



Wednesday, February 22, 2012

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New Capital Weekly Update

Media Titans Announce Sizable Buybacks; Fracking the Future

- **The Capital Market's appetite for risk is manifesting itself in price appreciation, but has yet to be reflected in volume of new capital positions being taken at the various stages.** We believe that we are in the early innings of a sustainable recovery in the capital markets after a head fake reset in 2H11. We expect to see success in private equity and public equity in the coming months and we are already seeing very robust refinance activity in the fixed income markets. The Feds change of position to keep its agenda more private could be signaling a pullback in accommodative behaviors as they see signs of recovery firming.
- **There were several S-1s filed this week in the New Energy and REIT space.** Empire State Realty (ESB) the owner of the Empire State building and many notable Manhattan properties filed an S-1, which we believe could be an inflection in the Market's appetite for REITs and real estate properties in general. There were also a couple notable New Energy S-1s including EQT Mainstream (EQM) a pipeline operator and Diamondback Energy (FANG) a natural gas/oil services company. We expect New Energy, specifically natural gas interest to pick-up.
- **SP Research New Capital Indices indicate the Market believes that there is value to be bought.** New capital for growth investment have performed well relative to market over the past couple months, as has capital focused on the elimination of securities. We believe this is a reflection that the market believe that equities are cheap and acquirers (whether through buy-back or M&A) are getting good value. Companies that are refinancing to lower their cost of capital are also outperforming and we expect this trend to continue.
- **Noteworthy News Across The Five New Capital Focus Areas:**
 - **New Electronics:** LTE coming in 2H12; >50% of Internet traffic is mobile video
 - **New Energy:** Renewable M&A deals surge 40% to reach \$53Bn in 2011
 - **New Environment:** Successful human tests for 1st wireless drug-delivery chip
 - **New Finance:** European uncertainty – an opportunity for specialist PE firms
 - **New Media:** comScore ranks Top 50 U.S. Web properties for January 2012
- **Weekly Trend Update:** We believe that unconventional natural gas extraction methods, including fracking, will increase from 42% of U.S. gas production in 2007 to 64% in 2020. The United States is in the midst of a 21st century gold rush—a natural gas boom, driven in large part by the discovery of vast amounts of gas in unconventional plays. We expect that Southwestern (SWN) with 15 years of inventory at Fayetteville Shale and growth from Marcellus properties, and Cabot (COG) who has an attractive portfolio and cost model -- both have plenty of room to appreciate to a fair value once the Market grows comfortable with the ideas that fracking is safe and a necessary part of America's energy independence.

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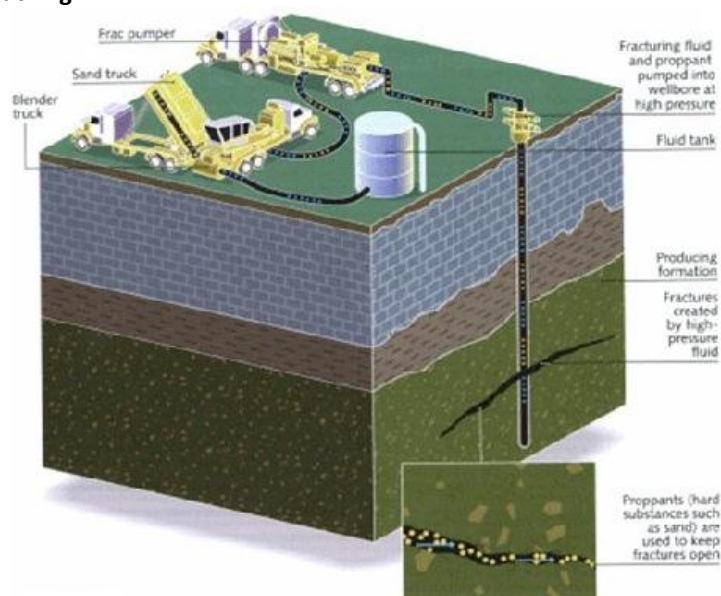
Disclosure: Please refer to the last page of this report for important disclosures.

Weekly Trend Update

Fracking: The Future of Natural Gas Extraction

- Unconventional natural gas extraction methods, including fracking, will increase from 42% of U.S. gas production in 2007 to 64% in 2020.** The United States is in the midst of a 21st century gold rush—a natural gas boom, driven in large part by the discovery of vast amounts of gas in unconventional plays. Recovery of gas in these often deep geologic formations typically requires the use of fracking, and has been made possible by new advances in technology. ICF Consulting, a Virginia-based energy and environmental consulting firm, projects that unconventional natural gas extraction methods, including fracking, will increase from 42% of U.S. gas production in 2007 to 64% in 2020.
- Fracking is fundamentally different than traditional gas extraction methods.** Fracking is the practice of pumping millions of gallons of high-pressure water, chemicals and sand underground to crack fissures in the rock so oil and gas can flow. Natural gas escapes through the fissures and is drawn back up the well to the surface, where it is processed, refined, and shipped to market. Fracking wells go thousands of feet deeper than traditional natural gas wells, and fracturing has grown at a rate much faster than drilling because frack intensity – the number of stages fracked per new well – is rising.
- The fracking market is expected to grow 19% to \$37bn worldwide in 2012, according to Spears & Associates.** In North America, which accounted for 87% of the fracking market last year, spending on the technique used to extract oil and natural gas from shale will top \$30bn in 2012. In the U.S., horizontal drilling, the precursor to most fracking activity, is expected to rise to almost 19,000 new wells (~\$2Mn/well) this year, breaking 2011’s record of 16,000, according to Spears. According to the American Petroleum Institute (API), if hydraulic fracturing were eliminated, natural gas production in the U.S. would fall 57% by 2018. However, for the technology to be widely accepted, the industry needs to address concerns around fracking causing water pollution and earthquakes.

Chart 1: Fracking



Source: SP Research, Treehugger

- Regional Market:** The mid-continent region that includes Oklahoma dominated the North American fracking market last year with \$5Bn. Canada was second-largest with \$4Bn in orders, followed by south Texas and the East Texas/Northern Louisiana region, which each accounted for \$3.5Bn in fracking work. The Rocky Mountains region, which includes the Bakken shale that underlies North Dakota and Montana, generated \$3 billion in fracking sales, Spears said. The eastern U.S., which includes the Marcellus and Utica shale formations, amounted to \$2 billion in fracking work last year.
- Four companies – Halliburton Co., Schlumberger Ltd., Baker Hughes Inc.’s BJ Services unit and Frac Tech Services LLC – provided more than half the North American fracking services last year.** Halliburton (HAL) was at the top of the group with 18% of the horsepower, followed by Schlumberger (SLB) with 13%, BJ Services (BHI) with 12% and Frac Tech with 11%. More and more, oil and gas companies are opting for fracking. ExxonMobil (XOM) recently spent \$41Bn to buy shale-gas company XTO Energy; it was the largest single acquisition by ExxonMobil in a decade.
- Countries like China and Poland sit on vast reserves of natural gas tapped in shale formations and have started efforts to extract the gas by employing techniques such as horizontal drilling and hydraulic fracturing.** China has almost 50% more recoverable shale gas than the U.S, but currently lacks the technical expertise required. However, China’s oil giants, Sinopec (HKG:0386) and CNOC, along with Saudi Aramco, announced in early January 2012 they would be bidding to buy a 30% stake in America’s FracTech Holdings LLC. That would effectively kick-start a \$2Bn foreign bidding war for a lucrative stake in future frack tech development. Halliburton is also looking to export its shale expertise to regions outside the U.S. and is already providing unconventional exploration services in Asia, Latin American and European countries. It recently announced a deal with Malaysian state oil company Petronas to explore shale reserves in the country.

Chart 2: Worldwide Fracking Sites



Source: SP Research, Proamlib

- Despite lower natural gas prices, we believe with breakeven costs ~\$2.25 per mcf some of the best investments in the near-term are the E&P companies.** We expect that Southwestern (SWN) with 15 years of inventory at Fayetteville Shale and growth from Marcellus properties, and Cabot (COG) who has an attractive portfolio and cost model -- both have plenty of room to appreciate to a fair value once the Market grows comfortable with the ideas that fracking is safe and a necessary part of America’s energy independence.



Capital Market Activity

Private Equity Markets

Chart 3: Major Activity Across the Capital Markets

Date	Deal Size (\$Mn)	Region	Comments
Buyback			
15-Feb-12	6,500	United States	Comcast Corporation (CMCS) announces buyback deal
16-Feb-12	6,000	United States	DIRECTV, Inc. (DTV) announces buyback deal
M&A			
14-Feb-12	1,850	United States	CPP Investment Board to acquire portfolio of 10 Regional Malls and Two Redevelopment Sites in US
15-Feb-12	934	United States	Health Care REIT, Inc. (HCN); Chartwell Master Care LP to acquire portfolio of 8,187 Suites in 42 Retirement Communities

Source: Capital IQ, SP Research.

- This past week private equity market was absent of any big deal.** Last week 40 deals were announced totaling \$1.2Bn, the dollar value of deals announced decreased by -88% W/W and aggregate private equity investment of \$24Bn is down -31% YTD. The number of PE deals however remained same as last week although they were down -32% YTD. Moreover, basis and volume of deals are also down -32% with only 341 deals being announced YTD. In the sluggish PE market the U.S. remains the most active, where 15 deals aggregating \$0.8Bn were announced. Last week did not see any deals in New Finance space, while New Media saw the most activity with 19 deals worth \$0.6Bn being announced. The objective of PE investment however remained acquisition of equity stake mirroring the trend for most of this year as PEs invested \$0.8Bn last week through six deals to acquire equity stake. It appears the 13-week moving average of PE investment, which has been declining since the beginning of the year, is maintaining trend but appears to potentially be bottoming.

Chart 4: PE Investments by Industry (YTD)

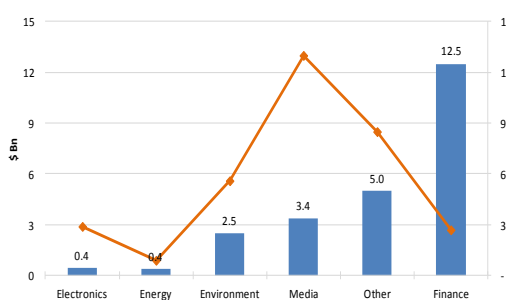


Chart 5: PE Investments by Geography (YTD)

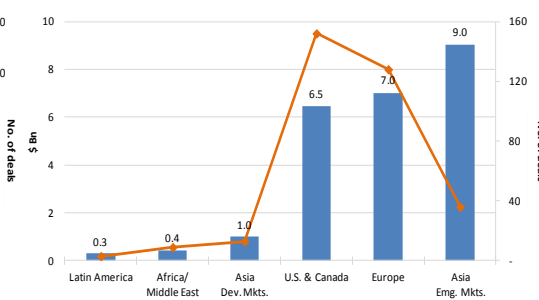


Chart 6: PE Investments by Nature (YTD)

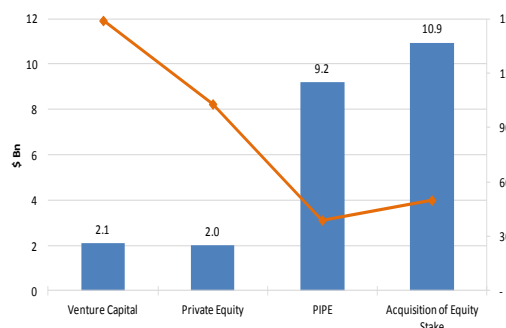
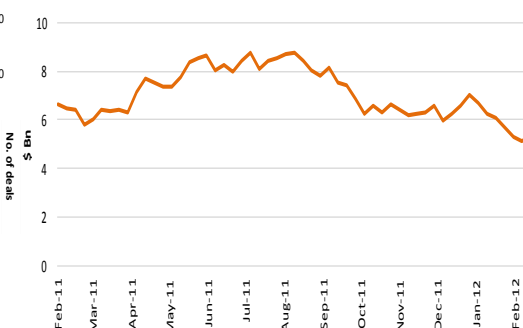


Chart 7: PE Investment – 13 Week Mov. Avg.



Source: SP Research, Capital IQ.

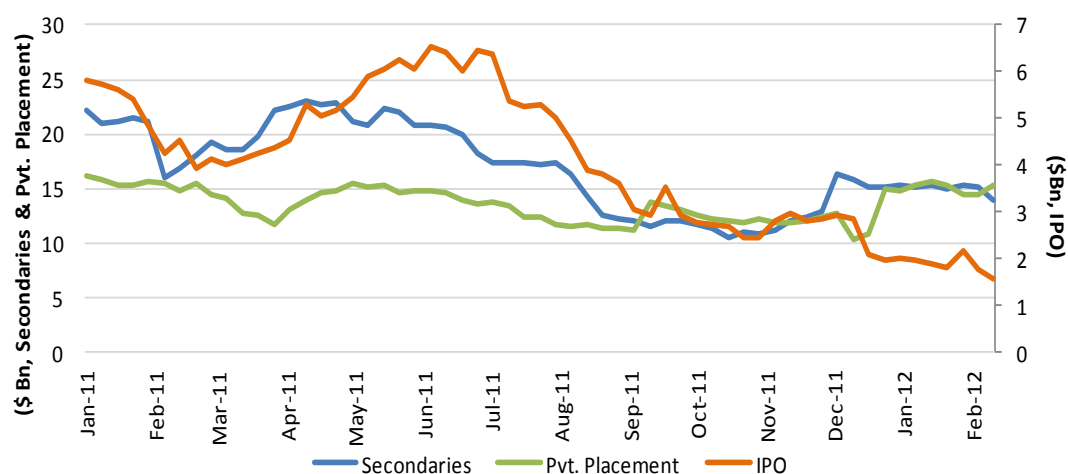


Public Equity (Creation)

- New Finance companies lead the public equity market through increased activity in both the IPO and secondaries market.** As the equity market show signs of recovery, corporate have shown confidence in raising capital through IPOs and secondary market. We anticipate that with the New Finance companies tapping the IPO and secondary market, public equity will be preferred mode of raising capital.
 - Initial Public Offering (IPOs).** There were 12 IPO deals announced last week, as against 13 deals in the previous week, raising \$1.7Bn. The total deal value was increased by +228% W/W, however it was down -59% YTD. The U.S. announced seven deals worth a total of \$1.4Bn, maintaining status as the largest capital market globally. In one of the large IPO deals Empire State Realty Trust, Inc., a diversified REIT company based out of the U.S. announced an IPO to collect \$1Bn from the market.
 - Secondaries.** There were 61 secondary offerings last week for an aggregate value of \$10.4Bn up 54% W/W. The secondary offerings this week were however down -35% YTD by number of deals. Although the secondary market picked up as compared to previous week it was down -43% YTD by value. New Finance, specifically in Europe, continued to announce large deals with two deals aggregating \$5.9Bn, followed by activity in the U.S. and Canada through 17 deals. We note that the European financial sector is taking advantage of better sentiment and shifting capital raise exposure from fixed income to equity.
 - Private Placements.** There were 176 private placements worth \$5Bn announced last week, -77% W/W and by -21% YTD. Europe continued to lead the private placement market as deals worth \$2Bn through 34 deals were announced. In one of the largest deals Weir Group, diversified company, announced \$1Bn deal to fund its acquisition plans and retire some of the debt borrowed to acquire companies in recent past. New Energy saw huge jump in private placement deals as 22 deals worth \$1.5Bn, primarily in Europe and the U.S. Overall the private placement market has remained relatively steady at a reduced run-rate.

New Finance companies are looking at raising funds from the market, as they regain confidence in getting good valuation through IPOs and also in secondary market.

Chart 8: Public Equity Trend - 13 Week Moving Avg



Source: SP Research, Capital IQ.

Public Equity (Elimination)



- Despite signs of gradual market strength and an increasing appetite for risk, buybacks and other eliminations of equities remains weak.** New Media companies especially in the U.S seem to be returning money to investors through buyback programs, announced last week, in a market where M&A activity has been sluggish. However good news is that the number of bankruptcies being announced is on a declining trend.
 - Buy-Backs.** Last week 18 buyback deals were announced worth \$16.1Bn up +493%W/W and but down -56%YTD. New Media in the U.S. led the buyback market as six buyback deals were announced worth \$14Bn. DIRECTV and Comcast Corporation announced one of the largest buybacks worth \$6Bn and \$6.5Bn respectively. In the U.S. total of 14 buyback deals were announced worth \$15.9Bn accounting for ~100% of buyback deals announced last week.
 - Mergers & Acquisitions (M&A).** Last week 158 deals were announced which was down -19%W/W and -30%YTD; the aggregate dollar value was \$22Bn -70%W/W and -27%YTD. Real estate saw couple of the largest acquisition being announced in America worth ~\$3Bn each. The U.S. saw maximum M&A activity as 40 deals were announced aggregating \$9.5Bn, whereas in Europe same number of deals aggregated \$6Bn. In Europe New Finance led activity, with largest deal worth \$1.9Bn being announced.
 - Bankruptcy.** Last week eight US companies filed for bankruptcy, this was down from 13 filings in the previous week and 19 in the year ago period. Real estate saw three companies filing for bankruptcy and there were two semiconductor companies namely Energy Conversion Devices, Inc. (ENER) and Solar Integrated Technologies, Inc..

Two Media titans each announced a significant buyback.

M&A market saw very low activity, with an exception of one large M&A deal announced by New Finance company in Europe.

Chart 9: Announced Buy-Backs - 13 Week MA

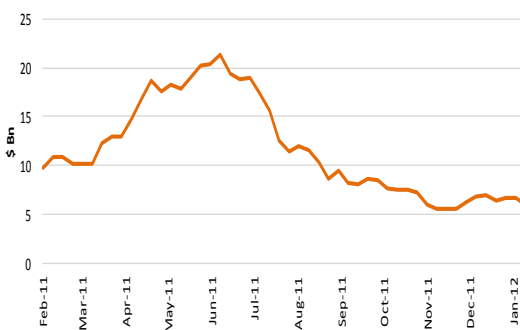


Chart 10: Completed Buy-Backs - 13 Week MA

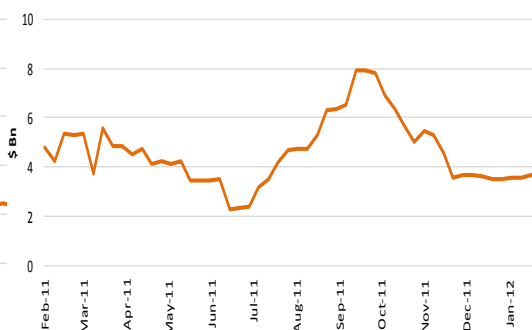


Chart 11: M&A Activity - 13 Week MA

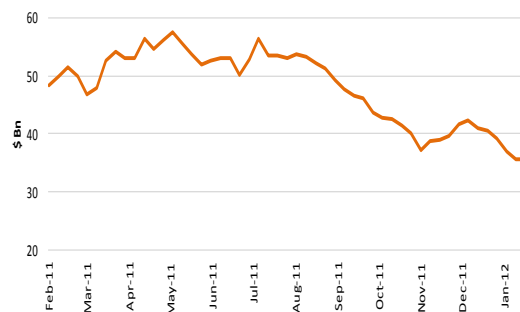
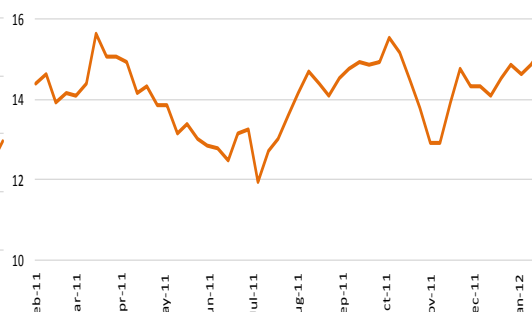


Chart 12: Bankruptcies - 13 Week MA



Source: SP Research, Capital IQ.



Fixed Income

- New fixed income capital saw significant activity last week coming from refinance activity in the European financial sector and corporate America.** The fixed income market announced 114 bond issues to collect \$58Bn, this was down -50% W/W and -12% YTD. The volume of deals was down -35% W/W and -45% YTD. New Finance market again saw highest number of bonds being issued aggregating \$43Bn through 103 bond issues. Europe accounted for majority of the fixed income activity accounting for >50% activity, where 81 bond issues were announced aggregating \$35Bn. New Finance market in Europe announced 66 deals to collect \$26Bn from the market. This is a response to raise money to retire the outstanding loans which are due in coming months and to strengthen the balance sheet of banks which may have to write off some loans as a result of poor economic condition in Europe. Kfw, a German diversified bank, announced a bond issue worth \$6.5Bn.
- With decreased lending from European banks, European companies are looking at issuing corporate debt to raise funds.** According to Wall Street Journal, Europe companies issued Euro denominated corporate bonds worth \$35.6Bn, up+56% Y/Y, this year. The investment grade companies will be able to raise capital through corporate bond in the absence of capital funding from banks. This will be a remarkable shift as the European companies rely more heavily on bank lending rather than tapping the corporate bond market to raise funds to meet their capital requirement.

With balance sheet of European banks under pressure, refinance and further leverage continue.

Chart 13: Fixed Income by Industry (YTD)

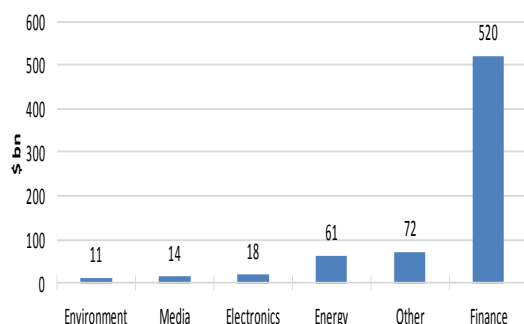


Chart 14: Fixed Income by Geography (YTD)

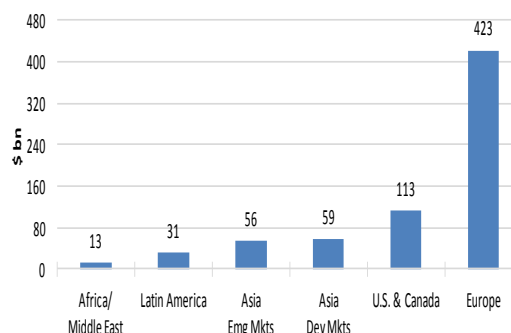


Chart 15: S&P 500 – Net Debt & Gearing

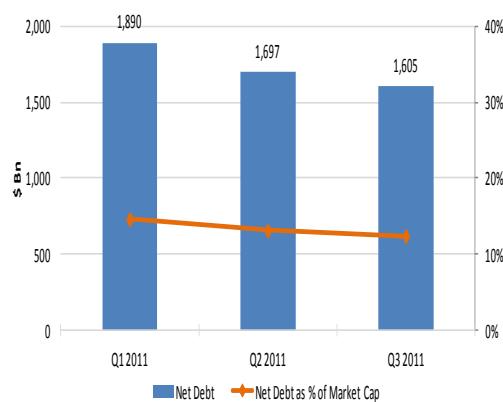
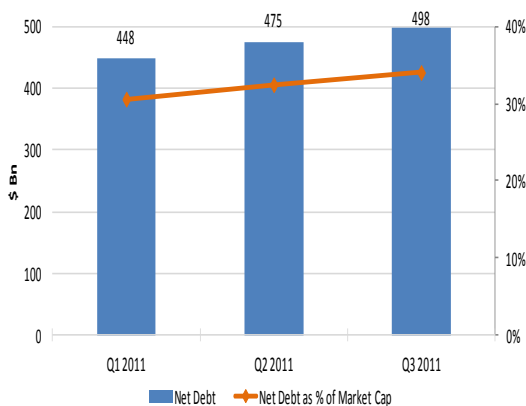


Chart 16: Russell 2000 – Net Debt & Gearing



Large companies (i.e. the S&P 500) are deleveraging while smaller companies are building leverage taking advantage of cheap debt.

Source: SP Research, Capital IQ.



New Filings: New Energy & New Finance Dominate S-1's

- CaesarStone Sdot-Yam Ltd. (CSTE) Offering of \$115Mn.** CaesarStone Sdot-Yam Ltd is an Israel based company established in 1987. It manufactures high quality engineered quartz surfaces and sells them under the Caesarstone brand. The quartz is the fastest growing material in countertop industry. CSTE filed to go public 2/16/2012.
- American Realty Capital Trust, Inc. (ARCT) Offering \$87.3Mn.** American Realty Capital Trust, Inc. is a full-service investment advisory firm sponsoring a series of investment programs. It focuses on publicly registered non-traded real estate offerings. ARCT filed to go public 2/15/2012.
- Atossa Genetics Inc (ATOS) Offering \$8.05Mn.** Atossa Genetics Inc is a healthcare company which focuses on development and marketing of novel cellular and molecular diagnostic risk assessment products for breast cancer. ATOS filed to go public 2/14/2012.
- Diamondback Energy, Inc. (FANG) Offering \$50Mn.** Diamondback Energy, Inc. provides oilfield services on both proven oil and natural gas basins. It has four segments, drilling technology services and applications; stimulation and pumping services; fluid logistics and well-site services; and completion and production services. FANG filed to go public 2/14/2012.
- EQT Midstream Partners LP (EQM) Offering \$250Mn.** EQT Midstream Partners LP, is a unit of independent energy producer EQT Corp (EQT). EQT Midstream Partners operates a 700 mile interstate pipeline system in the Appalachian Basin that connects to five interstate pipelines, plus a portfolio of natural gas storage reservoirs. EQM filed to go public 2/13/2012.
- Empire State Realty Trust Inc. (ESB) Offering \$1Bn.** Empire State Realty Trust Inc., is a real-estate investment trust which owns and manages office and retail properties in and around Manhattan, most notably the Empire State Building, its flagship 2.8 million-square-foot property. ESB filed to go public 2/13/2012.

Chart 17: S-1 Filings – US Companies Anticipating to IPO in the Coming Year

Filing Date	Name (Prop. Ticker)	Industry	SEC Filings	No. Shares (mil.)	Offer Amt. (mil.)	Expected Range Low-High	Expected IPO Date
FEB 16	Caesarstone Sdot-Yam Ltd. (CSTE)	Nonmetallic Mineral Product Manufacturing	Filings	--	115.0	--	--
FEB 15	American Realty Capital Trust, Inc. (ARCT)	Retail REITs	Filings	6.6	87.3	--	--
FEB 14	Atossa Genetics, Inc. (ATOS)	Electromedical, Electrotherapeutic & X-Ray Apparatus Manufacturing	Filings	1.0	6.0	\$5.00 - \$7.00	--
FEB 14	Diamondback Energy, Inc. (FANG)	Oil & Gas Exploration & Production	Filings	--	50.0	--	--
FEB 13	Empire State Realty Trust, Inc. (ESB)	Office REITs	Filings	--	1000.0	--	--
FEB 13	EQT Midstream Partners, LP (EQM)	Natural Gas Gathering & Processing Systems	Filings	--	250.0	--	--

Source: SP Research, Hoovers.



Next Week's Activity: New Media 'Influence' Visible on the IPO Market

NEW MEDIA

- Bazaarvoice, Inc. (BV – IPO) brought by Credit Suisse, Deutsche Bank, & Morgan Stanley.** Bazaarvoice is a Software-as-a-Service (SaaS) based provider that relies on the 'Power of Influence' of new media to provide social commerce solutions that help corporates to 1) capture and display online word of mouth; 2) engage consumers directly by answering product- or service-related questions; 3) analyze feedback and uncover critical insights from online word of mouth; 4) distribute content among retail and other brand websites. As of Jan 2012, the company served 737 clients across sectors such as retail, consumer products, travel and leisure, technology, telecom, etc. BV sells its solutions through its sales teams located in the US, the UK, Australia, France, Germany and Sweden. The company is headquartered in Austin, Texas. **(Price Talk: \$8.00 - \$10.00).**

NEW FINANCE

- ROI Acquisition Corp. (ROIQU – IPO) brought by Deutsche Bank.** ROIQU is a newly organized blank check company formed for the purpose of, directly or indirectly, effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization. It has the support of Clinton Group, Inc., for sourcing, evaluating, structuring and operating businesses. ROIQU looks to pick up majority (upto 100%) stake in mid-market companies with a proven track record and strong free cash flow, which will benefit from being a publicly traded company. **(Price Talk: \$10.00).**

OTHERS

- Proto Labs, Inc. (PRLB) brought by Jefferies & Company, Piper Jaffray & Co.** PRLB uses computer numerical control, or CNC, machining and injection molding to manufacture custom parts for prototyping and short-run production. Its target customers include product developers who use three-dimensional computer-aided design, or 3D CAD, software to design products across a diverse range of end-markets. The company's technology enables it to offer low prices to product developers seeking low-volume custom parts. PRLB was incorporated in Minnesota in 1999. **(Price Talk: \$13.00 - \$15.00).**

Chart 18: Calendar – Upcoming IPOs

	BAZAARVOICE, INC.	ROI ACQUISITION CORP.	PROTO LABS, INC.	
Sector	New Media	New Finance		Others
Sub-Sector	SaaS based Social Commerce	Private Equity		Manufacturing
IPO Details				
Expected Date	2/24/2012	2/24/2012		2/24/2012
Proposed Symbol	BV	ROIQU		PRLB
Exchange	Nasdaq National Market	Nasdaq SmallCap Market		New York Stock Exchange
Share Price	\$8.00 - \$10.00	\$10.00		\$13.00 - \$15.00
Shares Offered	9,484,296	7,500,000		4,300,000
Offer Amount	\$109,069,410	\$86,250,000		\$74,175,000
Lead Underwriter(s)	- Credit Suisse Securities (USA) LLC - Deutsche Bank Securities Inc - Morgan Stanley & Co. LLC	- Deutsche Bank Securities Inc		- Jefferies & Company, Inc - Piper Jaffray & Co.
Company Details				
Revenue	\$74,705,000	-		\$98,939,000
Net Income	(\$17,962,000)	(\$35,010)		\$17,972,000
Total Assets	\$46,828,000	\$299,990		\$62,326,000
Total Liabilities	\$62,251,000	\$310,000		\$15,675,000
Stockholders' Equity	(\$39,091,000)	(\$10,010)		(\$20,243,000)
Competition				
Key Competitors	- PowerReviews, Inc. - Reviewworld Ltd.	- Blank check companies - Private Equity groups - Leveraged buyout funds		-

Source: SP Research, NASDAQ.



New Capital Performance

SP Research New Capital Indices have all picked up since December, reflecting the Market's belief that there is value to be bought. We track new capital creation and elimination through the six indices below. We find that new capital for growth investment (IPO, secondary and private placement) has underperformed the market, while capital focused on the elimination of securities (M&A, buy-backs and refinancing) have all performed more strongly, specifically over the last two months. The market seems to believe that equities are cheap and acquirers (whether through buy-back or M&A) are getting good value. Additionally, with historic low rates, refinancing opportunities are present that can dramatically change the cost of capital and therefore the ROI of most assets. We expect these trends to persist through 1H12; however we see an opportunity for growth capital to come back in favor in 2H12 if more certainty in an economic recovery emerge and general market prices appreciate.

Chart 19: SP Research IPO Index

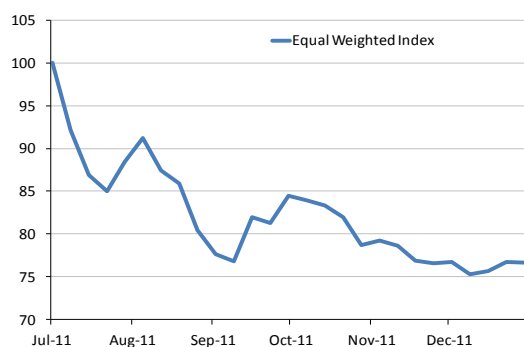


Chart 20: SP Research Secondary Index

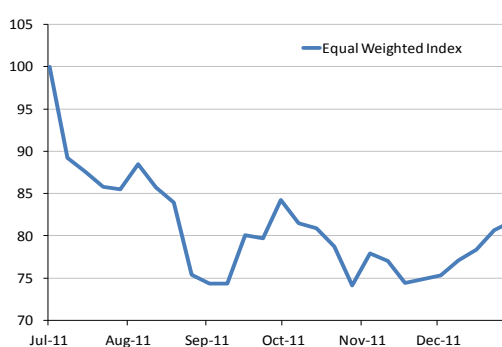


Chart 21: SP Research Private Placement Index

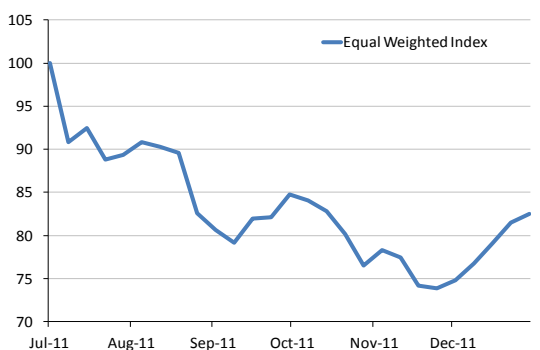


Chart 22: SP Research Fixed Income Index

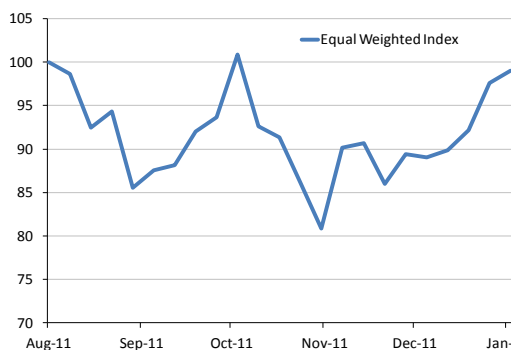


Chart 23: SP Research M&A Index

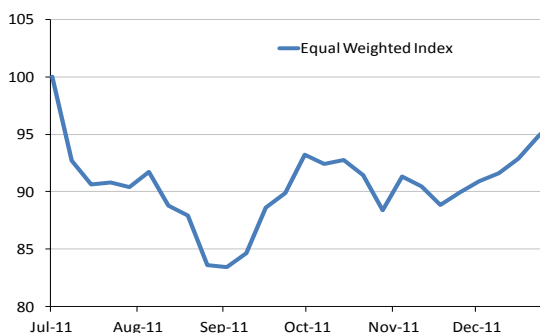
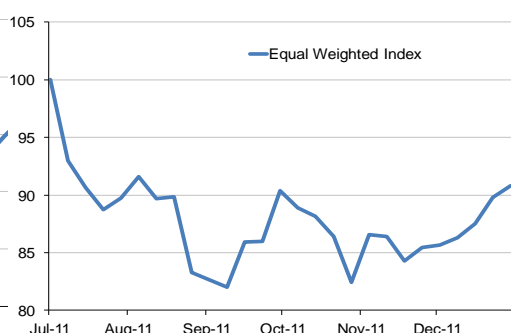


Chart 24: SP Research Buy-back Index



Source: SP Research, Capital IQ.

Notable Announcements in New Electronics

Cellular power amplifier market to be worth \$4bn in 2016. Read More	U.S. Cellular reveals new LTE markets, to go live in 2H 2012. Read More
SMB adoption of virtualization to outpace the enterprise. Read More	Mobile video > 50% of global internet traffic in 2011. Read More
U.S., EU regulators clear Google's Motorola buy. Read More	Rackspace hosting acquires SharePoint911. Read More
Micron-Elpida merger would redraw DRAM market. Read More	SanDisk acquires FlashSoft to expand enterprise lineup. Read More
Marin software raises \$30Mn, aims for an IPO. Read More	Patent firm Acacia Research raises \$225Mn in Pvt. Placement. Read More

Chart 25: Comparative Analysis of New Electronics

	Share Price	Mkt Cap (Mns)	Ent Val (Mns)	Shares		Price Performance		Sales				Book	Earnings				
				Out	Daily Vol	% to High	% from Low	CY11	% YY (11)	% YY (12)	EV/Sales	P/Book	CY11	CY12	P/E (CY11)	P/E (CY12)	
NEW ELECTRONICS																	
Mobile Electronics																	
1 Apple Inc.	AAPL	502.12	468,162	438,006	932	19.1	-5%	62%	120,666	58%	34%	3.6 x	5.2 x	31.35	42.75	16.0 x	11.7 x
2 Google Inc.	GOOG	604.64	196,590	159,475	325	2.5	-10%	28%	38,234	30%	19%	4.2 x	3.4 x	36.91	42.27	16.4 x	14.3 x
Virtualization																	
3 Microsoft Corporation	MSFT	31.25	262,212	224,304	8,391	70.0	-1%	32%	72,056	8%	6%	3.1 x	4.1 x	2.74	2.82	11.4 x	11.1 x
4 VMware, Inc.	VMW	99.11	41,984	37,922	424	1.5	-11%	34%	3,757	31%	21%	10.1 x	8.8 x	2.15	2.56	46.1 x	38.7 x
5 Citrix Systems, Inc.	CTXS	74.77	13,944	13,205	187	1.7	-16%	49%	2,205	18%	14%	6.0 x	5.2 x	2.46	2.72	30.4 x	27.5 x
Cloud																	
6 Amazon.com Inc.	AMZN	182.50	83,050	75,284	455	7.4	-26%	14%	48,906	43%	29%	1.5 x	10.7 x	1.18	1.26	N.M.	N.M.
7 Salesforce.com	CRM	129.17	17,567	17,464	136	2.5	-19%	37%	2,259	37%	29%	7.7 x	11.7 x	1.33	1.64	N.M.	78.7 x
8 NetApp, Inc.	NTAP	42.20	15,133	11,456	359	13.8	-31%	28%	5,953	24%	13%	1.9 x	3.8 x	2.34	2.59	18.0 x	16.3 x
Display																	
9 Corning Inc.	GLW	13.84	21,013	17,630	1,518	13.4	-41%	20%	7,844	18%	2%	2.2 x	1.0 x	1.77	1.38	7.8 x	10.0 x
10 Universal Display Corp.	PANL	43.95	2,023	1,685	46	0.8	-31%	93%	61	126%	80%	27.7 x	6.0 x	0.11	0.92	N.M.	48.0 x
AI/Robotics/Speech																	
11 International Business Machines Corp.	IBM	193.42	224,367	243,862	1,160	3.8	-1%	30%	107,132	10%	2%	2.3 x	11.1 x	13.37	14.91	14.5 x	13.0 x
12 Nuance Communications, Inc.	NUAN	26.51	8,171	8,689	308	4.8	-15%	70%	1,470	20%	19%	5.9 x	3.3 x	1.45	1.63	18.3 x	16.2 x
13 iRobot Corporation	IRBT	26.00	703	519	27	0.7	-33%	32%	470	18%	3%	1.1 x	2.9 x	1.32	1.18	19.7 x	22.0 x
Semiconductor																	
14 Intel Corporation	INTC	27.37	139,368	131,862	5,092	74.3	0%	43%	53,841	23%	5%	2.4 x	3.0 x	2.41	2.54	11.3 x	10.8 x
15 Taiwan Semiconductor Manufacturing Co. Ltd.	TSMX	2330	70,085	65,685	25,913	1.1	-1%	29%	14,432	5%	9%	4.6 x	3.5 x	0.18	0.19	15.4 x	14.4 x
16 ARM Holdings plc	ARM	9.27	12,521	11,974	1,351	3.8	-9%	33%	755	22%	15%	15.9 x	7.5 x	0.19	0.22	49.6 x	42.3 x
17 SanDisk Corp.	SNDK	47.79	11,484	10,236	240	5.6	-11%	48%	5,663	17%	14%	1.8 x	1.6 x	4.64	4.80	10.3 x	10.0 x
18 Micron Technology Inc.	MU	8.43	8,327	9,959	988	18.9	-29%	112%	8,651	-4%	1%	1.2 x	1.0 x	(0.11)	(0.07)	N.M.	N.M.
Semi Equipment																	
19 ASML Holding NV	ASML	47.07	19,472	16,849	414	1.1	0%	69%	7,321	25%	-16%	2.3 x	4.3 x	4.32	3.43	10.9 x	13.7 x
20 Applied Materials Inc.	AMAT	12.99	16,813	16,765	1,294	34.0	-23%	34%	9,804	-5%	-1%	1.7 x	2.0 x	1.06	1.03	12.3 x	12.6 x
21 KLA-Tencor Corporation	KLAC	50.17	8,365	6,935	167	2.3	-5%	51%	3,152	27%	2%	2.2 x	2.8 x	4.63	4.48	10.8 x	11.2 x
22 Lam Research Corporation	LRCX	41.98	5,033	3,565	120	2.7	-29%	21%	2,813	-6%	0%	1.3 x	2.0 x	3.52	2.92	11.9 x	14.4 x
23 Teradyne Inc.	TER	17.01	3,131	2,623	184	3.3	-11%	64%	1,417	-11%	17%	1.9 x	2.1 x	1.33	1.46	12.8 x	11.7 x
Intellectual Property																	
24 Acacia Research Corporation	ACTG	40.00	1,717	1,395	43	0.7	-15%	81%	207	50%	29%	6.7 x	5.1 x	1.24	1.91	32.2 x	20.9 x
25 RPX Corporation	RPXC	18.42	903	675	49	0.2	-41%	67%	154	62%	29%	4.4 x	2.9 x	0.69	0.84	26.5 x	21.9 x
TOTAL / AVG																	
		49,332		45,419	11.3		-17%	47%	16,607	25%	14%	5.0 x	4.6 x				
		MIN			0.2		-41%	14%	61	-11%	-16%	1.1 x	1.0 x				
		MAX			74.3		0%	112%	107,132	126%	80%	27.7 x	11.7 x				

Chart 26: SP Research New Electronics Index – Eq. Wt

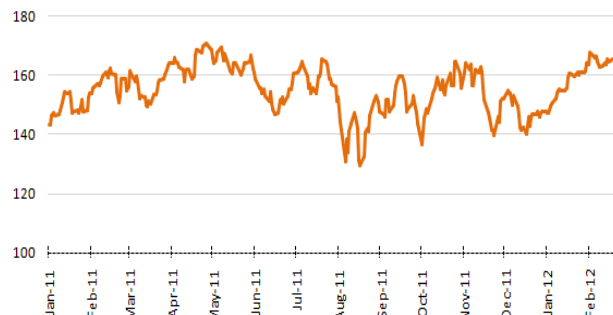
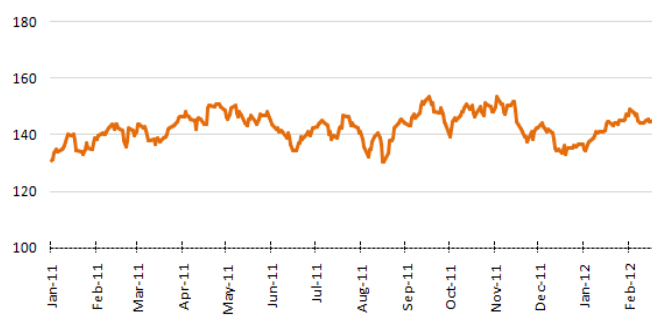


Chart 27: SP Research New Electronics Index – vs. S&P500



Source: SP Research, Capital IQ.



Notable Announcements in New Energy

Obama's proposed 2013 budget allots \$27Bn for the DOE. Read More	Renewable M&A deals surge 40% to reach \$53Bn in 2011. Read More
2011 Offshore Wind – 235 turbines worth €2.4Bn grid-connected. Read More	Wind energy installed in 2011 totals 41GW. Read More
Solar PV equipment replacements to ramp from 2013-2016. Read More	DuPont And Yingli reach \$100Mn solar supply deal. Read More
Nuclear deals >\$790Mn signed at the Franco-British Summit. Read More	Coda to raise another \$150Mn, soon to ship electric cars. Read More
Energy Conversion Devices (ECD) files for bankruptcy. Read More	Itron to acquire SmartSynch. Read More

Chart 28: Comparative Analysis of New Energy

	Share Price	Mkt Cap (Mns)	Ent Val (Mns)	Shares		Price Performance		Sales				P/Book	Earnings					
				Out	Daily Vol	% to High	% from Low	CY11	% YY ('11)	% YY ('12)	EV/ Sales		CY11	CY12	P/E (CY11)	P/E (CY12)		
NEW ENERGY																		
Solar																		
1	First Solar, Inc.	FSLR	42.59	3,681	3,528	86	9.1	-76%	43%	2,879	11%	32%	1.2 x	0.9 x	5.76	4.24	7.4 x	10.1 x
2	MEMC Electronic Materials Inc.	WFR	4.70	1,083	2,471	230	7.3	-69%	29%	3,222	50%	-17%	0.8 x	1.5 x	0.20	0.21	23.6 x	22.9 x
3	SunPower Corporation	SPWR	8.13	968	1,276	119	7.3	-15%	65%	2,427	10%	11%	0.5 x	0.7 x	(0.18)	(0.14)	N.M.	N.M.
4	Trina Solar Limited	TSL	9.64	757	1,090	79	6.3	-69%	83%	1,973	13%	-16%	0.6 x	0.6 x	0.04	(0.30)	N.M.	N.M.
5	Suntech Power Holdings Co. Ltd.	STP	3.65	658	2,579	180	8.0	-66%	115%	3,041	11%	-21%	0.8 x	0.4 x	(0.96)	(0.79)	N.M.	N.M.
Wind																		
6	MasTec, Inc.	MTZ	17.85	1,511	1,947	85	0.6	-23%	29%	2,911	31%	10%	0.7 x	1.7 x	1.12	1.42	15.9 x	12.6 x
7	American Superconductor Corporation	AMSC	4.70	242	178	51	0.7	-83%	46%	105	-74%	23%	1.7 x	1.3 x	(1.99)	(1.02)	N.M.	N.M.
BioFuel																		
8	Amyris, Inc.	AMRS	6.14	280	172	46	0.6	-82%	1%	151	103%	94%	1.1 x	1.4 x	(3.52)	(1.68)	N.M.	N.M.
9	Green Plains Renewable Energy, Inc.	GPRE	10.83	361	817	33	0.2	-17%	30%	3,481	72%	-10%	0.2 x	0.7 x	1.04	1.11	10.4 x	9.7 x
Nuclear																		
10	The Babcock & Wilcox Company	BWC	26.19	3,090	2,800	118	0.2	-27%	45%	2,922	10%	10%	1.0 x	3.5 x	1.29	1.72	20.2 x	15.2 x
11	USEC Inc.	USU	1.44	176	759	122	1.3	-77%	33%	1,718	-15%	16%	0.4 x	0.1 x	(0.40)	0.20	N.M.	7.2 x
Hydro																		
12	Alstom SA	ALO	41.11	12,105	16,387	294	2.7	-31%	43%	-	-	-	-	2.3 x	-	-	-	-
Geothermal																		
13	Ormat Technologies Inc.	ORA	17.79	808	1,652	45	0.1	-43%	26%	422	13%	10%	3.9 x	0.9 x	0.17	0.57	N.M.	31.0 x
14	LSB Industries Inc.	LXU	36.14	806	784	22	0.1	-27%	67%	789	35%	6%	1.0 x	3.1 x	3.11	3.64	11.6 x	9.9 x
Smart Grid & Efficiency																		
15	Johnson Controls Inc.	JCI	35.16	23,924	30,097	680	6.9	-18%	45%	41,804	18%	6%	0.7 x	2.2 x	2.49	2.92	14.1 x	12.0 x
16	Creo, Inc.	CREE	30.17	3,487	2,799	116	3.6	-46%	49%	1,041	2%	27%	2.7 x	1.4 x	1.06	1.18	28.5 x	25.5 x
17	Itron, Inc.	ITRI	47.88	1,907	2,226	40	1.0	-26%	78%	2,375	7%	-6%	0.9 x	2.1 x	4.11	3.97	11.7 x	12.1 x
Storage & Fuel Cell																		
18	Polypropylene International Inc.	PPO	40.40	1,845	2,455	46	2.4	-46%	10%	769	26%	15%	3.2 x	4.0 x	2.30	2.85	17.6 x	14.2 x
19	EnerSys	ENS	34.73	1,658	1,828	48	0.2	-14%	100%	2,228	21%	6%	0.8 x	1.7 x	2.70	3.13	12.9 x	11.1 x
20	Maxwell Technologies Inc.	MXWL	19.93	556	533	28	0.7	-7%	45%	158	58%	27%	3.4 x	5.4 x	0.06	0.48	N.M.	41.3 x
21	A123 Systems, Inc.	AONE	2.16	299	277	139	1.6	-80%	43%	162	62%	83%	1.7 x	0.8 x	(1.85)	(1.30)	N.M.	N.M.
22	FuelCell Energy Inc.	FCEL	1.34	188	209	141	1.4	-40%	68%	127	66%	21%	1.6 x	NM	(0.29)	(0.21)	N.M.	N.M.
Advanced Fossil Fuel																		
23	Westport Innovations Inc.	WPT	44.75	2,169	2,150	48	0.1	-2%	191%	245	69%	46%	8.8 x	11.1 x	(0.99)	(0.36)	N.M.	N.M.
24	Clean Energy Fuels Corp.	CLNE	17.05	1,457	1,590	85	1.3	-4%	89%	280	40%	20%	5.7 x	2.9 x	(0.43)	(0.39)	N.M.	N.M.
25	Fuel Systems Solutions, Inc.	FSYS	27.71	555	471	20	0.3	-11%	81%	403	-6%	10%	1.2 x	1.6 x	0.32	0.87	N.M.	31.8 x
TOTAL / AVG																		
				2,600	3,264	2.1		-37%	60%	3,161	26%	18%	1.9 x	2.3 x				
				MIN		0.1		-83%	1%	105	-74%	-21%	0.2 x	0.1 x				
				MAX		8.0		-2%	191%	41,804	103%	94%	8.8 x	11.1 x				

Chart 29: SP Research New Energy Index – Equal Wtd

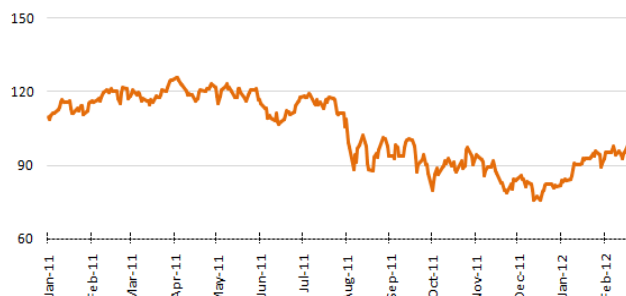
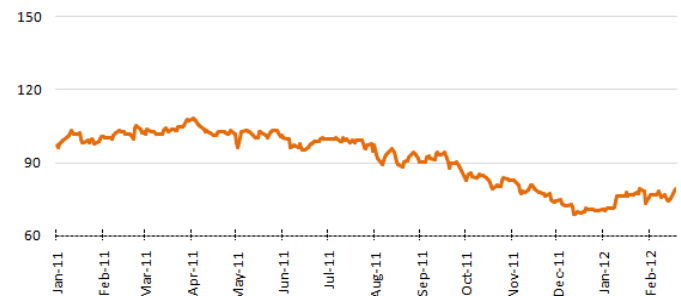


Chart 30: SP Research New Energy Index – vs. S&P500



Source: SP Research, Capital IQ.



Notable Announcements in New Environment	
Agri. commodity boom goes global – 4.1Bn metric tons by 2015. Read More	Corn profitability to remain strong: USDA. Read More
Rare earth metals demand is unstoppable – Critical Metals Report. Read More	Successful human tests for 1 st wireless drug-delivery chip. Read More
Ferro enters JV agreement with Baotou Jin Meng Rare Earth. Read More	Mustus Energy and Lockheed Martin to build biomass facility. Read More
Environment investor Ambienta picks stake in Italy's Tower Light. Read More	Vivo Ventures closes \$375Mn healthcare fund for US, China. Read More
Linden Capital clinches \$82Mn SeraCare Life Sciences. Read More	Medical device company EOS Imaging completes €38Mn IPO. Read More

Chart 31: Comparative Analysis of New Environment

	Share Price	Mkt Cap (Mns)	Ent Val (Mns)	Shares		Price Performance		Sales				Book	Earnings				
				Out	Daily Vol	% to High	% from Low	CY11	% Y/Y (11)	% Y/Y (12)	EV/ Sales	P/ Book	CY11	CY12	P/E (CY11)	P/E (CY12)	
NEW ENVIRONMENT																	
Waste																	
1 Waste Management, Inc.	WM	34.61	15,968	25,860	461	3.2	-13%	25%	13,290	6%	3%	1.9 x	2.6 x	2.11	2.29	16.4 x	15.1 x
2 Waste Connections Inc.	WCN	31.88	3,536	4,728	111	0.8	-11%	18%	1,502	14%	8%	3.1 x	2.5 x	1.47	1.58	21.7 x	20.1 x
3 Clean Harbors, Inc.	CLH	65.01	3,450	3,733	53	0.2	-4%	47%	1,903	13%	14%	2.0 x	4.1 x	-	-	-	-
4 US Ecology, Inc.	ECOL	19.55	358	394	18	0.1	-2%	32%	152	63%	8%	2.6 x	3.6 x	0.95	1.15	20.6 x	17.0 x
5 EnergySolutions, Inc.	ES	4.58	407	1,072	89	0.5	-37%	66%	1,799	3%	-1%	0.6 x	0.8 x	0.29	0.35	15.6 x	13.2 x
Recycling																	
6 Darling International Inc.	DAR	15.84	1,854	2,136	117	0.4	-19%	41%	1,792	150%	-5%	1.2 x	2.1 x	1.55	1.42	10.2 x	11.2 x
7 Heritage-Crystal Clean, Inc.	HCCI	20.22	290	300	14	0.0	-10%	113%	146	31%	43%	2.1 x	3.8 x	0.17	0.74	N.M.	27.4 x
Water																	
8 Flowservo Corp.	FLS	118.56	6,587	6,877	56	0.3	-13%	77%	4,497	12%	6%	1.5 x	2.8 x	7.86	8.74	15.1 x	13.6 x
9 CLARCOR Inc.	CLC	51.86	2,607	2,470	50	0.1	-4%	33%	1,123	11%	8%	2.2 x	3.1 x	2.37	2.68	21.9 x	19.4 x
10 Watts Water Technologies, Inc.	WTS	39.96	1,451	1,655	36	0.2	-2%	64%	1,438	13%	5%	1.2 x	1.6 x	2.22	2.61	18.0 x	15.3 x
11 Franklin Electric Co. Inc.	FELE	53.25	1,237	1,291	23	0.1	-1%	62%	825	16%	6%	1.6 x	2.7 x	2.69	2.97	19.9 x	18.0 x
12 Calgon Carbon Corporation	CCC	15.46	876	894	57	0.3	-15%	19%	542	14%	10%	1.7 x	2.3 x	0.72	0.85	21.6 x	18.3 x
13 Aegion Corporation	AEGN	18.40	718	885	39	0.2	-39%	76%	946	4%	12%	0.9 x	1.1 x	0.88	1.49	20.8 x	12.4 x
14 Energy Recovery, Inc.	ERII	2.47	130	85	53	0.1	-43%	18%	30	-41%	30%	2.8 x	1.2 x	(0.32)	(0.13)	N.M.	N.M.
Crop Mgmt/Fertilizers																	
15 Monsanto Co.	MON	79.34	42,474	41,536	535	2.3	-5%	35%	12,016	13%	9%	3.5 x	3.9 x	3.09	3.62	25.7 x	21.9 x
16 Potash Corp. of Saskatchewan, Inc.	POT	46.11	39,595	43,702	859	3.7	-28%	20%	8,516	41%	2%	5.1 x	5.1 x	3.63	3.70	12.7 x	12.5 x
17 Syngenta AG	SYNN	317.19	28,952	30,238	91	1.0	-8%	38%	13,308	17%	8%	2.3 x	3.8 x	19.22	21.98	16.5 x	14.4 x
18 The Mosaic Company	MOS	55.63	23,666	21,609	425	2.1	-36%	24%	11,359	34%	-3%	1.9 x	2.1 x	4.61	4.73	12.1 x	11.8 x
19 Agrium Inc.	AGU	82.83	13,074	14,114	158	0.5	-14%	29%	15,204	51%	2%	0.9 x	2.0 x	8.81	8.58	9.4 x	9.7 x
20 Origin Agritech Limited	SEED	2.48	58	46	23	0.1	-79%	18%	-	-	-	-	1.4 x	-	-	-	-
Rare Earth Elements																	
21 Molycorp, Inc.	MCP	28.06	2,354	2,000	84	2.6	-65%	22%	394	1229%	60%	5.1 x	2.8 x	1.54	2.91	18.2 x	9.6 x
22 Rare Element Resources Ltd.	RES	6.32	280	219	44	0.1	-65%	99%	0	-100%	-	-	4.6 x	-	-	-	-
Human Health																	
23 Novavax, Inc.	NVAX	1.42	163	144	115	0.6	-59%	26%	16	3900%	136%	9.0 x	3.0 x	(0.20)	(0.21)	N.M.	N.M.
24 Harvard Bioscience Inc.	HBIO	4.25	121	121	29	0.0	-32%	12%	108	1%	7%	1.1 x	1.3 x	0.21	0.25	20.0 x	17.3 x
25 Transgenomic Inc.	TBIO	1.20	59	69	49	0.0	-35%	200%	32	55%	19%	2.2 x	NM	(0.16)	(0.04)	N.M.	N.M.
TOTAL / AVG																	
			7,611	8,247	0.8		-26%	49%	3,789	231%	17%	2.5 x	2.7 x				
		MIN			0.0		-79%	12%	0	-100%	-5%	0.6 x	0.8 x				
		MAX			3.7		-1%	200%	15,204	3900%	136%	9.0 x	5.1 x				

Chart 32: SP Research New Environment Index – Equal Wtd

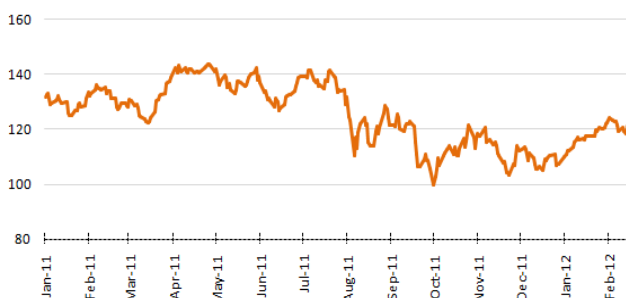
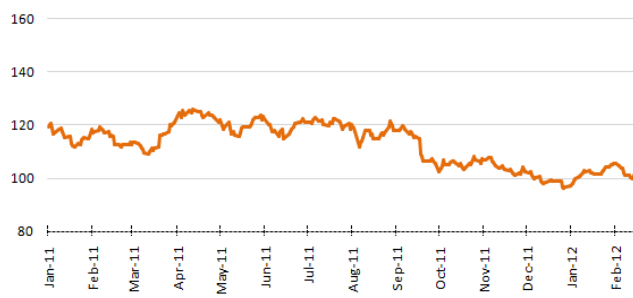


Chart 33: SP Research New Envirnt Index – vs. S&P500



Source: SP Research, Capital IQ.

Notable Announcements in New Finance

LP sentiment buoys fundraising expectations for 2012. Read More	European uncertainty – an opportunity for specialist PE firms. Read More
Auto affordability improved in 4Q 2011, Comerica Bank reports. Read More	Carlyle to lower management fees for \$10Bn fund. Read More
Credit Suisse closes \$2.9Bn secondaries fund. Read More	Wells Fargo restructures into 7 regional insurance operations. Read More
Anacap seals first close for £350Mn credit fund. Read More	Advance America sold to Mexico's Grupo Elektra for \$780Mn. Read More
Bitcoin exchange shuts down, blaming regulation & fund loss. Read More	Summit Partners takes stake in German trading platform 360T. Read More

Chart 34: Comparative Analysis of New Finance

	Share Price	Mkt Cap (Mns)	Ent Val (Mns)	Shares		Price Performance		Sales				Book	Earnings						
				Out	Daily Vol	% to High	% from Low	CY11	% Y/Y ('11)	% Y/Y ('12)	EW/Sales	P/Book	CY11	CY12	P/E (CY11)	P/E (CY12)			
NEW FINANCE																			
Student Loan																			
1	SLM Corporation	16.14	8,211	196,740	509	2.8	-6%	48%	3,024	-47%	23%	-	1.8 x	1.81	2.08	8.9 x	7.8x		
2	MRU Holdings, Inc.	UNCLQ	0	-	32	0.0	-	-	-	-	-	-	NM	-	-	-	-		
3	Helnet Inc.	NNI	25.93	1,222	25,950	47	0.1	-1%	57%	744	-1%	-1%	1.2 x	4.30	4.25	6.0 x	6.1x		
4	First Marblehead Corp.	FMD	1.43	145	191	102	0.1	-44%	72%	29	-	84%	0.6 x	-	(1.27)	-	-1.1x		
Auto Loan																			
5	Credit Acceptance Corp.	CACC	95.30	2,446	3,470	26	0.0	-2%	69%	524	-	15%	-	4.6 x	7.05	8.10	13.5 x	11.8x	
6	Nicholas Financial Inc.	NICK	13.67	164	277	12	0.0	-2%	51%	-	-	-	1.3 x	-	-	-	-		
7	White River Capital Inc	RVR	21.00	74	137	4	0.0	-24%	25%	-	-	-	1.0 x	-	-	-	-		
8	Consumer Portfolio Services, Inc.	CPSS	1.15	23	871	20	0.0	-22%	39%	133	-20%	24%	-	NM	(0.91)	0.07	-1.3 x	16.4x	
Equipment Leasing																			
9	MicroFinancial Inc.	MFI	6.62	94	155	14	0.0	-7%	66%	-	-	-	1.3 x	0.62	0.64	10.7 x	10.3x		
10	Marlin Business Services Corp.	MRLN	14.56	173	239	12	0.1	-2%	55%	46	-2%	21%	-	1.1 x	0.46	0.73	31.9 x	19.9x	
11	Aircastle LTD	AYR	13.41	969	3,751	72	0.2	-8%	57%	601	13%	3%	-	0.7 x	1.24	1.31	10.8 x	10.2x	
12	Willis Lease Finance Corp.	WLFC	14.70	134	859	9	0.0	-1%	48%	155	7%	3%	-	0.7 x	1.27	1.63	11.6 x	9.0x	
Payday Loans																			
13	Western Capital Resources, Inc.	WCRS	0.03	0	1	7	0.0	-50%	200%	-	-	-	0.0 x	-	-	-	-		
14	Xponential Inc.	XPOI	0.10	0	29	3	0.0	-67%	-	-	-	-	NM	-	-	-	-		
15	QC Holdings, Inc.	QCCO	3.80	65	96	17	0.0	-28%	52%	-	-	-	0.8 x	-	-	-	-		
16	Advance America, Cash Advance Centers Inc.	AEA	10.38	637	684	61	16.5	-2%	121%	624	3%	12%	-	2.4 x	0.95	1.17	11.0 x	8.8x	
17	First Cash Financial Services Inc.	FCFS	43.61	1,312	1,241	30	0.2	-16%	59%	524	-	16%	-	4.2 x	2.25	2.69	19.4 x	16.2x	
18	Cash America International, Inc.	CSH	45.76	1,340	1,820	29	0.2	-27%	16%	1,486	-	12%	-	1.5 x	4.27	4.95	10.7 x	9.2x	
19	EZCORP, Inc.	EZPW	30.94	1,559	1,576	50	0.2	-20%	28%	901	-	15%	-	2.2 x	2.69	3.15	11.5 x	9.8x	
Small Consumer Loan																			
20	World Acceptance Corp.	WRLD	64.98	963	1,278	15	0.2	-13%	30%	532	-	-	-	2.2 x	6.22	7.18	10.5 x	9.1x	
21	Medallion Financial Corp.	TAXI	11.09	194	525	17	0.1	-12%	47%	-	-	-	1.2 x	-	-	-	-		
22	DFC Global Corp.	DLLR	18.80	830	1,636	44	0.2	-24%	19%	956	-	18%	-	1.9 x	1.88	2.32	10.0 x	8.1x	
23	CompuCredit Holdings Corp.	CCRT	4.39	106	498	24	0.0	-40%	101%	-	-	-	1.2 x	-	-	-	-		
Life Settlement																			
24	Imperial Holdings, Inc.	IFT	2.50	53	62	21	0.0	-78%	69%	70	-	91%	-	0.3 x	1.19	1.23	2.1 x	2.0x	
25	Life Partners Holdings, Inc.	LPHI	4.88	91	73	19	0.1	-74%	53%	-	-	-	2.2 x	-	-	-	-		
TOTAL / AVG				832	10,090		0.8		-24%	60%	690	-7%	24%	-	1.6 x				
		MIN					0.0		-78%	16%	29	-20%	-1%	0.0 x	0.0 x				
		MAX					16.5		-1%	200%	1,486	13%	91%	0.0 x	4.6 x				

Chart 35: SP Research New Finance Index – Equal Wtd

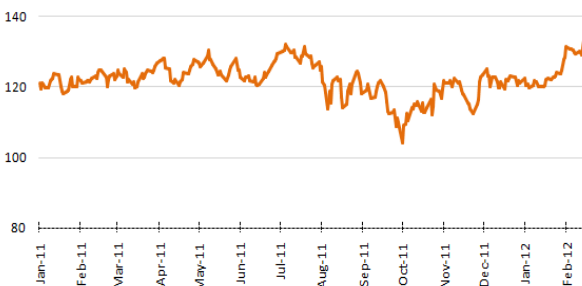
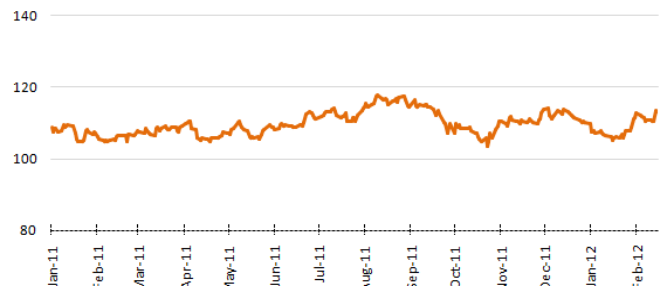


Chart 36: SP Research New Finance Index – vs. S&P500



Source: SP Research, Capital IQ.



Notable Announcements in New Media

Social, Mobile & Deals led 2011 private tech investments. Read More	Windows web browsing market share drops 10% in 6 months. Read More
comScore ranks Top 50 U.S. Web properties for January 2012. Read More	Facebook to make \$1.2Bn annually from mobile ads. Read More
Privacy Issues: Google caught tracking safari users. Read More	MySpace gains a Mn users in a month – Music focus pays off. Read More
Zynga Mobile grew 5x to >15Mn daily users In 2011. Read More	Viber: 50Mn users, 150Mn calls & ~1Bn text msgs/month. Read More
Groupon acquires Kima Labs, Hyperpublic. Read More , Read More	Yelp set to go public on March 2 in \$100Mn IPO. Read More

Chart 37: Comparative Analysis of New Media

	Share Price	Mkt Cap (Mns)	Ent Val (Mns)	Shares		Price Performance		Sales				Book	Earnings					
				Out	Daily Vol	% to High	% from Low	CY11	% YY ('11)	% YY ('12)	EV/ Sales	P/ Book	CY11	CY12	P/E (CY11)	P/E (CY12)		
NEW MEDIA																		
Search																		
1	Google Inc.	GOOG	604.64	196,590	159,475	325	2.5	-10%	28%	38,234	30%	19%	4.2 x	3.4 x	36.91	42.27	16.4 x	14.3 x
2	Baidu, Inc.	BIDU	136.90	47,797	46,112	349	15.9	-18%	45%	2,252	93%	58%	20.5 x	19.7 x	2.98	4.65	46.0 x	29.4 x
3	Yahoo! Inc.	YHOO	15.01	18,617	16,747	1,240	22.9	-20%	35%	4,401	-30%	0%	3.8 x	1.5 x	0.84	0.83	17.9 x	18.1 x
4	Yandex N.V.	YNDX	22.06	7,125	6,692	323	1.2	-47%	33%	666	-	37%	10.1 x	8.7 x	0.59	0.80	37.6 x	27.6 x
Social Networks																		
5	LinkedIn Corporation	LNKD	93.05	9,078	8,500	98	3.1	-24%	66%	514	111%	66%	16.5 x	14.7 x	0.05	0.26	N.M.	N.M.
6	TripAdvisor Inc.	TRIP	30.70	4,097	4,340	133	1.9	-15%	28%	633	-	18%	6.9 x	14.0 x	1.37	1.35	22.4 x	22.7 x
7	Pandora Media, Inc.	P	12.88	2,078	1,988	161	1.2	-50%	41%	276	-	54%	7.2 x	19.3 x	(0.02)	(0.00)	N.M.	N.M.
8	Renren Inc.	RENN	5.43	2,129	934	392	5.6	-77%	69%	118	-	50%	7.9 x	NM	(0.01)	(0.05)	N.M.	N.M.
9	WebMD Health Corp.	WBMD	27.45	1,547	1,243	56	0.3	-53%	10%	557	5%	-7%	2.2 x	2.3 x	1.31	0.63	20.9 x	43.6 x
10	Ancestry.com Inc.	ACOM	24.34	1,043	1,004	43	2.0	-47%	18%	400	33%	16%	2.5 x	3.4 x	1.33	1.62	18.3 x	15.1 x
11	Monster Worldwide, Inc.	MWW	6.99	860	799	123	2.5	-65%	10%	1,054	1%	-7%	0.8 x	0.7 x	0.40	0.28	17.7 x	25.2 x
12	Phoenix New Media Limited	FENG	7.35	555	369	76	0.1	-51%	75%	147	-	46%	2.5 x	2.9 x	(0.40)	0.44	N.M.	16.8 x
13	Move, Inc.	MOVE	8.85	349	310	39	0.3	-14%	119%	192	-3%	5%	1.6 x	4.1 x	0.24	0.34	36.9 x	26.0 x
14	XO Group Inc.	XOXO	9.69	265	188	27	0.3	-20%	45%	124	-	8%	1.5 x	1.7 x	0.18	0.32	53.8 x	30.3 x
15	TheStreet, Inc.	TST	1.83	59	(4)	32	0.0	-50%	17%	-	-	-	-	0.7 x	(0.15)	0.05	N.M.	36.6 x
Discount Retail																		
16	eBay Inc.	EBAY	35.06	45,119	41,279	1,287	16.2	0%	31%	11,593	27%	19%	3.6 x	2.5 x	2.00	2.29	17.5 x	15.3 x
17	priceline.com Incorporated	PCLN	582.52	29,000	27,247	50	0.8	-1%	42%	4,333	40%	24%	6.3 x	12.1 x	23.04	29.77	25.3 x	19.6 x
18	Groupon, Inc.	GRPN	20.26	12,922	11,801	638	2.5	-35%	36%	1,592	409%	47%	7.4 x	14.9 x	(0.30)	0.27	N.M.	74.2 x
Games																		
19	Zynga, Inc.	ZNGA	12.93	9,043	7,235	699	10.0	-11%	62%	1,138	91%	23%	6.4 x	2.6 x	0.23	0.27	55.7 x	48.8 x
20	Electronic Arts Inc.	EA	17.47	5,789	4,532	331	8.2	-33%	4%	4,171	13%	5%	1.1 x	2.6 x	0.87	0.98	20.2 x	17.8 x
Communication																		
21	AOL, Inc.	AOL	18.73	1,823	1,527	97	1.0	-28%	86%	2,194	-7%	-4%	0.7 x	0.8 x	0.76	0.72	24.5 x	26.2 x
Content																		
22	Walt Disney Co.	DIS	41.75	74,831	87,617	1,792	7.8	-6%	48%	41,366	6%	4%	2.1 x	2.1 x	2.57	3.03	16.2 x	13.8 x
23	Demand Media, Inc.	DMD	7.76	634	548	82	2.8	-72%	48%	320	27%	9%	1.7 x	1.4 x	0.24	0.31	32.3 x	25.3 x
Services																		
24	Salesforce.com	CRM	129.17	17,567	17,464	136	2.5	-19%	37%	2,259	37%	29%	7.7 x	11.7 x	1.33	1.64	N.M.	78.7 x
25	IAC/InterActiveCorp.	IACI	45.81	3,724	3,056	81	0.7	-4%	68%	2,029	24%	25%	1.5 x	2.0 x	2.11	2.66	21.8 x	17.3 x
TOTAL / AVG				19,706	18,040		4.5	-31%	44%	5,023	50%	23%	5.3 x	6.2 x				
MIN							0.0	-77%	4%	118	-30%	-7%	0.7 x	0.7 x				
MAX							22.9	0%	119%	41,366	409%	66%	16.5 x	19.3 x				

Chart 38: SP Research New Media Index – Equal Wtd

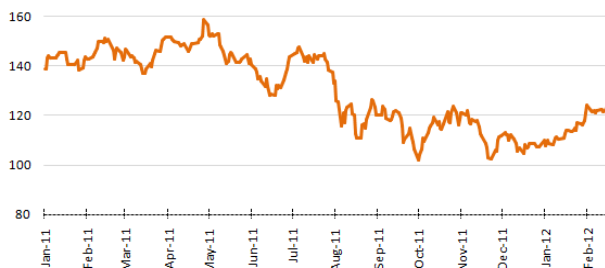
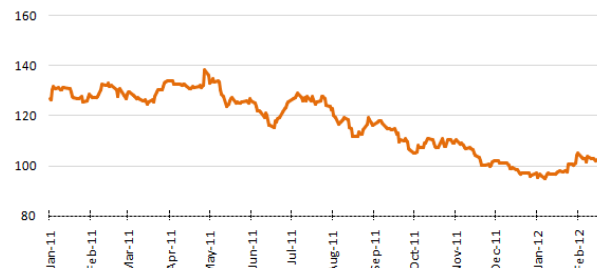


Chart 39: SP Research New Media Index – vs. S&P500



Source: SP Research, Capital IQ.



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