869 1,474 1,474 430 314 n/a 63	1-day 4% 5% 0% 1% 0% -3% 0% 0% -3%	-1% -10% -3% 0% -6% 0% -7% -3% -7% -1%	13% -47% -3% -13% -2% -1% 0% -6% 1%	90-day -12% -61% -11% 13% -7% 8% -18% 1% -14% 1%	 -7% -60% -10% 14% -8% 9% -19% -2% -17% -6% 	CY08E 8,347 11,124 3,823 1,027 743 8,198 751 1,919 65 46	CY09E 11,146 11,407 4,015 1,073 754 8,739 891 1,875 73 21	17% -4% - 1% 0% -4% 0% NMF -4%	CY09E C NMF -2% 0% NMF 6% -4% NMF -10% 0% NMF	33.2 9.4 12.1 13.7 12.1 11.5 27.3 13.6 NMF	24.4 6.5 10.8 17.8 11.7 9.6 10.6 NMF NMF	6.9 0.4 0.9 2.1 2.2 0.2 0.4 0.5 NMF 0.8	5.1 0.4 0.9 2.0 2.2 0.1 0.4 0.5 NMF 1.7	NMF 4.6 5.8 16.6 8.5 3.9 4.6 3.8 NMF NMF	17.3 3.9 5.5 15.2 8.0 3.5 4.1 3.9 NMF 0.9	6,254 32,550 26,500 3,000 2,700 33,000 1,600 9,500 300 101	1.33 0.34 0.14 0.34 0.28 0.25 0.47 0.20 0.22 0.45	1.78 0.35 0.15 0.36 0.28 0.26 0.20 0.24 0.21
	Thelese		Trdg	Local P		Pot.	% of 5		Mean Median Mkt. Cap.		-4% -3% arket Ind		-10% -9% Return %	-11% -8%	27% 8% Revenue		1% -1% 180-day		17.2x 13.6x P/	10.8x	1.6x 0.8x EV/Sa		6.8x 4.6x EV/EB			0.40 0.31 Headcour	0.44 0.27 nt
GLOBAL WIRELESS EQPT Nokia Corp. Research In Motion Ltd. LLM Ericsson Telephone Co. Motorola Inc. Juniper Networks, Inc. Aicatel-Lucent Nortel Networks Corp. Tellabs Inc. 3Com Corporation Palm, Inc. Sierra Wireless Inc.	HICKEI HLSE:NOK1V RIMM OM:ERIC B MOT JNPR ALU NT TLAB COMS PALM TSX:SW	NR NR NR NR NR NR	EUR USD SEK USD EUR USD USD USD USD	20-Mar 18.49 104.94 10.88 9.25 25.16 3.38 6.10 5.77 1.98 4.72 14.75	Target 27.18 139.18 17.86 14.25 33.03 5.75 13.97 7.42 3.93 6.27 26.86	Return 47% 33% 64% 54% 31% 70% 129% 29% 99% 33% 82%	Low 1111% 244% 108% 101% 135% 104% 105% 113% 95% 111% 119%	High 64% 77% 38% 47% 66% 32% 23% 42% 39% 24% 50%	(US\$mm) 109,681 58,923 28,293 20,864 13,173 11,773 2,667 2,334 797 505 450	-4% 4% 3% -1% 3% 3% 5% 2% -11% 4% 5%	-11% -1% -1% -6% -2% -4% -10% 2% -36% -13% 7%	-25% 13% -23% -18% -4% -18% -47% -12% -47% -28% -11%	90-day -32% -12% -29% -43% -27% -35% -61% -17% -56% -25% -6%	 -30% -7% -28% -42% -24% -32% -60% -12% -56% -26% 0% 	31,112 34,466 3,497	90,237 11,146	CY03E 0% 17% -9% -14% 6% -5% -4% -10% -3% -16% 14%	1% NMF -11% -12% -6% -6% -2% -15% NMF -1% 7%	10.7 33.2 9.4 NMF 22.3 20.0 9.4 23.8 15.4 NMF 10.6	9.9 24.4 8.0 15.2 18.0 7.8 6.5 18.0 NMF 36.9 9.2	CY08E 1.1 6.9 0.8 0.5 3.3 0.5 0.4 0.6 0.5 0.6 0.6	1.1 5.1 0.7 0.4 2.8 0.5 0.4 0.6 NMF 0.5 0.5	6.5 NMF 4.4 12.0 12.1 5.7 4.6 5.9 NMF NMF 5.2		HC 0 112,262 6,254 74,000 66,000 5,879 89,370 32,550 3,716 6,309 1,247 268	0.77 1.33 0.42 0.52 0.59 0.31 0.34 0.51 0.21 1.07 2.11	0.80 1.78 0.44 0.58 0.70 0.32 0.35 0.51 NA 1.29 2.40
		1 I							Mean	1%	-8%	-20%	-31%	-29%	12%	11%	-2%	-4%		15.4x	1.4x	1.3x	7.0x		36,169	0.75	0.92

Source: Capital IQ, Haywood Estimates





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TSX:GIB.A	CGI Group Inc.	Х							
TSX:SW	Sierra Wireless Inc.	Х							

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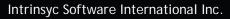
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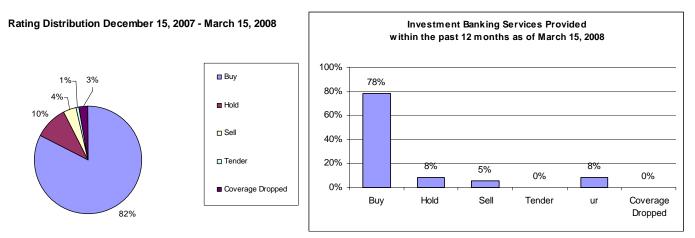
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