

RESEARCH REPORT

Intrinsyc Software Int'l Inc. (ICS-T, \$0.38)

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SECTOR OUTPERFORM Rating: Target Price: \$1.50 Return: 295% YTD Performance: -59%

Risk Profile: **SPECULATIVE**



The 2H/08 should deliver the catalysts: (1) royalty revenue from shipping handsets; (2) a few more SLAs; and (3) the accretive benefits from the Destinator acquisition.

Q2/08 Inline; Soleus™ Royalties to Begin in 2H/08

Event: Intrinsyc Software reports Q2/08 financial results.

Impact - Neutral: Financial results were inline with expectations (\$5.6M in revs; and EPS of -\$0.03); Company in talks with several potential software license agreement (SLA) customers, when will they announce one?

- Forecasts Adjusted, we expect Q3/08 revenues of US\$8.0M (from US\$8.2M, cons: US\$8.1M), EBITDA of -US\$5.5M (from -US\$6.7M, cons: -US\$5.8M), and EPS of -US\$0.03 (from -US\$0.05, cons: -US\$0.03). For FY2008, we expect revenues of US\$27.6M (from US\$28.2M, cons: US\$28.0M), EBITDA of -US\$17.6M (from -US\$20.3M, cons: -US\$19.0M), and EPS of -US\$0.11 (from -US\$0.16, cons: -US\$0.12).
- Target Price, Ratings Unchanged, SECTOR OUTPERFORM rating and \$1.50 target.

Issues:

- **Potential Software License Agreements (SLAs)**
 - Company in talks with multiple customers; SoleusTM interest remains strong and driven by Asia.
- **Several Devices Positioned to Ship**
 - With several announced products positioned to ship, we expect SoleusTM royalties to begin ramping during the 2H/08 (back-end loaded).
- Destinator Integration Driving Towards "SoleusTM Transit" Product Integration of Destinator's GPS technology with the SoleusTM OS results in a higher-margin full-featured OS – and a larger market penetration!

Valuation: From a valuation perspective, Intrinsyc is trading at a discount to the Haywood Global Mobility Software Universe based on our CY2009/CY2010 estimates (EV/Sales: '09: 1.0x versus 2.6x, '10: 0.7x versus 2.1x). Our DCF-based target of \$1.50 yields a CY2010 valuation of 3.8x EV/Sales.

Catalysts: 1) Software License Agreements – Soleus™ contracts, notably a tierone manufacturer, should improve revenue visibility; 2) Royalty Generation – We expect SoleusTM royalties to begin in Q3/08; 3) Product Visibility - SoleusTM product reviews will increase visibility and drive future signings (min. of one/qtr).

Investment Brief: SoleusTM is a comprehensive software platform (based on Windows CE), whose 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)

Forecast Risk Financial Risk Valuation Risk	High High High
52-Week High / Low	\$1.30/\$0.38
Dividend / Yield	0.00%
Shares O/S	162M (basic) /
	191M (F/D)
Market Capitalization	\$61.5M
Daily Volume	320K

Financial Forecasts				
CY Est.	2007A	2008E	2009E	2010E
Revenues (\$mlns)	21.2	27.6	50.1	70.1
EBITDA (\$mlns)	(15.0)	(17.6)	(4.1)	12.6
EPS (FD) (\$)	(0.14)	(0.11)	(0.03)	0.06
CFPS (FD) (\$)	(0.13)	(0.08)	0.01	0.07

Valuation				
	2007A	2008E	2009E	2010E
P/E	NM	NM	NM	6.7x
EV/SALES	1.3x	1.9x	1.0x	0.7x
EV/EBITDA	NM	NM	NM	4.1x
DCF		\$1.37	\$1.44	\$1.55

Company Profile - www.intrinsyc.com

Intrinsyc is a leader in software and services that enable next-generation handheld and embedded products, including mobile handsets, smart phones and converged devices. Intrinsyc is a Microsoft Windows Embedded Gold Partner, the 2007 Windows Embedded Excellence Award winner for System Integrator, and a Symbian Platinum Partner.

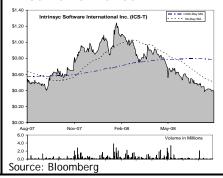
Company CEO - Glenda M. Dorchak

Revisions, Date of Record

Rating - Unchanged.

Target - up from \$1.25, Jan 8, 2008.

Price Performance







Rating: Sector Outperform Target: \$1.50 Intrinsyc Software International Inc. Shares O/S (M) 191.0 Market Cap. (\$M): \$62

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

Investment Highlights

Company Description - Intrinsyc is a leader in software and services that enable next-generation handheld and embedded products, including mobile handsets, smart phones and converged devices.

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. Intrinsys is a Microsoft Windows Embedded Gold Partner, the 2007 Windows Embedded Excellence Award winner for System Integrator, and a Symbian Platinum Partner.

Catalysts - Continued design wins, two 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 Feb 2008 - 28.6M @ \$1.05 Past Equity Offering May 2007 - 33.3M @ \$0.60

Management:
Glenda Dorchak, Chairman & CEO; George Reznik, CFO; Randy Kath, CTO

Financial Forecasts		А	nnual				Qua	rterly		
FY-end Dec-31	2007A	2008E	2009E	2010E	2011E	Q1/2008A	Q2/2008A	Q3/2008E 0	Q4/2008E	Q1/2009E
Revenues (\$mlns)	18.2	27.6	50.1	70.1	86.1	5.6	5.6	8.0	8.5	9.7
Rev. Growth %		52%	81%	40%	23%		0%	43%	7%	13%
Consensus Revenue Est. (\$mlns)	19.8	28.0	56.0	65.5		4.9	5.4	8.1	9.1	10.4
3 months ago.	20	23	48	57	73	5	5	5	6	8
EBITDA (\$mins)	(16.6)	(17.6)	(4.1)	12.6	18.6	(3.7)	(3.9)	(5.5)	(4.6)	(2.9)
EBITDA Growth %		-6%	77%	405%	48%		-5%	-42%	16%	37%
Consensus EBITDA Est. (\$mlns)	(14.2)	(19.0)	(10.1)	1.2		(3.6)	(4.4)	(5.8)	(4.8)	(4.1)
3 months ago.	(14.2)	(14.4)	(0.3)	7.8	15.1	(3.6)	(4.4)	(5.8)	(4.8)	(4.1)
EPS (FD) (\$)	(0.16)	(0.11)	(0.03)	0.06	0.09	(0.03)	(0.03)	(0.03)	(0.03)	(0.02)
EPS Growth %		30%	71%	282%	60%		4%	-12%	11%	37%
Consensus EPS Est. (\$)	(0.17)	(0.12)	(0.04)	0.01		(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
3 months ago.	(0.17)	(0.10)	(0.00)	0.05		(0.03)	(0.03)	(0.03)	(0.02)	(0.01)
CFPS (FD) (\$)	(0.15)	(80.0)	0.01	0.07	0.12	(0.04)	(0.01)	(0.01)	(0.02)	(0.02)
CFPS Growth %		48%	111%	740%	75%		60%	16%	-68%	18%
Consensus CFPS Est. (\$)	-	(80.0)	-	0.07		(0.02)	(0.01)	(0.02)	-	-
3 months ago.	-	(0.07)	0.02	0.08		(0.02)	(0.03)		-	-

*All consensus numbers are from Capital IQ

Valuation Metrics	2006	2007	2008	2009
EV/EBITDA - Current	NM	NM	NM	NM
Est. EV/EBITDA - Target			NM	21.0x
EV/SALES - Current	1.9x	NM	1.9x	1.0x
Est. EV/SALES - Target			9.6x	5.3x
Current, 1-Year, 2-Year				
DCF Target		\$1.37	\$1.44	\$1.55

Analyst Ratings: Capital IQ		Potential Upside
Average Target	\$1.16	205%
Median Target	\$1.25	229%
Sector Outperform	5	
Sector Perform	0	
Sector Underperform	0	
# of Analysts	5	

Comparables	Stock Price		Pot.		EV/Sales		EBITDA	Margin	P/	Έ	EV/EBITDA		
	Today	Target	et Return 2008 2009 2010 2008		2009	2008	2009	2008	2009				
Intrinsyc Software International Inc.	0.38	1.50	295%	1.9x	1.0x	0.7x	-64%	-8%	NM	NM	NM	NM	
Esmertec AG	9.99	10.00	0%	4.4x	3.4x	3.0x	9%	13%	NM	NM	NM	25.9x	
Access Company, Ltd.	178,000	436,250	145%	1.5x	1.3x	1.1x	6%	9%	NM	37.8x	24.9x	14.6x	
Opera Software ASA	23.00	25.19	10%	5.0x	3.6x	2.8x	12%	18%	NM	33.0x	NM	20.6x	
BSQUARE Corp.	4.00	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	
Smith Micro Software Inc.	7.74	10.83	40%	2.1x	1.8x	1.6x	18%	22%	13.4x	10.0x	11.6x	8.2x	
Infraware Inc.	17,100	25,000	46%	4.8x	3.7x	3.0x	30%	39%	20.8x	11.8x	15.6x	9.4x	
Acrodea Inc.	163,000	425,000	161%	2.6x	1.7x	1.2x	28%	32%	31.4x	12.7x	9.1x	5.2x	
Average				3.4x	2.6x	2.1x	17%	22%	21.9x	21.1x	15.3x	14.0x	

Historical Valuation Parameters	EV/E	EV/EBITDA		P/CF		Growth	EPS G	rowth	Sales 0	Frowth	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	6%	-77%	30%	71%	52%	81%	-45%	-59%
Esmertec AG	NM	NM	NM	29.4x	189%	100%	89%	119%	26%	30%	14%	-9%
Access Company, Ltd.	26.3x	24.2x	32.9x	26.5x	-32%	71%	102%	NM	8%	17%	-42%	-65%
Opera Software ASA	NM	NM	NM	28.8x	NM	99%	NM	93%	45%	37%	49%	78%
BSQUARE Corp.	NM	1.9x	NM	NM	NM	NM	NM	NM	NM	NM	-21%	-41%
Smith Micro Software Inc.	14.1x	NM	NM	NM	149%	42%	NM	34%	37%	19%	-6%	-9%
Infraware Inc.	14.0x	NM	17.0x	10.4x	42%	67%	51%	76%	36%	30%	-6%	7%
Acrodea Inc.	26.1x	23.1x	13.4x	7.5x	NM	75%	NM	148%	NM	55%	-60%	-52%
Average	20.10	16.44	21.1v	20.50	070/	769/	90%	0.49/	200/	219/	-109/	-120/

*All consensus numbers are from Capital IQ

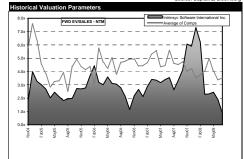
		Intrinsyc Software			
Discounted Cash Flow Analysis (FY-End Dec, US\$)	2007	2008	2009	2010	2011
Modeled Units Shipped	125,000	600,000	4,881250	9,375,000	12,687,500
Revenue (\$)	19,705,794	27,629,806	50,113,713	70,146,178	86,067,046
Revenue growth	2%	45%	81%	40%	23%
EBITDA (\$)	(13,434,798)	(17,604,765)	(4,129,541)	12,611,467	18,604,114
EBITDA Margin	-70%	-64%	-8%	18%	22%
Amortization (\$)	797,385	909,664	1,369,433	1,438,925	1,508,684
EBIT (\$)	(14,232,183)	(18,514,430)	(5,498,973)	11,172,542	17,095,430
NOPAT [EBIT * (1- effective tax rate)]	(14,512,370)	(18,664,055)	(5,498,973)	11,172,542	17,095,430
Plus Amortization (\$)	797,385	909,664	1,369,433	1,438,925	1,508,684
Less Capital Expenditures (\$)	(562,912)	(888,861)	(801,819)	(841,754)	(1,032,805)
Capital Intensity	0	0	0	0	0
Net Working Capital Changes	303,368	3,110,698	3,929,574	(1,917,176)	169,543
Terminal Value		278,417,843	278,417,843	278,417,843	
Equity Value		246,201,067	274,754,236	296,539,879	
DCF Value		137	144	1.55	

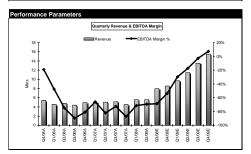
Source: Haywood Securities Inc., Company Reports, Target, Return and Forecasts are Consensus Based Using Capital IQ.

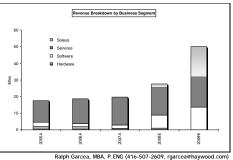
Source: Haywood Securities



Price / Target / Return	\$0.38	\$1.50	294.7%
52wk Hi / Lo		\$1.30	\$0.38
Shares O/S (mlns)			
Basic / F.D.		161.9	191.0
Float			150.0
Cash Burn / Dividend Yield		1.2	0.0%
Short Interest / as % of Float		0.0	0.0%
Daily Volume (3-Mth. Avg. mlr	is)		0.32
Market Cap. / Enterprise Valu	e (mlns)	61.5	40.1
Cash / Debt (mlns)		21.5	0.0
Cash / Shr & Net Cash / Shr		\$0.13	\$0.13
Tang. Book Value / Share			\$0.25
Company CEO / Website	Glenda M	Dorchak	www.intrinsyc.com
Top Holders:			
Camlin Asset Managemen	t Limited		4.5%
2) IG Investment Managemer	nt, Ltd.		2.6%
3) Gruber & McBaine Capital	Manageme	ent, LLC	1.1%
Ownership:			
Management Control (Proxy)		1.7 M	1.0%







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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 Soleus, a consumer software product for wireless and handheld devices since 2004.

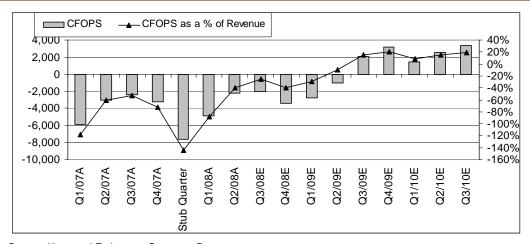
Soleus is a comprehensive software platform (based on Windows CE) and includes a high-level operating system (HLOS), an application suite, a pre-certified telephony stack, and sophisticated user interface-generation tools. Soleus' modular architecture speeds up the development process, provides a reusable platform, allows a higher degree of customization, and lowers the manufacturer's bill of materials. 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.

Q2/08 Inline; SoleusTM Royalties to Begin in 2H/08

On August 12th, 2008 Intrinsyc Software released their Q2/08 financial results; the financial results were inline with expectations (\$5.6M in revs; and EPS of -\$0.03). We believe the most important takeaways from the conference call were: (1) the update on future software license agreements (SLAs); (2) the Company has several mobile products that should be released in the 2H/08 and lead to SoleusTM royalty revenue; and (3) the integration of Destinator's GPS product and SoleusTM is progressing well, introducing "SoleusTM Transit".

Financially, we expect Q3/08 revenues of US\$8.0M (from US\$8.2M, cons: US\$8.1M), EBITDA of -US\$5.5 (from -US\$6.7M, cons: -US\$5.8M), and EPS of -US\$0.03 (from -US\$0.05, cons: -US\$0.03). For FY2008, we expect revenues of US\$27.6M (from US\$28.2M, cons: US\$28.0M), EBITDA of -US\$17.6M (from -US\$20.3M, cons: -US\$19.0M), and EPS of -US\$0.11 (from -US\$0.16, cons: -US\$0.12). For FY2010, we expect revenues of US\$70.1M (from US\$79.0M), EBITDA of US\$12.6 (from US\$14.8M), and EPS of US\$0.06 (from \$0.09). The Company maintains a strong balance sheet with US\$21.5M in cash & equiv and no debt. We do not expect Intrinsyc Software to need cash before they reach the operational cash flow positive stage in Q3/09 (EPS positive in Q4/09).

Cash Flow from Operations



Source: Haywood Estimates, Company Data





Company management indicated that the interest in SoleusTM has never been stronger; despite the industry interest, the Company has not released a SLA since early in 2008. We expect to see a SLA in the near future, and we expect to see royalty revenues starting in Q3/08. There are several SoleusTM- and Destinator-based products that should likely hit the market in the 2H/08, which will benefit Intrinsyc from a top-line and marketing perspective. We remain confident that SoleusTM will find its niche in the mobile OS space.

SoleusTM and Destinator Powered Handheld Devices





MSI 5608



LG LN380



Motorola A1600



ASUS P750



Source: Company Data

As the Destinator integration progresses, we believe that the accretive synergies from the acquisition will be realized. A mobile smartphone with and without GPS will cater to different markets and have different price-points. Furthermore, existing contracts from Destinator can be leveraged for possible SoleusTM contracts. One of the new developments is "SoleusTM Transit" the integration of the existing SoleusTM OS with the Destinator GPS system. We estimate that this integration has the potential to add US\$1.50-2.00 in royalties per unit shipped.

We remain positive on Intrinsyc's potential. The Company is financially well-positioned; operating in the mobile handset market; and has a fundamentally solid product. We believe that the stock is heavily discounted at the \$0.38 level and reiterate our **SECTOR OUTPERFORM** rating and \$1.50 target.

Valuation

From a valuation perspective, Intrinsyc is trading at a discount to the Haywood Global Mobility Software Universe based on our CY2009/CY2010 estimates (EV/Sales: '09: 1.0x versus 2.6x, '10: 0.7x versus 2.1x). Our DCF-based target of \$1.50 yields a CY2010 valuation of 3.8x EV/Sales.





Haywood Global Software Comparables

CANADA TECHNOLOGY Small Cap - Software/Services	Ticker	Trdg			Pot. Return		2 week High	Mkt. Cap.		arket Ind 7-dav				Revenue CY08F		180-day CY08F	% chg CY09F (P/E		EV/Sa		EV/EB			/Headcou		Cash per
Small Cap - Software/Services Constellation Software Inc. Absolute Software Corporation SXC Health Solutions, Corp. Corel Corporation Intermap Technologies Corp. Logibec Groupe Informatique Lice Points International Ltd. Matrikon Inc. 20-20 Technologies Inc. MKS Inc. DEQ Systems Corporation Intrinsyc Software International Isingewater Systems Corporation Belzberg Technologies Inc. Zaio Corp. RedKnee Solutions, Inc. Immersive Media Corp. Grey Island Systems International Islandinguity	Ticker TSX:CSU TSX:ABT SXCI TSX:CRE TSX:IMP TSX:LGI TSX:PTS TSX:MTK TSX:TVT TSX:MKX TSX:VDEQ ITSX:BU TSX:BU CDNX:IMC ICDNX:GIS TSX:BH	NR CAD NR USD NR CAD SO CAD NR CAD	29.19 11.71 14.50 9.61 4.92 21.00 0.98 4.50 1.50 0.90 0.38 3.20 4.04 0.41 0.84 0.26 0.27	31.24 18.92 19.45 13.43 10.30 27.68 2.88 5.28 6.75 2.17 2.50 5.25 NA 1.50 0.73 2.35 0.76 NA	7% 62% 34% 40% 109% 32% 194% 13% 50% 45% 200% 295% 64% NA 241% 80% 180% 199% NA	130% 119% 147% 137% 122% 123% 109% 229% 113% 146% 146% 1314% 1314% 1319% 116% 106%	High 99% 58% 67% 69% 43% 93% 23% 97% 63% 50% 29% 58% 11% 46% 28% 46% 33%	580 526 346 231 213 194 138 135 80 73 59 58 68 56 23 345 29 22 11	0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0	7% 6% 11% 0% 6% 5% -1% 3% -6% 2% 0% -7% 38% 0% -7% 38% 0% -6% -2% -4%	8% 4% 1% 4% 1% -5% 4% -3% -1% 10% -18% -4% 159% -8% -15% -12% -18%	90-day 15% 8% -11% -11% -24% 10% -51% 20% -21% -28% -32% 28% -71% 13% -27% -29% -33%	71D 16% -36% 0% -1% -53% -76% 95% -31% -36% -59% -40% -73% 1% -47% -23% -41%	CY08E 306 44 566 257 31 72 68 76 67 4 4 26 444 NA 23 50 20 NA	350 711 829 266 37 NA 96 95 NA 72 12 52 54 NA 24 59 NA NA	11% -5% NMF 2% 7% 11% -5% NMF 2% 7% 11% 7% 9% NMF NMF 11% NMF NMF NMF	6% 8% NMF 1% -12% 0% NMF 6% 0% NMF NMF NMF NMF 0% NMF NMF 0%	13.3 NMF 23.8 6.1 NMF 21.6 NMF 18.1 NMF 17.2 NMF NMF NMF NMF NMF NMF NMF NMF	11.7 NMF 17.0 5.6 NMF NMF NMF NMF 14.8 NMF NMF 11.4 NMF NMF NMF NMF NMF NMF NMF	1.9 NMF 0.4 1.4 5.5 3.2 1.8 1.5 1.0 0.9 NMF 0.9 0.7 0.6 0.5 NMF NMF	1.7 6.6 0.3 1.3 4.7 NMF 1.3 1.2 NMF 0.4 0.4 0.6 NMF 0.7 0.5 NMF	11.5 NMF 7.2 5.9 NMF 8.9 NMF 9.4 13.5 9.0 NMF NMF NMF NMF NMF NMF NMF NMF	10.1 NMF 5.2 5.5 NMF NMF 14.2 NMF 6.4 15.9 NMF 4.8 NMF NMF NMF NMF NMF	1,200 217 429 1,110 670 430 643 308 NM 174 204 95 NM 335 NM NM 335	0.25 0.20 1.32 0.23 0.05 0.17 0.89 0.14 0.13 0.22 NA 0.15 0.22 NA NA NA	0.29 0.33 1.93 0.24 0.06 NA 1.26 0.18 NA 0.24 NA 0.30 0.26 NA NA NA NA	0.94 1.11 4.05 1.30 0.97 0.36 0.24 0.63 0.86 0.25 0.14 0.22 1.62 1.49 0.11 0.26 0.52 0.13 0.00
EmerGeo Solutions Worldwide Inc. iseemedia Inc. ZipLocal Inc.	. TSXV:EMG CDNX:IEE TSXV:ZIP	NR CAD NR CAD NR CAD	1.15 0.17 0.10	NA NA 0.30	NA NA 200%	115% 103% 100%	91% 23% 29%	11 8 7	0% 0% 0%	0% -18% -9%	-16% -8% -9%	-25% -41% -26%	51% -67% -44%	NA NA 5	NA NA 8	NMF NMF -11%	NMF NMF -12%	NMF NMF NMF	NMF NMF NMF	NMF NMF 1.5	NMF NMF 0.9	NMF NMF NMF	NMF NMF 4.3	NM 37 NM	NA NA NA	NA NA NA	0.07 0.11 0.01
								Mean Median	0% 0%	1% 0%	4% -2%	-16% -21%	-22% -33%	86% 29%	48% 23%	1% 1%	-1% 0%	16.6x 17.2x	12.3x 12.5x	1.5x 1.0x	1.8x 1.1x	8.5x 8.9x	7.5x 5.5x	419 322	0.32 0.20	0.48 0.26	0.70 0.31
CANADA TECHNOLOGY	Ticker	Trdg Curr	Local 12-Aug	Price Target	Pot. Return	% of 52 Low	2 week High	Mkt. Cap. (US\$mm)	M 1-day	arket Ind 7-day	icators (I 30-day			Revenue CY08E	(USD) CY09E	180-day o CY08E	% chg CY09E (P/I CY08E (EV/Sa CY08E		EV/EB			/Headcou CY08E		Cash per Share
Research In Motion Ltd. Nortel Networks Corp. CGI Group, Inc. Celestica Inc. Open Text Corp. Macdonald Dettwiler & Associates Aastra Technologies Ltd. Cinram International Income Fund Descartes Systems Group Inc. Certic	RIMM NT TSX:GIB.A TSX:CLS OTEX ITSX:MDA TSX:AAH TSX:CRW.UN TSX:DSG TSX:CIC	NR USD NR USD SO CAD NR CAD NR CAD NR CAD NR CAD NR CAD NR CAD	128.29 5.94 11.40 9.03 34.74 31.79 17.70 4.63 3.87 1.66	165.73 9.83 15.00 9.62 43.00 43.08 32.81 6.46 5.69 2.42	29% 65% 32% 7% 24% 35% 85% 39% 47% 46%	208% 104% 127% 194% 193% 110% 101% 132% 133% 132%	87% 30% 95% 91% 89% 62% 48% 22% 78% 61%	72,440 2,949 3,323 1,939 1,775 1,202 258 248 192 68 Mean	0% 0% 0% 0% 0% 0% 0% 0% 0%	5% -3% 2% 11% 16% 7% -9% 13% 5% 10%	17% -9% 15% 7% 14% -1% -11% -14% 4%	-7% -25% 2% -3% -6% -21% -33% -25% -19%	13% -61% -2% 56% 10% -24% -48% -19% -7% 5%	9,677 11,241 3,610 7,939 740 1,160 802 1,894 69 19	14,180 11,502 3,741 8,300 771 1,260 926 1,811 77 25	17% -3% -2% -3% 1% 18% NMF 0% 2% 0%	NMF -3% -4% -5% 3% 19% NMF 0% -3% 20%		26.2 7.6 12.0 10.0 14.1 12.1 7.0 NMF 13.2 NMF	7.3 0.5 1.0 0.2 2.5 1.4 0.2 0.4 2.1 2.1	5.0 0.5 1.0 0.2 2.4 1.3 0.1 0.4 1.9 1.6	NMF 5.3 6.3 4.6 9.7 9.6 2.0 3.2 9.0 NMF	17.2 4.6 6.1 4.3 9.2 8.4 1.7 3.3 7.7 NMF	8,387 32,550 26,500 31,000 2,800 3,000 1,600 17,000 300 101	1.15 0.35 0.14 0.26 0.26 0.39 0.50 0.11 0.23 0.19	1.69 0.35 0.14 0.27 0.28 0.42 0.58 0.11 0.26 0.25	2.44 6.20 0.20 5.02 4.22 1.03 9.28 2.28 0.89 0.63
INTERNET	Tieles	Trdg	Local		Pot.	% of 52		Mkt. Cap.	М	arket Ind	icators (I	Return %	6)	Revenue CY08E		180-day °		14.7x P/I	12.0x	1.2x EV/Sa		EV/EE		REV	/Headcou	nt C	2.36 Cash per
INTERNET Google Inc. eBay Inc. Yahoo! Inc. Amazon.com Inc.	GOOG EBAY YHOO AMZN	NR USD NR USD NR USD NR USD	502.61 26.05 20.43 87.25	643.54 31.08 23.95 89.96	28% 19% 17% 3%	122% 111% 110% 143%	67% 64% 60% 86%	(US\$mm) 158,044 33,880 28,312 37,162 Mean	0% 0% 0% 0% 0%	5% 2% 3% 10%	-6% -7% -13% 27%	-13% -17% -25% 18%	-27% -22% -12% -6%	22,431 9,021 5,630 19,844 25%	28,006 10,164 6,374 24,705	-2% 4% 0% 3%	-5% 2% -2% 3%	25.6 14.9 NMF NMF	20.8 13.3 38.1 NMF	6.5 3.3 4.7 1.8	5.2 2.9 4.1 1.4	15.6 9.0 14.0 NMF	12.3 8.1 12.1 19.4 13.0x	19,604 15,500 14,300 17,000	1.14 0.58 0.39 1.17	1.43 0.66 0.45 1.45	38.59 3.12 1.88 5.59
GLOBAL SOFTWARE	Ticker	Trdg Curr		Price Target	Pot. Return	% of 52	2 week High	Median Mkt. Cap. (US\$mm)		4% arket Ind 7-day				Revenue		1% 180-day ° CY08E	0% % chg CY09E 0	P/I		4.0x EV/Sa CY08E		14.0x EV/EE			0.86 /Headcou CY08E		4.35 Cash per
Microsoft Corporation Oracle Corp. SAP AG ViMware, Inc. Adobe Systems Inc. Symantee Corporation CA, Inc. Autodesk, Inc. VeriSign Inc. Salesforce.com Dassault Systemes SA BMC Software Inc. Citrix Systems, Inc. McAfee, Inc. Sage Group pilc Ansys, Inc. Sybase, Inc. Parametric Technology Corp. Informatiac Corp. Open Text Corp. Tibco Software Inc. Misys pic Lawson Software, Inc. Concur Technologies, Inc. MicroSirategy Inc. JDA Software Group Inc.	MSFT ORCL SAP VIMW ADBIC CA ADBIC CA ADBIC VIRSN MFE LSE:SGE LSE:SGE LSE:SGE LSE:SGE LSE:MSY LVSN CNGR MSTR CNGR MSTR CNGR MSTR CNGR MSTR EPIC MSSN MSTR MSTR MSTR MSTR MSTR MSTR MSTR MSTR	NR USD NR	28.12 22.90 38.43 34.89 45.62 21.89 24.22 34.39 32.23 70.32 42.03 34.68 32.01 38.56 2.03 10.04 46.99 36.38 21.30 47.46 8.38 48.00 65.59 7.63 13.14 25.64 19.06	35.33 35.33 41.28 49.33 24.00 44.75 40.75 41.00 34.89 41.00 41.00 41.00 7.91 41.11 42.29 19.25 43.00 7.91 41.11 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 45.80 7.91 7.91 7.91 7.91 7.91 7.91 7.91 7.91	26% 17% 9% 9% 8% 10% 30% 25% 4% 18% 30% 18% 3% 113% 3% 24% -1% 55% 7% 7% -6% 17%	113% 113% 126% 135% 108% 151% 151% 151% 120% 137% 138% 137% 138% 137% 138% 137% 138% 137% 158% 138% 129% 137% 129% 122% 122%	75% 92% 42% 97% 92% 667% 76% 86% 67% 76% 93% 84% 94% 93% 88% 93% 93% 93% 93% 93% 93% 93% 93% 75%	256,744 118,069 68,209 13,536 24,199 18,368 12,552 7,702 6,227 8,449 7,361 6,590 5,838 5,834 4,178 2,928 2,457 1,594 1,775 1,594 1,611 1,458 2,370 780 455 5,918 2,370 780 455 5,918	0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0	7% 33% 33% 15% -1% 6% 22% -4.6 33% 15% -2.6 25% 15% -2.6 25% 15% 25% 15% 25% 15% 25% 10%	11% 99% 19% 19% 16% 16% 49% -9% 49% 11% 12% 69% 17% 12% 17% 17% 17% 17% 19% 14% 14% 17% 19% 19% 19% 19% 19% 19% 19% 19% 19% 19	-6% 5% 17% -47% 11% 6% -14% -19% 18% -8% 4% 49% 19% 18% -6% 6% 6% -14% -4% -14% -4% -15%	-21% 1% 8% -59% -76, 36% -14% -12% -14% -16% -3% -12% 14% -16% -3% -12% -12% -12% -12% -12% -12% -12% -13% -33% -33% -31% -33% -31% -33% -7%	CY08E 63,232 24,061 18,052 1,894 3,592 6,287 4,480 2,497 1,075 2,007 6,1,872 1,606 1,572 2,507 504 463 740 652 1,031 876 876 876 876 876 876 876 876 878 878	71,281 127,691 19,888 2,428 4,086 4,086 4,086 1,122 2,825 1,122 2,825 1,122 2,825 1,122 2,649 590 552 1,195	0% 4% -1% -6% 1% 2% 2% 2% -15% 5% -3% 5% 4% 7% 3% 0% -11% 11% -1% -1% -1% -1% -1% -1% -2%	1% 8% 1-1% 2% 14% 14% 15% 15% 15% 15% 15% 15% 15% 15% 15% 15	14.4 16.8 19.8 323.4 15.5 17.3 32.3 32.3 19.7 17.0 20.4 19.7 29.9 24.2 16.4 14.0 23.1 10.0 10.0 11.0 10.0 11.0 11.0 11.0 1	12.3 14.2 16.9 29.2 20.7 13.8 15.1 13.0 20.3 17.5 15.1 17.2 17.2 12.1 14.5 14.5 20.1 14.6 8.3 8.3 8.3 14.6 11.5	3.7 4.9 3.6 6.7 6.3 2.8 2.7 7.6 7.4 3.3 3.2 2.4 4.4 8.6 2.3 3.2 2.2 2.8 1.1 5.1 1.5 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6	3.3 3.2 5.2 5.6 6.7 2.6 6.4 5.7 3.0 2.9 3.0 2.9 2.3 6.7 3.0 2.9 2.3 4.1 1.3 1.3 1.4 1.7 1.3 1.4 1.7 1.6 1.4 1.7 1.6 1.6 1.7 1.6 1.7 1.6 1.7 1.6 1.7 1.7 1.6 1.7 1.7 1.7 1.7 1.7 1.7 1.7 1.7	8.4 10.8 12.1 NMF 7.6 7.8 9.2 16.2 16.2 16.2 16.2 16.2 16.2 16.2 16	7.6 9.4 10.3 16.3 7.5 7.0 7.8 12.2 8.9 9.9 8.1 11.2 8.9 9.2 14.9 7.4 7.7 7.7 11.0 9.2 8.1 7.5 7.6 7.5 7.6 7.6 7.6 7.6 7.6 7.6 7.6 7.6 7.6 7.6	91,000 84,233 42,772 5,000 6,959 7,300 13,700 7,300 1,425 1,260 4,620 1,400 1,400 1,400 4,241 1,365 4,449 1,365 4,449 1,365 4,500 4,200 575 5,500 4,200 5,71 1,500	0.69 0.29 0.42 0.38 0.52 0.36 0.33 0.34 0.35 0.35 0.35 0.36 0.33 0.24 0.34 0.24 0.34 0.23 0.35 0.24 0.34 0.24 0.34 0.23 0.35 0.24 0.36 0.36 0.36 0.36 0.37 0.38 0.39 0.39 0.39 0.39 0.39 0.39 0.39 0.39	0.78 0.33 0.46 0.59 0.38 0.35 0.26 0.54 0.29 0.35 0.39 0.30 0.41 0.42 0.39 0.30 0.27 0.38 0.26 0.29 0.35 0.29 0.35 0.39	2.32 2.14 3.05 3.07 3.07 3.05 3.07 3.05 3.07 3.52 2.89 4.65 5.22 0.11 4.12 2.36 6.53 2.01 1.0.11 2.24 5.87 3.01 2.25 1.52 2.79 0.35 6.84 0.17 6.3 3.29 1.96 3.355
		Trdg	Local	Price	Pot.	% of 52	2 week	Mean Median Mkt. Cap.	0% 0%	5% 4% arket Ind	11%	0% 1% Return 9		16% 15% Revenue	12% 10%	1% 1% 180-day	1% 2%	19.7x 17.3x	15.1x	3.6x 2.8x	3.3x 2.7x	10.8x 9.3x	9.5x 8.5x	11,583 4,251	0.32 0.32 /Headcou	0.36 0.35	3.45 2.97 Cash per
GLOBAL WIRELESS EQPT Nokia Corp. Research In Motion Ltd. LM Ericsson Telephone Co.	HLSE:NOK1\ RIMM OM:ERIC B MOT	NR EUR NR USD NR SEK NR USD	17.85 128.29 72.50 10.02	20.99 165.73 81.36 11.01		121% 208% 144% 151%	62% 87% 54% 51%	98,588 72,440 36,568 22,699		7-day 0% 5% 7% 5%				82,187 9,677 31,066 32,172	85,068 14,180 32,438 34,379	-2% 17% 3% -7%	-3% NMF 3% -12%					6.4 NMF 7.3 17.3	6.0 17.2 5.9 9.8		0.73 1.15 0.42 0.49		4.34 2.44 2.87 3.18 4.02

Source: Haywood Estimates, Capital IQ





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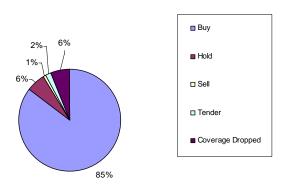
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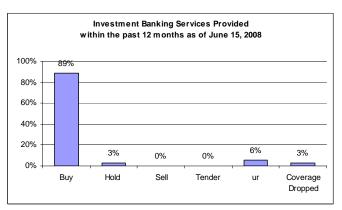
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