
China Media Quarterly Update

4th Quarter 2010

Quarter in Review

- In the fourth quarter of 2010, China's traditional media companies raised \$1,015.4 million through 5 IPOs and new media companies raised \$1,011.3 million through 5 IPOs in the equity capital market.
- 6 private placement transactions were announced in the fourth quarter of 2010 in the traditional media sector whereas 6 M&A transactions and 25 private placement transactions were announced in the new media sector.

Sector Highlights

- Focus Media Holding Ltd. (NasdaqGS:FMCN), a leading multi-platform digital media and out-of-home advertising company in China acquired 15% shareholding of VisionChina Media Inc. (NasdaqGM: VISN), a leading out-of-home advertiser focused on mass transportation systems through a private placement.
- China South Publishing & Media Group Co Ltd, a Hunan based publishing company, issued its IPO on the Shanghai Stock Exchange and raised \$637.9 million.
- VANCL, a leading online B2C apparel retailer, obtained \$100.0 million from Ceyuan, IDG, SAIF Partners and Tiger through its Series F round of fund raising.
- Youku.com Inc., a leading video sharing website, issued its IPO on the New York Stock Exchange and raised \$233.3 million.
- E-Commerce China Dangdang Inc., a leading B2C e-commerce company specializing on books and 3C products, issued its IPO on the New York Stock Exchange and raised \$312.8 million.

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About Cowen Latitude Asia

Cowen Latitude Asia, the wholly-owned Asia subsidiary of Cowen Group, Inc. (NASDAQ: COWN), is one of Asia's leading growth sector focused investment banks providing directly, or through its affiliates, a full range of capital markets, M&A advisory and private placement services. The Firm specializes in the growth sectors of Alternative Energy, Consumer, Health Care, Industrial, Media, Technology and Telecom.

Traditional Media

Selected M&A/Private Placements in Q4 2010

Date Announced	Transaction Type	Target Name	Acquirer/Investor Name	Transaction Value (US\$ MM)	%	Target Description
Advertising						
9/13/2010	Private Placement	360 Financial Online Corporation Limited	WI Harper Group	NA	NA	Operates as a computer telephone integration-based insurance marketing agency
12/31/2010	Private Placement	VisionChina Media Inc. (NASDAQ:VISN)	Focus Media Holding Ltd. (NASDAQ:FMCN)	61.0	15%	Operates out-of-home advertising network using real-time mobile digital television broadcasts to deliver content and advertising on mass transportation systems
Newspaper / Magazine / Book Publishing						
None						
Production and Broadcasting						
12/1/2010	Private Placement	Huan TV	CBC Capital	NA	NA	Develops and provides Internet TV technology and solution; based in Guangzhou
12/15/2010	Private Placement	Original Force Digital Education	Walden International	NA	NA	Develops 3D animation; founded in September 1999 and based in Nanjing with up to 100 employees
12/17/2010	Private Placement	Impression Creative Co., Ltd.	Yun Feng Capital	50.0	NA	Founded by director Yimou Zhang and develops and produces location-based live entertainment shows performed at outdoor scenic venues
12/22/2010	Private Placement	Caijing	China Merchants China Direct Investments	18.2	5%	Operates a finance TV and radio channel; it has strategic partnership with CNBC; founded in 2003 and based in Shanghai

Source: Company announcements, Capital IQ, Zero2IPO.com.cn, Quamnet.com, ChinaVenture.com.cn, Yahoo! Finance News and PRNewswire.

Selected Capital Markets Transactions in Q4 2010

Pricing Date	Transaction Type	Exchange	Company Name	Sub-Sector	Amount (US\$MM)	Final Pricing (US\$)	Premium/Discount to Market ⁽¹⁾	Price as of Dec 31 (US\$)	Market Cap as of Dec 31 (US\$MM)	Company Description
10/11/2010	IPO	Chinext	Zhejiang Huace Film & TV Co Ltd	Production and Broadcasting	143.9	10.19	NA	17.60	994.2	Produces of films and TV programs in China
10/22/2010	IPO	SHSE	China South Publishing & Media Group Co Ltd	Book Publishing	637.9	1.60	NA	1.82	3,265.1	Book and media publisher
12/3/2010	IPO	Chinext	Hunan Tangel Publishing Co Ltd	Book Publishing	62.4	3.28	NA	4.16	311.7	Children's book publisher in China
12/3/2010	IPO	SEHK	Shifang Holding Limited	Advertising	71.4	0.39	NA	0.34	247.8	Newspaper advertising provider
12/8/2010	IPO	NASDAQ	Bona Film Group Ltd	Production and Broadcasting	99.8	8.50	NA	5.46	320.5	Motion picture distributor

⁽¹⁾ Premium/Discount to Market is calculated based on the closing price of the day of pricing

Source: Company announcements, Capital IQ, Zero2IPO.com.cn, Quamnet.com, ChinaVenture.com.cn, Yahoo! Finance News and PRNewswire.

New Media

Selected M&A/Private Placements in Q4 2010

Date Announced	Transaction Type	Target Name	Acquirer/Investor Name	Transaction Value (US\$ MM)	%	Target Description
Ecommerce / Search / Portals						
10/12/2010	Private Placement	chewu.cn	Mr. Gang Mai	NA	NA	Online car rental and other service provider
10/12/2010	Private Placement	bizviva.com	Mr. Gang Mai	NA	NA	Online platform for the cooperation between media and enterprises
10/22/2010	Private Placement	tiboo.cn	Nanchang Venture Capital Co., Ltd.	1.5	NA	City information website based in Nanchang, Jiangxi and founded in 2006
10/27/2010	Private Placement	Aibang Juxin (Beijing) Information Technology Co., Ltd. (aibang.com)	Tencent Holdings Ltd. (SEHK: 700)	NA	NA	Group shopping website
10/28/2010	M&A	Coo8.com	GOME Electrical Appliances Holding Limited (SEHK: 493)	NA	80%	B2C platform for home appliance
11/15/2010	M&A	Shenzhen One Touch Business Services Co. Ltd.	Alibaba.com Limited (SEHK: 1688)	NA	100%	Operates an online B2B platform to provide import and export service for SMEs
11/15/2010	M&A	zgzcw.com	VODone Limited (SEHK: 82)	15.1	100%	Football lottery website
11/16/2010	Private Placement	didatuan.com	IDG Capital	NA	NA	Group shopping website
11/20/2010	Private Placement	qeeka.com	CDH	NA	NA	Home furniture and appliance shopping guidance website; founded in 2005 and based in Shanghai
11/22/2010	Private Placement	maobaobao.com	Trustbridge Partners, Legend Capital, DCM	15.0	NA	Online B2C luggage and bags retailer; founded in 2007 and based in Jiaxing, Zhejiang
11/22/2010	Private Placement	VANCL	Ceyuan, IDG, SAIF, Tiger	100.0	NA	Leading online B2C apparel retailer of their own brand VANCL; founded in 2007 and based in Beijing
11/26/2010	Private Placement	K121	Acquity Group	>10.0	NA	Online branded sports footwear retailer based in Beijing
11/29/2010	Private Placement	Kijiji.cn	Benchmark Capital	NA	NA	Classify website established by ebay (NASDAQ: EBAY)
12/2/2010	Private Placement	Lashou	GSR, NVP, Tenaya Capital	50.0	NA	Group shopping website
12/5/2010	Private Placement	Roobo	NA	10.0	NA	Mobile phone search engine; founded in 2006 and based in Suzhou
12/6/2010	Private Placement	leftlady.com	NA	>10.0	NA	B2C cosmetics website, founded in August 2007 and based in Shanghai
12/6/2010	Private Placement	Moonbasa	Tiger	NA	NA	Lingerie retailer through catalog and online B2C platform; founded in 2006 and based in Guangzhou
12/7/2010	Private Placement	qeeka.com	Baidu.com (NASDAQ: BIDU)	NA	NA	Home furniture and appliance shopping guidance website; founded in 2005 and based in Shanghai
12/9/2010	Private Placement	58.com	Warburg Pincus	60.0	NA	Provides social website for people in the same city; founded in 2005 and based in Beijing
12/16/2010	Private Placement	Green Box	DCM	15.1	NA	Online B2C children's apparel website
12/24/2010	Private Placement	ihaveu.com	Lightspeed, IDG Capital	11.0	NA	Recently founded ecommerce and SNS website by ex-MSN and Taobao executives
12/28/2010	Private Placement	55tuan.com	LMobile	NA	NA	Group shopping website
Online Entertainment						
10/15/2010	Private Placement	voole.com	NA	NA	NA	Online video website; founded in 2006 and based in Beijing
10/20/2010	Private Placement	ushi.com	Milestone Capital Management Limited	1.5	NA	Invitation based social networking website based in Shanghai
10/25/2010	M&A	Beijing Julun Network Information Technology Co., Ltd.	Giant Interactive Group, Inc. (NYSE:GA)	2.3	100%	Develops MMORPG games
11/17/2010	Private Placement	Joy China	NA	30.3	NA	Online game developer and technology and solution provider; founded in 2004 and based in Beijing
11/28/2010	Private Placement	Nineyou International Limited (9you.com)	Jinke TV	15.0	NA	Online game operator
12/14/2010	Private Placement	Baiyou100	NA	10.0	NA	Develops online game and animation with 500 employees; it's founded in 2007 and based in Beijing
12/19/2010	Private Placement	9158.com	Sina.com (NASDAQ: SINA)	4.5	NA	Provides online karaoke and video chatting platform; based in Hangzhou
Wireless Value-Added Services ("WVAS")						
12/7/2010	M&A	3guu.com	VODone Limited (SEHK: 82)	30.0	70%	Develops and operates smart phone games; founded in 2004 and based in Guangzhou, Guangdong
12/23/2010	M&A	Shanghai Chenyan Information Technology Limited	Chengdu B-ray Media Co., Ltd. (SHSE: 600880)	12.0	100%	Mobile phone game developer

Source: Company announcements, Capital IQ, Zero2IPO.com.cn, Quamnet.com, ChinaVenture.com.cn, Yahoo! Finance News and PRNewswire.

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10/25/2010	IPO	NASDAQ	Mecox Lane Ltd	Ecommerce	148.5	11.00	NA	7.41	424.7	Operates online platform for apparel and accessories
11/16/2010	IPO	NYSE	Bitauto Holdings Ltd	Portals	127.2	12.00	NA	8.84	364.7	Operator of automotive industry focused websites providing content and marketing services
11/24/2010	IPO	SEHK	Goodbaby International Holdings	Ecommerce	189.5	0.63	NA	0.69	692.3	Business-to-consumer e-commerce company specializing juvenile products
12/7/2010	IPO	NYSE	Youku.com Inc	Online Entertainment	233.3	12.80	NA	35.01	3,605.2	Video sharing website
12/7/2010	IPO	NYSE	E-Commerce China Dangdang Inc	Ecommerce	312.8	16.00	NA	27.07	2,109.0	Business-to-consumer e-commerce company specializing on books and 3C products

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