



SagePoint Research Indicates that “Growth is Back” at Publicly-Traded Communications Companies

San Diego, CA April 15, 2010 - SagePoint Advisors released its Q4 2009 Communications Performance Review today which indicates that “growth is back” at publicly-traded Communications companies. Q4 2009 was the first quarter since Q1 2008 that revenue and EPS growth was evident across all segments of the Communications value chain and growth rates are expected to accelerate in 2010. “A recovery is clearly underway in the communications industry and the return of growth coupled with stock price recovery and strong balance sheets is fueling a significant resurgence in M&A”, said David Michaels, Founder and Managing Director of SagePoint Advisors.

A number of encouraging observations from the Q4 Communications Performance Review point towards a recovery including:

- The SagePoint Telecom Services 100 posted median revenue and EBITDA growth of 4% and 8% respectively in Q4 2009 a significant turnaround from the contraction of Q1 '09;
- Aggregate capital expenditures for the Telecom Services 100 increased 14% in Q4 versus Q3 which is fueling growth throughout the remainder of the value chain;
- The SagePoint Software & Services 100 posted meaningful median revenue growth for the first time in four quarters and that growth is expected to accelerate to 12% in 2010;
- The SagePoint Equipment 100 posted revenue and EPS growth for the first time since Q2 '08 and median revenue and EPS growth are expected to accelerate to 12% and 37% respectively in 2010;
- The SagePoint Semis 50 posted median revenue and EPS growth of 25% and 120% respectively in Q4, a dramatic turnaround from Q1 2009 when revenue was contracting at 27% and EPS was contracting at 46%;
- Operating models have been repaired through cost cutting and renewed growth as median net margins for the Software & Services 100 and Semis 50 reached three year highs in Q4 and were near peak levels for the Equipment 100; and
- Stock price recovery has been dramatic since March 2009 with valuation multiples approximately doubling since that time for the Semiconductor 50 and Equipment 100.

SagePoint's Q4 2009 Communications Performance Review provides a quarterly assessment of how 350 public companies along the communications value chain are performing, how they are valued and what impact these factors have on the M&A exit environment. Metrics examined include stock performance, performance versus estimates, revenue and EPS growth rates, margin analysis, valuation multiples and balance sheet strength. To access the presentations, please visit <http://www.sagepointadvisors.com/Research.html>.

About SagePoint Advisors

SagePoint Advisors is a boutique investment banking firm providing merger, acquisition and strategic advisory services to technology and telecom companies and their venture backers.

SagePoint delivers the senior-level attention, trusted relationships and market insight on \$10-100 million transactions that other investment banks reserve only for much larger transactions. For more information, please visit www.sagepointadvisors.com or contact:

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