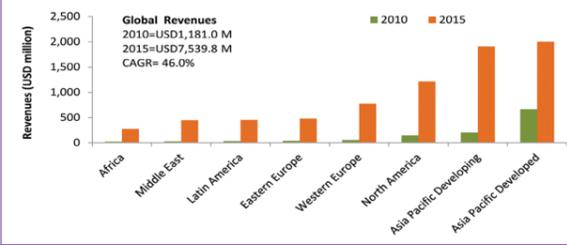


## Global Broadband Statistics

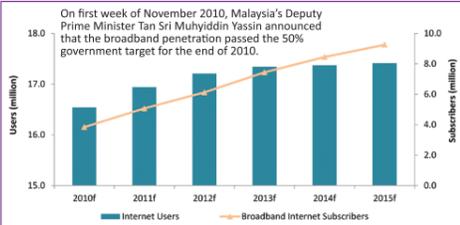
### Mobile Internet Display Advertising Revenues by region, 2010 and 2015



Revenues (US\$ mil.)	2010	2015	CAGR (%)
Africa	18.7	272.8	73.4%
Middle East	23.8	444.3	82.9%
Latin America	30.6	451.1	71.9%
Eastern Europe	41.8	481.7	65.1%
Western Europe	56.1	772.4	70.0%
North America	148.0	1,211.7	56.5%
Asia Pacific Developing	199.4	1,903.5	58.6%
Asia Pacific Developed	662.6	2,002.3	26.8%
Global	1,181.0	7,539.8	46.0%

According to mobileSQUARED research, by 2015, almost 1.3 billion users will be browsing on their mobiles. BMI forecast Malaysia market handset sales expected to grow to 7 million units in 2015 and emerged as one of the fastest-growing regional smartphone markets.  
Source: Informa Telecoms & Media

### Malaysia Internet Users and Broadband Subscribers Forecast, 2010-2015



Telecoms Sector -- Internet -- Historical Data And Forecasts								
	2008	2009	2010f	2011f	2012f	2013f	2014f	2015f
Internet Users	15.1	15.8	16.5	16.9	17.2	17.3	17.4	17.4
Broadband Internet Subscribers	1.7	2.6	3.8	5.1	6.1	7.4	8.4	9.3

e/f = BMI estimate/forecast. Source: International Telecommunication Union (ITU), BMI  
BMI forecasting, by the end of 2015, figure for internet users and broadband subscribers in Malaysia will be 17.4 million and 9.3 million respectively.  
Source: "Industry Forecast - Internet -1Q2011" by Business Monitor International (BMI), December 2010

### Global Broadband Quality 2010

Broadband Leadership	Ranking		
	2010	2009	2008
South Korea	1	1	1
Hong Kong	2	3	2
Japan	3	7	4
Iceland	4	4	8
Switzerland	5	5	6
Luxemburg	5	5	9
Singapore	5	2	3
Malta	6	10	19
Netherlands	7	6	5
United Arab Emirates	8	12	19
Qatar	8	2	11
Sweden	9	8	9
Denmark	10	9	7
<b>Malaysia</b>	<b>38</b>	<b>40</b>	<b>35</b>

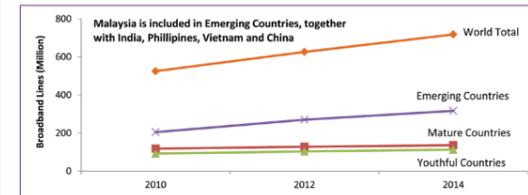
South Korea has set a new benchmark for the world  
Average download speed : 33.5Mbps (increase 55% from 2009)  
Average upload speed : 17Mbps (increase 430% from 2009)  
Average latency speed : 47ms (increase 35% from 2009)  
Broadband Penetration : 100%

**Average Global Data in Three Years (2008-2010)**  
Download speed : Increased 49%  
Upload speed : Increased 69%  
Latency : Fallen by 25%

**Malaysia ranked at number 38 out of 72 countries**  
Average download speed : 1.2Mbps  
Average upload speed : 0.3Mbps  
Average latency speed : 144ms

Global broadband quality has improved by 48% since 2008, with 38 countries (53% of the total) have conquered the digital quality divide and broadband consumption pattern are diverging from 2Mbps basic household to 20Mbps smart and connected home.  
Source: "Third Annual Broadband Study Shows Global Broadband Quality Improves by 24% in One Year" by Cisco, October 2010

### World Broadband Forecast by Market

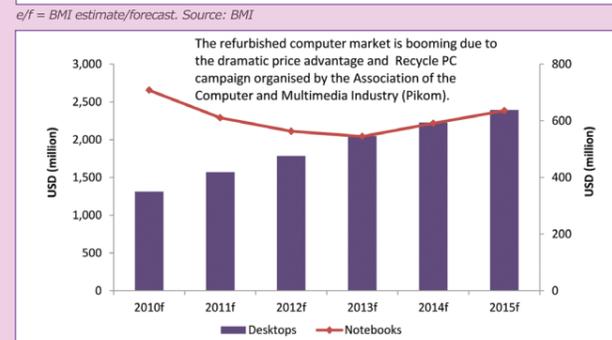


Broadband User (million)			
	2010	2012	2014
World Total	525	626	718
Mature Countries	117.9	127.9	135.8
Youthful Countries	91.9	103	112.3
Emerging Countries	204.7	270	316.6

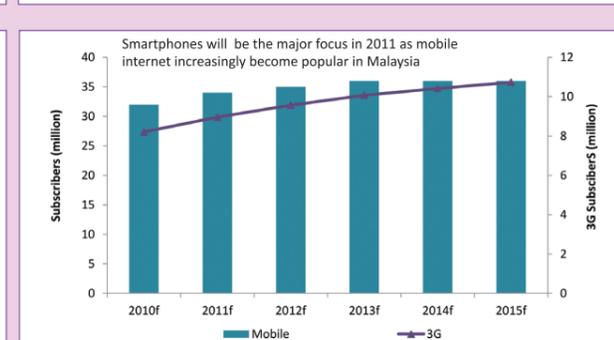
Emerging Countries: Countries with broadband take up between 1% to 10% (i.e., China)  
Youthful Countries: Countries with broadband take up between 13% to 27% (i.e., Japan)  
Mature Countries: Countries with broadband take up between 30% to 43% (i.e., South Korea)  
Point Topic forecasts that by end 2015, the emerging countries will be the main driver of broadband growth, with approximately 361m lines, 47% of the world total of 762m by that time.  
Source: Point Topic

### Consumer Electronics Market Forecast in Malaysia 2010-2015

Computers Sales								
	2008	2009	2010f	2011f	2012f	2013f	2014f	2015f
Desktops	1,023	1,071	1,314	1,570	1,784	2,050	2,225	2,392
Notebooks	837	714	708	611	563	545	591	636



Mobile Communications								
	2008	2009	2010f	2011f	2012f	2013f	2014f	2015f
Mobile	28	30	32	34	35	36	36	36
3G	4	7	8	9	10	10	10	11



BMI Forecasts: Malaysian computer hardware market (including notebooks and peripherals) valued nearly USD2.7 billion (2011) (2010:USD2.5billion), while mobile handset sales are projected to be about 5.7 million units in 2011.  
Source: "Market Overview- Malaysia Q1-2011" by Business Monitor International (BMI), December 2010

Converging to 1Malaysia  
**myBroadband**  
A quarterly newsletter  
Vol 4 • Number 2 • 4th Quarter 2010



**Suruhanjaya Komunikasi dan Multimedia Malaysia**  
Malaysian Communications and Multimedia Commission

### Highlights!

- Opportunities in Malaysian Broadband
- Digital District in Jempol; Programme
- TOP Online Ad Publisher: Facebook
- e-Crime More than REAL Crime
- First Experience Quality Counts
- What's ON
- What's New
- Global Broadband Statistics

## Opportunities in Malaysian Broadband

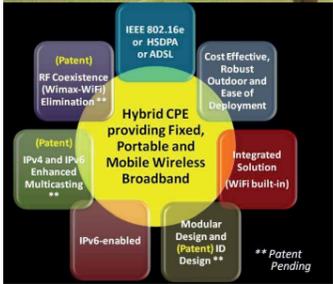
Today, the 'Made in Malaysia', or 'Buatan Malaysia' tag is being used beyond traditional retail categories of food products to merchandise like technological hardware such as telecommunication devices. An example in point is the WiWi Outdoor Access Point in emerging communication services in Malaysia. The device made locally allows multiple users to tap into a single broadband connection. WiWi is plug-and-play instant broadband hotspot platform for fixed, portable and mobile wireless broadband.



Mimos Berhad, working in collaboration with industry partners, nurtured this product to commercialisation today. It is touted as a first true hybrid wireless access router for WiMAX Wi-Fi customer premises equipment (CPE). The hybrid network approach solution uses open architecture to support any compatible off-the-shelf WiMAX (Backhaul) and Wi-Fi (Access) modules, and works also in rural areas.



Pernec, a Technology Recipient of WiWi, successfully deployed wireless broadband service in Kampung Bahagia Jaya in Teku, Sibul on 12 May 2010. Minister of Information, Communications and Culture launched the Kg Wi-Fi project. This is an example of a joint effort between the Government, government agencies and private company in an effort to bridge the digital divide in true spirit of people first.



Source: Mimos Berhad

## Digital District in Jempol

Digital Jempol 1Malaysia was officially launched by the Minister of Information, Communications and Culture, Dato' Seri Utama Dr. Rais Yatim on 14 December 2010. This is the third in the list of Digital Districts created under the National Broadband Initiative, which aims to provide broadband for all. It starts with providing access and use of broadband at community level in villages or towns.

The Digital District programme is a collaborative effort involving various stakeholders such as the Government, the communications service providers, other vendors and, of course, the residents in Jempol.



**Suruhanjaya Komunikasi dan Multimedia Malaysia**  
Malaysian Communications and Multimedia Commission  
Off Persiaran Multimedia,  
63000 Cyberjaya  
Selangor, MALAYSIA

T: +6 03 86 88 88 00  
F: +6 03 86 88 10 00  
E: publications@cmc.gov.my  
W: www.skmm.gov.my

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## Digital District: Jempol Programme

Jempol Digital Programme Phase 1 offers the following:



1. Experience Centre or Science Centre for use by local communities for various purposes, including obtaining information on communications, multimedia and technology. Notably, the centre allows people to access the Internet and use multimedia software for free.
2. Free wireless Internet access in the city in the vicinity of several hotspots locations.
3. 'Virtual Memorial Jempol' which includes several programmes aimed to create demand for broadband ICT and involves the whole community in Jempol. This serves to narrow the digital divide aside from providing exercise of ICT skills as well as a platform for individuals and the public to appreciate Malaysian culture and heritage.
4. Jempol e-Delivery and e-Government services.
5. Broadband awareness campaign and continuous ICT usage opportunities, including a campaign to promote awareness of broadband initiatives in Jempol.

### TOP Online Ad Publisher: Facebook

Facebook tops as online ad publisher in both the US and UK. Out of the nearly 1.3 trillion display advertising impression in third quarter 2010 in the US, the Facebook.com and Yahoo! Sites took a total of 34% share. Also noteworthy is that the US online display advertising market grew 22% year-on-year based on total display ad impressions. Among the reasons cited by ComScore for the growth are "buy specific audiences... enables a greater number of display ads to be delivered on target... display formats improving at a rapid rate... quality of creativity getting better..".

In the UK, social networking site, Facebook.com itself took 31% of the total online display advertising impressions in third quarter 2010.

### Online Advertising Increasing

eMarketer expects US Internet ads to grow 13.9% to \$25.8 billion for the full year 2010. This will for the first time exceed the total expenditure on newsprint ads. In UK, online ads have overtaken TV ads in the first half year 2009.

#### Drivers to Online Advertising

- Direct response:** Can measure success of advertising.
- Video:** Multimedia content makes the Internet more engaging.
- E-commerce:** People taking on the Internet to find bargains, especially in economic slowdown.
- Faster, cheaper broadband:** A wider audience to whom advertisers can provide with richer content.

Source: Adapted from IAB/PwC online expenditure study

### US Online Display Advertising Market Overview (Q3 2010 versus Q3 2009; Total US - Home/Work/University Locations)

Total Display Ad Impressions (million)	Q3 2009	Q3 2010	Percent Change
	1,049,787	1,284,315	22%

Display ads include static and rich media ads; excludes video ads, house ads and very small ads (< 2,500 pixels)  
Source: comScore Ad Matrix, November 2010

For reference, the Internet Advertising Bureau (IAB) in US defines online display advertising as "a form of online advertising where an advertiser's message is shown on a destination web page, generally set off in a box at the top or bottom or to one side of the content of the page."

### UK Online Display Advertising Impressions (Q3 2010 versus Q3 2009; Total UK)

Total Display Ad Impressions (million)	Q3 2009	Q3 2010	Percent Change
	172,334	221,112	28%

Source: Adapted from comScore Ad Matrix, UK Q3 2009 - Q4 2010

### Top 10 US Online Display Ad Publishers (Q3 2010 Total U.S. - Home/Work/University Locations)

Publisher	Total Display Ad Impressions (million)	Share of Display Ad Impressions
Total Internet	1,284,315	100.0%
Facebook.com	297,046	23.1%
Yahoo! Sites	140,949	11.0%
Microsoft Sites	64,009	5.0%
Fox Interactive Media	48,252	3.8%
Google Sites	35,043	2.7%
AOL, Inc.	32,330	2.5%
Turner Network	21,268	1.7%
Glam Media	13,274	1.0%
eBay	8,421	0.7%
ESPN	8,261	0.6%

(Display ads include static and rich media ads; excludes video ads, house ads and very small ads (< 2,500 pixels)  
Source: comScore Ad Matrix, November 2010

### Top 10 UK Online Display Ad Publishers

Publisher	Total Display Ad Impressions (MM)	Share of Display Ad Impressions
Total Internet	221,113	100.0%
Facebook.com	68,687	31.1%
Microsoft Sites	13,692	6.2%
eBay	8,800	4.0%
Google Sites	8,160	3.7%
Yahoo! Sites	7,778	3.5%
Glam Media	2,807	1.3%
Trader Media Group	2,267	1.0%
AOL, Inc.	2,109	1.0%
Bobo.com	1,635	0.7%
Amazon Sites	1,596	0.7%

Source: Ad Matrix Advertiser Report, Ad Matrix Publisher Report, UK, Q3 2010

### e-Crime More than REAL Crime

Industry reports indicate that physical fraud, that is, theft of physical assets or stock (at 27.2% in the requisite chart) was surpassed by information fraud, that is, information theft, loss or attack at 27.3% in the last 12 months. In contrast to the year before, information fraud has increased 1.5 times from 2009 at only 18%. Note that in contrast to the year before, physical fraud has reduced marginally - from 28% in 2009.

This change in trend and the extent of information fraud increase is significant and should be offered due attention by all stakeholders in its prevention. This is because as indicated by the Kroll report 'in most geographies, information theft is the second biggest deterrent to investment...'

Percentage of companies reporting indicated fraud in the previous 12 months	2010	2009
Information theft, loss or attack	27.3%	18%
Theft of physical assets or stock	27.2%	28%
Management conflict of interest	19%	20%
Vendor, supplier or procurement fraud	15%	12%
Internal financial fraud or theft	13%	14%
Financial mismanagement	13%	12%
Regulatory or compliance breach	12%	17%
Corruption and bribery	10%	12%
IP theft, piracy or counterfeiting	10%	8%
Money laundering	6%	3%

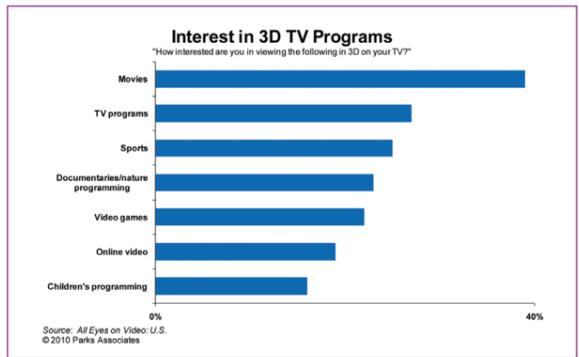
Source: Report in PC world article October 2010 as risk management firm, Kroll; survey by Economist's Intelligence Unit on more than 800 senior executives worldwide

### First Experience Quality Counts

US Park Associates expects consumers to base their demand for 3DTV programmes on the quality of their first experiences with this technology. The advice to TV providers and consumer electronics manufacturers is to get it right first time and provide high quality solutions. Viewing 3D TV programmes is popular as shown in the chart.

Meantime, Toshiba has announced in October 2010 that its 3D glasses-less TV (30 by 50 centimetre) versions would be available in Japan in December 2010. This would be the world's first company to release such a product. A global launch date is yet to be announced.

Source: Park Associates, Combined Exhibition of Advanced Technologies" (CEATEC); <http://www.mcvuk.com/news/41184/Toshiba-launches-glasses-free-3D-TV>



<http://www.parksassociates.com/research/reports/tocs/2010/3dvtv.htm>

## What's On

### French Operator Orange New Developer Service

- Orange Partner Connect is a service enabling application developers to directly submit applications to be distributed in Orange App Shop. This brings the developer community closer to Orange's customers.
- Orange Partner Connect simplifies submission, testing and publishing process of applications.
- Starting December 2010, through a web-based portal, developers can submit applications, create publishing account, monitor sales and downloads, and collect payments.

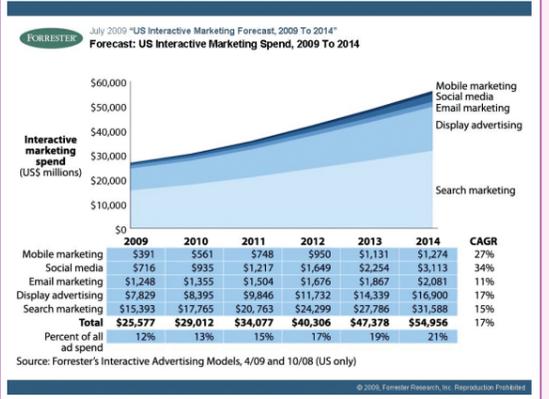
Source: Orange and Informa Telecom & Media

### Maxis 1Store - Enhancement for Developers

- Allows customers to explore and purchase content and applications for their mobile phones.
- Also opened to developers to upload applications which they have developed. A software development kit would be provided for developing applications using Maxis network features. Enhancement are currently being carried out.

Source: Malaysian Wireless; Bernama; <http://www.1Store.com.my/appstore>

### Interactive Advertising Spend to Expand: US



<http://paidcontent.org/image/forrester-interactive-ad-spend-forecast/>

## What's NEW?

### LTE Device

Motorola Inc. introduced the new USB-LTE 7110 - FDD LTE USB Dongle and it is ready for commercial distribution. This plug and play device is said to be the world's first LTE device designed to complement Motorola LTE networks and provides easy-access and reliable '4G' mobile broadband services to mass markets. Motorola looks forward to collaborate with operators worldwide to provide interoperability testing of the new USB-LTE 7110 device on their LTE networks.



[http://www.motorola.com/Business/US-EMV/Business/Product+and+Services/LTE/USB-Lte\\_7110](http://www.motorola.com/Business/US-EMV/Business/Product+and+Services/LTE/USB-Lte_7110)

Source: [http://www.lightreading.com/blog.asp?blog\\_sectionid=958&doc\\_id=198602](http://www.lightreading.com/blog.asp?blog_sectionid=958&doc_id=198602)  
<http://mediacenter.motorola.com/Press-Releases/Motorola-Solutions-Expand-s-on-WiMAX-Success-with-Launch-of-First-Commercial-4G-LTE-Device-346f.asp>

### Panasonic Moving into Smartphone

Japanese manufacturing giant Panasonic announced in November 2010 that it will be launching smartphones in 2011; in its native Japanese market. This is reported to be on the Android platform. The new smartphones will compete with Apple iPhone and Samsung offerings. Panasonic hopes to raise sales to 15 million units worldwide by 2015 - a sharp contrast to the 5.5 million units shipped previously.

### ITU: 'True 4G'

International Telecommunication Union (ITU) declared LTE-Advanced and WiMAX2 (802.16m) as its official platforms for the 'real' 4G standard, IMT-Advanced (International Mobile Telecommunications -Advanced) on October 20, 2010. The two platforms - officially called 3GPP LTE Release 10 & Beyond, and WirelessMAN-Advanced, will need to achieve 100Mbps download with high mobility and wide area coverage; 1Gbps download when stationary; with low latency of under 10ms round-trip delay; and with wide spectrum bands of up to 100MHz.

Source: [http://www.telecomasia.net/content/4g-officially-its-wimax2-lte-advanced?section=4G+UPDATES&utm\\_source=lyris&utm\\_medium=newsletter&utm\\_campaign=top10](http://www.telecomasia.net/content/4g-officially-its-wimax2-lte-advanced?section=4G+UPDATES&utm_source=lyris&utm_medium=newsletter&utm_campaign=top10)

### Five Hottest Mobile Apps For 2010

- 1 Automotive apps
- 2 Mobile VoIP + video
- 3 Social media
- 4 Augmented reality
- 5 Adult entertainment

Source: Telecom Asia, Nov 2010