



RESEARCH

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Global Telecom Weekly (Mar. 23 - Mar. 27, 2009)

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Table 1: This week's price performance

By region		Top 5 leaders		Top 5 laggards	
Japan	11.0%	Softbank	13.3%	BT	-7.1%
GEM	4.0%	KDDI	11.5%	Maroc Telecom	-5.5%
US	2.7%	Telenor	10.6%	MTC Zain	-3.6%
World	2.3%	NTT	10.6%	Turk Telekom	-2.1%
Europe	0.5%	Telecom Italia	9.7%	Turkcell	-1.9%

Source: Bloomberg. Prices as of Mar. 26, 2009.(1) Based on regional MSCI Telecom Indices in US\$ terms.(2) Among ML Top 40 Telcos listed in Table 5

Table 2: Rating changes since Mar. 20, 2009

Company	Revision date	From	To
Elisa	27 Mar 2009	B-3-8	A-2-7
Telenor	27 Mar 2009	B-2-8	B-2-9
Vodafone Group	27 Mar 2009	B-1-7	A-1-7

New Initiations since Feb. 27, 2009

Company	Date of initiation	Rating
SBAC Communications	27 Mar 2009	B-1-9
BEZEQ	9 Mar 2009	B-1-8
BCE	27 Feb 2009	A-2-7

Source: Banc of America Securities - Merrill Lynch

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Refer to important disclosures on page 34 to 36.

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Table 3: Recent estimate changes (since Mar. 20, 2009)

Company	Last		Current fiscal year			Next fiscal year		
	FYE	FX	From	To	% Chg	From	To	% Chg
Bharti	Mar 2008	INR	44.39	44.15	-0.5%	55.66	53.08	-4.6%
BT	Mar 2008	GBP	14.02	3.42	-75.6%	18.98	13.52	-28.8%
Cellcom	Dec 2008	USD	2.68	2.59	-3.4%	2.82	2.72	-3.4%
China Telecom-H	Dec 2008	CNY	0.12	0.16	25.8%	0.17	0.15	-9.7%
Elisa	Dec 2008	EUR	1.08	1.08	0.0%	1.09	1.08	-0.1%
Iliad SA	Dec 2008	EUR	2.90	3.18	9.8%	3.18	3.81	19.7%
OTE	Dec 2008	EUR	1.39	1.39	0.3%	1.48	1.48	0.2%
Tele2 AB	Dec 2008	SEK	6.38	7.88	23.6%	7.88	8.57	8.8%
Telekom Austria	Dec 2008	EUR	1.04	1.04	0.0%	1.15	1.15	-0.3%
Telenor	Dec 2008	NOK	7.70	6.04	-21.6%	6.04	5.68	-6.1%
Tim Part.ON	Dec 2008	BRL	0.03	0.14	366.7%	0.10	0.39	290.0%
TIM Part.PN	Dec 2008	USD	0.19	0.65	242.1%	0.43	1.80	318.6%
Vivo	Dec 2008	USD	0.16	0.78	387.5%	0.55	1.73	214.5%
Vodafone Group	Mar 2008	GBP	11.44	14.60	27.5%	16.17	15.68	-3.0%

Source: Banc of America Securities - Merrill Lynch estimates

Table 4: Earnings calendar

Company	Reporting period	Reporting date	
NII Holdings	Q1	4/24/2009	(est.)
Bharti	Q4	4/25/2009	(est.)
Idea Cellular	Y	4/25/2009	(est.)
Verizon Comm.	Q1	4/27/2009	
KT	Q1	4/27/2009	(est.)
KPN	Q1	4/28/2009	
Level 3	Q1	4/28/2009	
NTT DoCoMo	Y	4/28/2009	
TP SA	Q1	4/28/2009	
Embarq Corp	Q1	4/28/2009	(est.)
Entel	Q1	4/28/2009	(est.)
Hanarotelecom	Q1	4/28/2009	Tentative
Qwest	Q1	4/29/2009	
Rogers Comm	Q1	4/29/2009	
Chunghwa Telecom	Q1	4/29/2009	(est.)
RCVL	Y	4/29/2009	(est.)
Brasil Telecom	Q1	4/30/2009	
Brasil Telecom	Q1	4/30/2009	
DiGi.com Bhd	Q1	4/30/2009	
Taiwan Mobile	Q1	4/30/2009	
Telemar ON	Q1	4/30/2009	
Excelcomindo Pra	Q1	4/30/2009	(est.)
FarEasTone	Q1	4/30/2009	(est.)
Vivo	Q1	4/30/2009	(est.)
Wataniya	Q1	5/1/2009	(est.)
Total Access	Q1	5/4/2009	
Telenet Grp Hld	Q1	5/4/2009	(est.)
Telenor	Q1	5/5/2009	
Partner	Q1	5/5/2009	(est.)
Swisscom	Q1	5/6/2009	
Turkcell	Q1	5/6/2009	
Bell Aliant	Q1	5/6/2009	(est.)
Globe Telecom	Q1	5/6/2009	(est.)
Orascom Telecom	Q1	5/6/2009	(est.)
PLDT	Q1	5/6/2009	(est.)
StarHub	Q1	5/6/2009	(est.)
Tim Part.ON	Q1	5/6/2009	(est.)
Deutsche Telekom	Q1	5/7/2009	
Magyar Telekom	Q1	5/7/2009	
Portugal Telecom	Q1	5/7/2009	
Telecom Italia	Q1	5/7/2009	
TELUS Corp.	Q1	5/7/2009	
BCE	Q1	5/7/2009	(est.)
Telecom NZ	Q3	5/8/2009	
Manitoba Telecom	Q1	5/8/2009	(est.)
Softbank	Y	5/8/2009	(est.)
Freenet AG	Q1	5/9/2009	(est.)
Clearwire-CL A	Q1	5/11/2009	(est.)

Table 4: Earnings calendar

Company	Reporting period	Reporting date	
Mobile-8 Telecom	Y	3/30/2009	(est.)
China Unicom	Y	3/31/2009	
QSC AG	Y	3/31/2009	Tentative
GVT	Q1	4/13/2009	(est.)
VimpelCom	Q4	4/13/2009	(est.)
Comstar UTS-GDR	Y	4/16/2009	(est.)
M1	Q1	4/17/2009	(est.)
Telkom	Y	4/17/2009	(est.)
Mobily	Q1	4/20/2009	(est.)
Telefonica O2 CZ	Q1	4/20/2009	(est.)
AT&T	Q1	4/22/2009	
Tele2 AB	Q1	4/22/2009	
LG Dacom Corp	C1	4/22/2009	(est.)
MTC Zain	C1	4/22/2009	(est.)
Telmex L	Q1	4/22/2009	(est.)
America Movil	Q1	4/23/2009	(est.)
SK Telecom	Q1	4/23/2009	(est.)
Elisa	Q1	4/24/2009	
TeliaSonera	Q1	4/24/2009	
Axtel CPO	Q1	4/24/2009	(est.)
COLT Telecom	Q1	4/24/2009	(est.)
Jazztel	Q1	4/24/2009	(est.)
KDDI	Y	4/24/2009	(est.)
KTF	Q1	4/24/2009	(est.)

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Company	Reporting period	Reporting date	
Sprint Nextel Corp	Q1	5/11/2009	(est.)
Telecom Arg.	Q1	5/12/2009	(est.)
Time Warner Telecom	Q1	5/12/2009	(est.)
Telekom Austria	Q1	5/13/2009	
Versatel AG	Q1	5/13/2009	
NTT	Y	5/13/2009	(est.)
Advanced Info	Q1	5/14/2009	
BT	Y	5/14/2009	
Cellcom	Q1	5/14/2009	(est.)
Telefonica	Q1	5/14/2009	(est.)
TRUE Corp	Q1	5/14/2009	(est.)

Source: Bloomberg

Latest research summary

(Please cut and paste accompanying links into the address field of your web browser in order to access the complete reports, including important disclosures)

Friday, Mar. 27

European Telecoms Matrix Q1 2009 | Short term respite | Industry Overview by Jakob Bluestone | Europe | Wireless revenue growth rebounded to 1.0% in Q4, driven by the annualisation of roaming cuts. We cut mobile service revenue growth 190bp to -1.4% and fixed cut fixed revenue growth 90bp to -3.1%.
<http://research1.ml.com/C?q=kmQ6lBwmSJc%3d>

European Telecoms Valuation Monitor Q12009 | Mispriced capital structure, bullish for equities | Industry Overview by Jesus Romero | Europe | Telco bonds yield 5.5% compared with dividend yields of 7.4% and the BY-DY gap is at an all-time high of -200bps. We see cheap debt as a way of supporting share prices via dividends and/or buybacks.
<http://research1.ml.com/C?q=YlJXigj1qAY%3d>

SBA Communications | Rising cash, falling risk premium - initiate at Buy | Initial Opinion by David Barden | United States | **Buy** | We have initiated coverage of SBAC with a Buy. Demand for towers remains robust given positive wireless industry developments which combined with stable FCF should move shares higher.
<http://research1.ml.com/C?q=74Telf0y0qs%3d>

Elisa | Upgrade to Neutral | Rating Change by Jakob Bluestone | Finland | **Neutral** | We upgrade to Neutral (from Underperform) and revise our price objective. We believe Q1 09 will be better than Q4 08.
<http://research1.ml.com/C?q=N3%2bgaKo8bm4%3d>

Vodafone Group | Forecast revisions | Price Objective Change by Graham Ruck | United Kingdom | **Buy** | We update our estimates and reduce our price target based on our new DCF valuation which assumes lower long term growth rates.
<http://research1.ml.com/C?q=aiouTmLO4ls%3d>

BT | Pension constrains flexibility | Estimate Change by Graham Ruck | United Kingdom | **Neutral** | We have updated our forecasts for a higher expected pension top-up and further Q4 write-downs. Our price target remains unchanged.
<http://research1.ml.com/C?q=N%2fBY4XTWWel%3d>

OTE Hellenic Telecommunications | OTE Q4 08 - first look | Earnings Review by Jakob Bluestone | Greece | **Buy** | OTE Q4 08 results were in line. Guidance was cut to flat EBITDA (from at least flat) but we believe this could be conservative.
<http://research1.ml.com/C?q=s%2bF0dsi2R5w%3d>

Reliance Communication Ltd. | Takeaways from investor tour | Company Update by Reena Verma | India | **Neutral** | Reliance Comm met with investors as part of our Asia Telecom tour. The Co said it is focused on holding margins in the current range and sees room to turn free cash positive in FY11E. Maintain Neutral
<http://research1.ml.com/C?q=Fowj2GDIFCg%3d>

Telecommunications - Korea | Latest sector musings | Industry Overview by John Kim | Republic of Korea | KT-KTF merger has been approved by the shareholders, with putback expiration and 1Q result being the next 2 key milestones. Meanwhile, we reiterate Buy on LGT as the cheapest Asian wireless on '09e PER.
<http://research1.ml.com/C?q=DbxAo%2f0Mp1U%3d>

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Wireline & Wireless Telecom Services | March Short Interest Monitor: Shorts start hunting winners | Industry Overview by David Barden | United States |
March Short Interest Monitor: Shorts start hunting winners
<http://research1.ml.com/C?q=7joYI49SQEY%3d>

Wireline & Wireless Telecom Services | Invitation: 1Q09 Wireless Service and Handset Pricing | Invitation by David Barden | United States |
Please join Banc of America Securities-Merrill Lynch Research analyst David Barden for a discussion of 1Q09 wireless pricing trends.
<http://research1.ml.com/C?q=yRX9I3zMJp0%3d>

Thursday, Mar. 26

Shaw Communications Inc. | Solid 2Q09 subs; estimates fine-tuned | Estimate Change by Glen Campbell | Canada | Underperform
Shaw pre-announced solid subscriber results for 2Q09 and completed a 6.5% 5-year C\$600 debt issue. We have made minor increases to our estimates, which are close to consensus.
<http://research1.ml.com/C?q=7MjKhVggmhs%3d>

Wireline & Wireless Telecom Services | CTIA '09 - Looking to answer the 3 big questions | Industry Overview by David Barden | United States |
The CTIA conf is next week and we anticipate investors' expectations will gel at the conf w/ respect to 1Q mkt share and metrics while the tone will influence sentiment for the rest of 09.
<http://research1.ml.com/C?q=NcioQ%2fPH4Jc%3d>

Wireline & Wireless Telecommunications Services | 1Q09 Wireless Services & Handset Pricing Analysis | Industry Overview by David Barden | United States |
1Q09 Wireless Services and Handset Pricing Survey
<http://research1.ml.com/C?q=8tWD3jpxd8%3d>

Wednesday, Mar. 25

Brazilian Wireless | Raising VIV target | Price Objective Change by Mauricio Fernandes | Brazil |
After revising estimates, price targets and valuation, we continue to rate VIV a Buy and TSU a Neutral.
<http://research1.ml.com/C?q=R%2fpCG%2fFGBgY%3d>

China Telecom Corp Ltd. | In Pursuit of Scale, Then Profitability | Price Objective Change by Cynthia Meng | China | Underperform
Expected low earnings due to PHS write-off. Priority is strengthening value chain and handset selection. Wireless and BB bundle brings 40% of total new adds. Maintain Underperform Rating.
<http://research1.ml.com/C?q=C28EkZ2kNkw%3d>

DirectTV Group Inc | DTV scores a touchdown | Company Update by Jessica Reif Cohen | United States | Buy
The extension of the NFL Sunday Ticket contract through 2014 is a positive for DTV as it removes overhang, solidifies an advantage in sports programming, and locks in high ARPU, low churn subs.
<http://research1.ml.com/C?q=KVfjvNwUvbM%3d>

Thailand Telecoms | Mobile phone excise to return? | Government Regulations by Thititthep Nophaket | Thailand |
The press reports that the MOF might impose 10% excise on mobile phone service. This could cut into ADVANC's earning by 10% and DTAC's by 20%. However, we think the likelihood of the scenario is low.
<http://research1.ml.com/C?q=4VIGBnvKFbo%3d>

Tuesday, Mar. 24

Telecommunications Services | 4Q08 scorecards: Assessing the recession | Industry Overview by Glen Campbell | Americas |
Our quarterly scorecard tables covering wireless, wireline and cable in Canada and their US peers. We see the best upside in small cap cable with near-term estimates risk greatest in wireless.
<http://research1.ml.com/C?q=tSn46dQtom0%3d>

Monday, Mar. 23

Bharti Airtel | Cutting margins; growth still strong | Price Objective Change by Reena Verma | India | Buy
We have cut Bharti's earnings estimates by 4%, and lowered our DCF-led PO. Bharti remains one of the strongest growth stories in AsiaPac, offering 20% YoY EPS growth at 11x FY10E PE. Buy.
<http://research1.ml.com/C?q=CUaChMUySNI%3d>

BEZEQ | Q4 preview: solid | Earnings Preview by Haim Israel | Israel | **Buy**
Q4 preview: solid

<http://research1.ml.com/C?q=NVgR4FiC6AQ%3d>

Brazilian Wireless | Feb/09 net additions headline down 68% YoY to 416k
subs | Industry Overview by Mauricio Fernandes | Brazil |
Anatel Feb/09 wireless subscriber data.

<http://research1.ml.com/C?q=Bk7CcLDvJ%2b4%3d>

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1. Top 40 telcos compared

Table 5: Top 40 telco by market capitalization

Top 40 Company	BAS-ML		26-Mar-09		M.Cap. (US\$B)	Fiscal yr end	P/E (1)					Dividend Yield			FCF Yield			EV/EBITDA (2)			P/BV (3)	Net Debt/ EBITDA (4)	Int. Term Debt Rating	Yield (5)	
	Symbol	FX	Price	Opinion			Rating	2008E	2009E	2010E	2011E	2012E	2008	2009E	2010E	2008	2009E	2010E	2008	2009E					2010E
America Movil	AMX	USD	28.94	BUY	B-1-7	47.7	Dec	9.1 x	9.6 x	7.7 x	6.9 x	6.5 x	1.7%	1.4%	2.4%	6.6%	10.5%	11.2%	4.7 x	5.5 x	4.8 x	4.4 x	0.7 x	A3	6.7%
AT&T	T	USD	26.35	NEUTRAL	A-2-7	155.3	Dec	12.2 x	13.2 x	11.3 x	10.2 x	NM	6.1%	6.1%	6.3%	8.8%	9.4%	9.8%	6.3 x	7.3 x	6.9 x	1.5 x	2.0 x	A2	4.4%
BCE	YBCE	CAD	24.90	NEUTRAL	A-2-7	15.9	Dec	11.1 x	10.6 x	11.1 x	10.8 x	10.3 x	2.9%	6.2%	6.2%	15.1%	11.4%	12.8%	7.1 x	6.5 x	6.4 x	1.8 x	1.7 x		
Belgacom	BGAOF	EUR	23.68	NEUTRAL	B-2-7	10.7	Dec	9.1 x	9.0 x	9.2 x	NM	NM	6.1%	6.1%	6.1%	11.4%	12.6%	12.0%	4.7 x	4.9 x	5.0 x	2.6 x	0.4 x		
Bharti	BHTIF	INR	621.85	BUY	C-1-9	23.3	Mar	17.6 x	14.1 x	11.7 x	10.2 x	NM	0.0%	0.0%	1.8%	-1.4%	0.8%	4.1%	8.8 x	7.3 x	6.3 x	3.2 x	0.3 x		
Bouygues	BOUYF	EUR	27.25	UNDERPERFORM	B-3-8	12.3	Dec	6.6 x	6.9 x	7.0 x	NM	NM	5.4%	5.1%	5.0%	3.1%	6.0%	5.3%	4.6 x	4.8 x	5.1 x	1.2 x	1.5 x		
BT	BTGOF	GBP	79.00	NEUTRAL	A-2-8	8.6	Mar	3.7 x	23.1 x	5.8 x	5.8 x	5.1 x	11.6%	9.3%	10.0%	13.6%	15.0%	16.4%	3.2 x	3.1 x	3.1 x	1.0 x	1.9 x	BBB1	6.0%
China Mobile	CHLKF	HKD	69.65	NEUTRAL	C-2-7	180.2	Dec	10.9 x	11.1 x	12.6 x	14.1 x	13.3 x	3.9%	3.9%	3.4%	4.6%	4.3%	3.5%	4.7 x	4.7 x	5.1 x	2.4 x	-0.9 x		
China Telecom-H	CHJHF	HKD	3.24	UNDERPERFORM	C-3-7	33.8	Dec	NM	18.2 x	19.2 x	16.2 x	14.4 x	2.7%	2.6%	1.9%	12.5%	13.3%	14.0%	3.8 x	3.9 x	4.0 x	1.0 x	0.9 x		
China Unicom	CHUFF	HKD	8.63	NEUTRAL	C-2-7	26.5	Dec	17.9 x	11.6 x	10.4 x	9.0 x	7.8 x	2.7%	3.4%	3.7%	15.4%	-13.7%	3.5%	3.4 x	3.5 x	3.3 x	0.8 x	0.9 x		
Chungwa Telecom	CHWAF	TWD	62.50	BUY	B-1-8	17.9	Dec	13.4 x	12.6 x	12.8 x	NM	NM	6.6%	6.8%	6.7%	7.7%	7.8%	7.7%	6.6 x	6.6 x	6.7 x	1.9 x	-0.7 x		
Deutsche Telekom	DTLSF	EUR	9.56	NEUTRAL	B-2-7	54.4	Dec	28.1 x	12.8 x	11.6 x	10.4 x	10.3 x	8.2%	8.6%	9.0%	16.9%	17.4%	17.7%	4.9 x	4.4 x	4.2 x	1.0 x	1.8 x	BBB1	6.2%
France Telecom	FNCTF	EUR	17.77	BUY	B-1-7	59.8	Dec	11.4 x	8.3 x	7.9 x	7.4 x	6.8 x	7.9%	8.4%	9.0%	16.8%	17.9%	17.8%	4.3 x	4.5 x	4.4 x	1.7 x	NM	A3	3.9%
KDDI	KDDIF	JPY	488,000.00	BUY	B-1-7	22.4	Mar	10.0 x	7.9 x	7.3 x	7.7 x	8.3 x	2.4%	2.8%	2.8%	5.4%	7.9%	5.9%	3.5 x	3.1 x	3.1 x	1.0 x	0.8 x		
KPN	KKPNF	EUR	10.12	BUY	B-1-7	22.8	Dec	13.3 x	10.8 x	9.5 x	8.3 x	7.4 x	5.9%	6.9%	7.9%	11.5%	10.3%	10.9%	6.0 x	5.7 x	5.5 x	5.5 x	2.0 x	BBB1	5.7%
Maroc Telecom	MAOTF	EUR	13.80	UNDERPERFORM	C-3-7	16.1	Dec	14.4 x	14.1 x	13.6 x	13.3 x	13.1 x	6.9%	7.1%	7.4%	5.5%	6.2%	7.1%	7.7 x	7.6 x	7.3 x	7.2 x	0.0 x		
MTC Zain	XOMBF	KWD	0.80	UNDERPERFORM	C-3-8	11.8	Dec	9.9 x	11.4 x	10.0 x	8.8 x	8.2 x	N.A.	N.A.	N.A.	N.A.	N.A.	NM	NM	NM	NM	NM	NM		
MTN Group	MTNOF	ZAR	111.00	NEUTRAL	C-2-7	21.7	Dec	12.5 x	10.8 x	10.0 x	8.9 x	8.8 x	1.6%	2.2%	3.1%	1.9%	6.9%	9.1%	6.8 x	5.9 x	5.6 x	2.8 x	0.1 x		
MTS	MBT	USD	32.55	BUY	C-1-7	13.0	Dec	6.5 x	22.7 x	14.1 x	12.7 x	10.4 x	9.9%	4.4%	7.1%	18.0%	8.4%	12.9%	2.8 x	4.2 x	4.3 x	2.1 x	0.5 x		
NTT	NPPXF	JPY	3,880.00	BUY	A-1-7	62.5	Mar	8.4 x	8.6 x	8.9 x	9.0 x	8.9 x	2.6%	2.8%	2.8%	20.5%	18.4%	15.8%	3.5 x	3.5 x	3.6 x	0.7 x	0.8 x		
NTT DoCoMo	NTDMF	JPY	140,400.00	NEUTRAL	A-2-7	64.5	Mar	12.3 x	11.5 x	11.5 x	12.3 x	12.4 x	3.3%	3.3%	3.3%	2.2%	6.1%	8.4%	4.1 x	4.3 x	4.5 x	1.3 x	0.2 x		
PLDT	PLTLF	PHP	2,190.00	BUY	C-1-7	8.5	Dec	12.1 x	9.9 x	9.3 x	8.7 x	NM	9.3%	9.6%	11.0%	13.7%	13.6%	14.5%	5.2 x	4.9 x	4.6 x	3.6 x	0.5 x		
Rogers Comm	YRCIB	CAD	30.30	NEUTRAL	B-2-7	15.8	Dec	16.0 x	14.5 x	12.6 x	12.3 x	10.9 x	3.3%	3.8%	4.4%	6.7%	7.6%	7.7%	7.0 x	6.5 x	6.2 x	3.8 x	2.0 x	BBB3	6.1%
SingTel	SNGNF	SGD	2.62	BUY	B-1-8	27.5	Mar	10.5 x	12.8 x	12.6 x	11.8 x	11.0 x	4.8%	4.9%	4.7%	6.8%	6.7%	7.3%	7.7 x	8.0 x	7.7 x	1.8 x	0.9 x	A1	3.4%
SK Telecom	SKMTF	KRW	194,000.00	UNDERPERFORM	B-3-7	11.6	Dec	12.3 x	10.6 x	9.9 x	NM	NM	4.9%	4.8%	4.8%	13.9%	11.7%	16.7%	5.0 x	4.7 x	4.6 x	1.3 x	0.7 x	A2	6.6%
Softbank	SFTBF	JPY	1,381.00	BUY	C-1-7	15.3	Mar	13.6 x	17.7 x	11.1 x	8.1 x	NM	0.2%	0.2%	0.2%	3.0%	8.7%	10.7%	7.0 x	6.1 x	5.5 x	2.7 x	2.4 x		
Sprint Nextel Corp S		USD	3.91	NEUTRAL	C-2-9	11.2	Dec	43.4 x	NM	NM	NM	NM	0.0%	0.0%	0.0%	20.5%	25.5%	16.2%	4.2 x	4.8 x	5.3 x	0.5 x	2.5 x	BB2	11.9%
Swisscom	SWZCF	CHF	320.25	BUY	A-1-7	15.1	Dec	8.4 x	7.5 x	7.8 x	NM	NM	6.8%	9.1%	11.2%	14.3%	12.3%	13.0%	6.1 x	6.2 x	6.3 x	2.3 x	2.1 x		
Telecom Italia	TIAOF	EUR	0.98	BUY	A-1-7	23.0	Dec	8.7 x	9.1 x	8.7 x	8.2 x	7.4 x	5.1%	5.1%	6.1%	16.0%	7.2%	18.4%	4.9 x	4.9 x	4.8 x	0.7 x	3.0 x	BBB2	8.5%
Telefonica	TEFOF	EUR	15.27	BUY	A-1-7	94.2	Dec	9.4 x	9.1 x	8.0 x	7.4 x	6.6 x	6.5%	7.5%	8.2%	12.3%	12.9%	13.9%	5.5 x	5.7 x	5.5 x	3.9 x	1.9 x	A3	4.9%
Telenor	TELNF	NOK	38.50	NEUTRAL	B-2-9	9.7	Dec	5.0 x	6.4 x	6.8 x	5.8 x	5.4 x	0.0%	0.0%	10.4%	19.3%	2.6%	8.4%	3.2 x	3.4 x	3.3 x	0.7 x	1.3 x		
Telesp Fixed	TSP	USD	20.80	NEUTRAL	C-2-7	10.5	Dec	7.8 x	9.5 x	8.8 x	7.7 x	7.5 x	13.1%	10.7%	11.3%	16.4%	11.9%	11.8%	3.2 x	3.9 x	3.7 x	2.2 x	0.3 x		
TeliaSonera	TLSNF	SEK	39.30	UNDERPERFORM	A-3-7	21.3	Dec	9.7 x	8.3 x	8.1 x	7.9 x	7.7 x	4.6%	5.2%	5.9%	6.4%	7.2%	8.3%	7.3 x	6.7 x	6.5 x	1.2 x	1.4 x		
Telmex L	TMX	USD	14.84	UNDERPERFORM	C-3-7	13.7	Dec	7.6 x	8.6 x	7.4 x	6.8 x	6.4 x	5.0%	4.4%	5.3%	10.2%	12.8%	14.8%	4.0 x	5.1 x	4.8 x	5.0 x	1.8 x	A3	6.5%
Telstra Corp	TTRAF	AUD	3.25	BUY	B-1-7	28.0	Jun	11.0 x	10.4 x	8.9 x	8.6 x	NM	8.8%	9.1%	9.8%	8.2%	11.7%	13.9%	5.6 x	5.3 x	5.1 x	2.9 x	1.5 x	A2	5.7%
TELUS Corp.	YT	CAD	35.46	NEUTRAL	B-2-7	8.9	Dec	9.9 x	10.2 x	10.6 x	NM	NM	5.1%	5.4%	5.4%	8.5%	5.0%	5.8%	5.3 x	5.4 x	5.4 x	1.7 x	2.0 x	BBB1	5.9%
Turk Telekom	TRKNF	TRY	3.78	BUY	C-1-8	8.1	Dec	9.4 x	6.0 x	5.2 x	4.9 x	4.2 x	9.3%	14.4%	16.7%	7.3%	15.9%	20.7%	4.1 x	3.8 x	3.5 x	2.3 x	0.3 x		
Turkcell	TKCFZ	TRY	7.70	BUY	C-1-7	10.5	Dec	5.6 x	7.7 x	7.4 x	7.5 x	7.3 x	10.8%	10.4%	13.5%	21.7%	2.2%	9.8%	3.0 x	3.8 x	3.3 x	1.8 x	-0.8 x		
Verizon Comm	VZ	USD	30.54	NEUTRAL	A-2-7	86.8	Dec	12.0 x	12.2 x	11.7 x	10.5 x	9.3 x	5.7%	6.0%	6.0%	10.9%	8.5%	10.5%	6.6 x	5.8 x	5.6 x	1.8 x	1.3 x	A2	5.9%
Vodafone Group	VODPF	GBP	120.00	BUY	A-1-7	87.5	Mar	9.6 x	8.2 x	7.7 x	7.2 x	6.7 x	6.4%	6.7%	7.0%	9.6%	10.0%	10.3%	3.6 x	3.1 x	2.9 x	0.8 x	1.1 x	A3	5.8%
MEDIAN						1,388		10.5 x	10.6 x	9.5 x	8.7 x	8.0 x	5.1%	5.2%	6.1%	10.9%	9.4%	10.9%	4.9 x	4.9 x	5.0 x	1.8 x	1.0 x		5.9%

Source: Banc of America Securities - Merrill Lynch Global Telecom Services Research. 1) P/E is not calendarized 2) EV calculation includes Other Long Term Liabilities, such as Deferred Taxes and Pension Liabilities, which are very meaningful for Verizon, and AT&T. 3) Year-end 2007E. 4) Calendarized proportionate EBITDA are used. 5) In local currency terms. For emerging market telcos, debt information refers to sovereign issues denominated in US\$. Top 40 ranking based on Mar. 13 prices

27 March 2009

Table 6: Top 40 telcos consensus overview

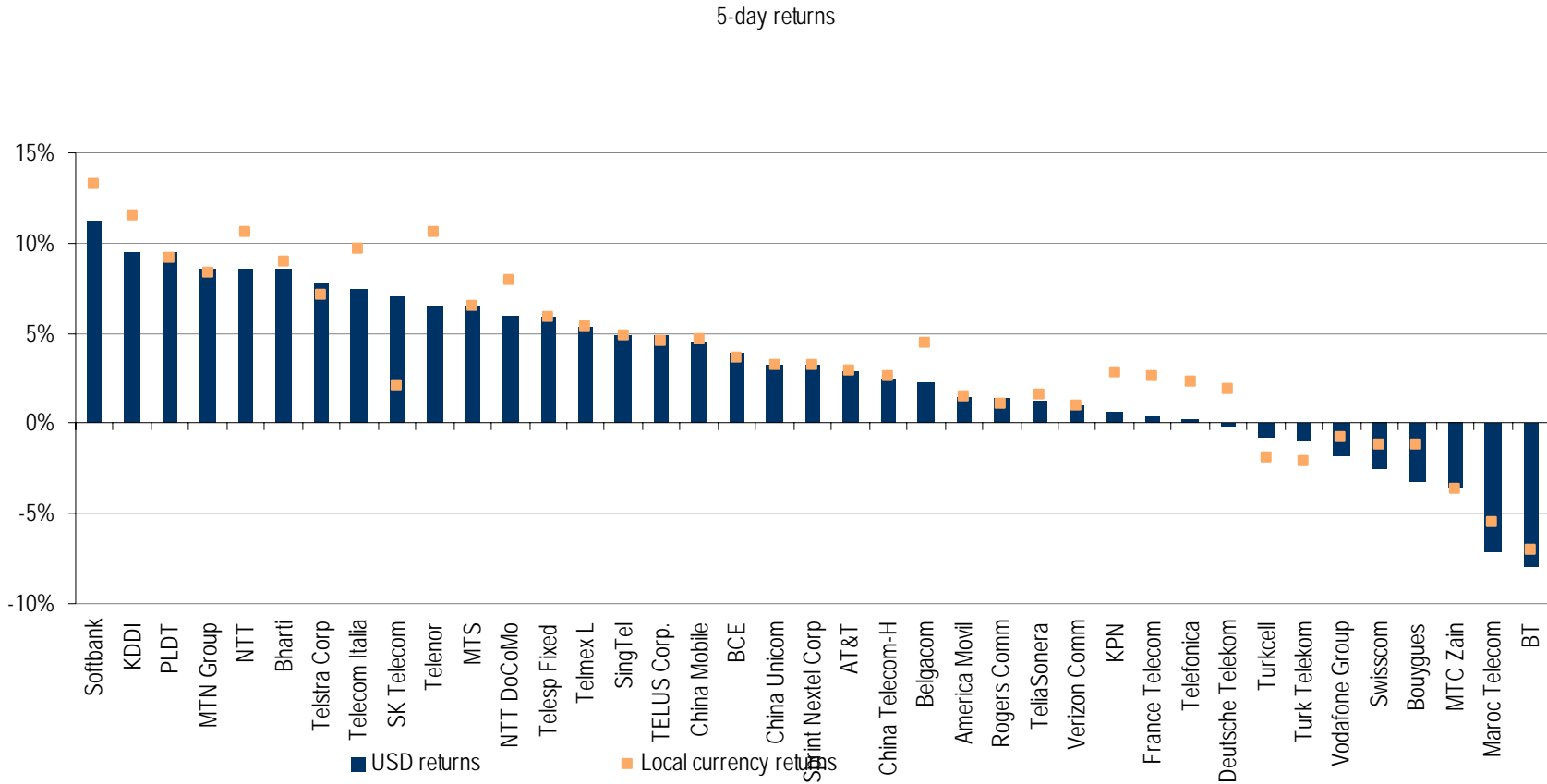
Bloomberg symbol	Company	Consensus growth rates								Δ Growth ML - consensus (pts)						Consensus vs. 3 mos ago	
		Revenue				EBITDA				Revenue			EBITDA			Revenue	EBITDA
		2008A	2009E	2010E	2011E	2008A	2009E	2010E	2011E	2009E	2010E	2011E	2009E	2010E	2011E	2009E	2009E
AMX US	America Movil	11.3%	-10.5%	6.8%	0.6%	10.1%	-12.3%	8.4%	1.7%	-1.8%	5.3%	7.6%	-2.5%	6.1%	8.2%	-9.0%	-8.8%
T US	AT&T	4.3%	0.8%	1.3%	1.2%	2.3%	-4.2%	4.6%	3.0%	-0.2%	0.0%	0.0%	-0.6%	0.1%	-0.9%	-1.5%	-7.7%
BCE CN	BCE	-0.3%	0.2%	0.9%	0.1%	-35.2%	18.7%	0.2%	1.5%	-0.9%	-0.4%	0.7%	-5.8%	0.0%	-2.4%	-1.1%	0.6%
BELG BB	Belgacom	-0.6%	-2.5%	-0.8%	-0.2%	-3.4%	-7.3%	-1.8%	-2.0%	-0.3%	-1.9%	-1.3%	2.4%	1.7%	-0.6%	0.5%	-1.1%
BHARTI IN	Bharti	45.9%	37.4%	20.1%	13.9%	52.6%	33.5%	17.1%	11.3%	0.0%	2.8%	1.6%	1.2%	0.5%	2.6%	0.6%	0.5%
EN FP	Bouygues	12.1%	7.9%	-2.4%	-1.2%	8.8%	2.7%	-6.1%	-5.4%	2.1%	-0.1%	-0.7%	1.5%	1.9%	0.4%	-3.7%	-6.5%
BT/A LN	BT	2.4%	3.5%	-0.3%	-0.4%	2.7%	-15.5%	8.4%	1.3%	0.2%	-1.2%	-1.2%	7.8%	-9.8%	-2.5%	1.2%	-12.3%
941 HK	China Mobile	15.5%	10.2%	8.1%	6.3%	11.6%	6.7%	4.7%	4.8%	-1.5%	-3.1%	-1.1%	-4.8%	-12.4%	-8.5%	-3.6%	-4.9%
728 HK	China Telecom-H	4.0%	15.3%	7.7%	5.8%	-6.8%	-1.0%	2.5%	4.1%	2.2%	-1.0%	-1.9%	-2.3%	-4.6%	-3.8%	1.0%	-5.6%
762 HK	China Unicom	4.4%	33.5%	16.8%	6.0%	3.1%	83.8%	13.0%	4.4%	14.5%	-19.4%	-2.7%	5.3%	-16.2%	0.3%	0.8%	5.7%
2412 TT	Chunghwa Telecom	6.9%	2.4%	0.1%	-1.1%	2.0%	-2.1%	0.0%	-3.3%	-2.4%	-0.9%	2.1%	2.0%	0.2%	2.3%	2.5%	-3.7%
DTE GR	Deutsche Telekom	-1.4%	6.1%	0.0%	0.3%	0.7%	5.6%	0.2%	0.3%	5.8%	1.0%	-0.3%	5.8%	2.7%	1.6%	0.3%	0.4%
FTE FP	France Telecom	1.0%	-1.6%	0.4%	0.4%	1.5%	-4.2%	-0.4%	-0.7%	0.8%	2.3%	1.0%	1.4%	2.8%	0.8%	-3.0%	-4.1%
9433 JP	KDDI	7.8%	-1.7%	-1.1%	0.1%	10.5%	16.7%	8.2%	5.2%	0.6%	-2.2%	1.1%	4.0%	-0.4%	-5.4%	-1.7%	-1.2%
KPN NA	KPN	15.6%	-1.7%	2.1%	1.6%	3.2%	2.6%	3.2%	1.5%	-0.2%	0.1%	0.5%	2.2%	0.8%	1.6%	-0.8%	-0.5%
IAM FP	Maroc Telecom	21.7%	11.5%	2.3%	2.0%	21.4%	13.0%	2.5%	1.2%	-3.6%	4.0%	2.4%	-3.8%	-1.2%	2.8%	-2.8%	-0.9%
ZAIN KK	MTC Zain	29.3%	57.9%	10.9%	14.6%	20.7%	47.4%	14.1%	12.4%	-42.5%	-3.4%	-5.9%	-36.1%	-6.9%	0.0%	11.5%	6.7%
MTN SJ	MTN Group	41.8%	65.6%	10.8%	10.4%	42.1%	58.1%	10.4%	6.5%	-28.1%	7.9%	-2.3%	-24.3%	5.9%	-0.2%	0.8%	-3.4%
MBT US	MTS	29.3%	24.8%	-21.9%	9.8%	30.8%	22.7%	-20.8%	4.5%	-0.4%	-9.3%	-11.8%	-0.9%	-13.2%	-6.2%	-0.5%	-0.3%
9432 JP	NTT	-0.7%	-1.7%	-0.9%	0.0%	8.0%	-6.9%	-1.3%	-0.8%	0.2%	-1.7%	-1.2%	5.7%	-0.9%	-2.3%	-0.8%	2.1%
9437 JP	NTT DoCoMo	-1.6%	-3.3%	-1.4%	-0.5%	4.3%	1.4%	-3.0%	-1.4%	0.1%	-2.9%	-0.8%	1.7%	-2.9%	-4.3%	-0.9%	0.5%
TEL PM	PLDT	5.5%	3.5%	4.8%	-0.8%	5.7%	2.8%	3.1%	-0.7%	3.2%	0.3%	6.6%	4.0%	3.5%	7.2%	0.1%	-0.2%
RCI/B CN	Rogers Comm	12.0%	5.9%	5.1%	3.0%	31.7%	6.1%	6.8%	2.9%	-0.2%	-0.6%	-0.5%	-0.5%	-1.4%	-1.1%	-2.1%	-4.3%
ST SP	SingTel	10.6%	-3.0%	-2.6%	1.9%	5.8%	10.7%	-0.1%	0.8%	0.8%	-4.1%	0.2%	-16.6%	-8.3%	2.2%	2.8%	3.5%
017670 KS	SK Telecom	6.0%	3.5%	0.8%	1.2%	-4.9%	6.9%	4.1%	3.1%	-0.1%	0.8%	0.3%	-7.4%	1.8%	-0.9%	-2.3%	-1.7%
9984 JP	Softbank	9.1%	-1.1%	3.1%	2.5%	19.3%	2.8%	11.2%	5.7%	-2.6%	5.8%	0.0%	-8.7%	10.5%	1.8%	-1.9%	-0.4%
S US	Sprint Nextel Corp	-11.2%	-9.3%	-3.6%	-3.0%	-128.9%	10.8%	-5.1%	-6.9%	-1.1%	-1.7%		-4.4%	-3.3%		-2.2%	-3.7%
SCMN VX	Swisscom	14.9%	8.9%	0.0%	0.0%	18.5%	5.0%	-0.4%	0.1%	1.4%	-0.7%	-0.5%	1.4%	-0.1%	-2.2%	-1.7%	-2.4%
TIT IM	Telecom Italia	-2.8%	-3.7%	-0.1%	0.3%	-4.8%	-3.1%	0.6%	1.5%	2.4%	1.0%	0.1%	0.4%	0.9%	0.8%	-1.5%	-1.0%
TEF SM	Telefonica	2.7%	-0.3%	2.1%	0.9%	0.4%	-2.0%	2.0%	1.0%	-2.3%	0.1%	1.1%	-1.5%	1.0%	1.7%	-2.7%	-1.4%
TEL NO	Telenor	5.1%	3.7%	3.2%	4.5%	0.5%	-4.0%	0.1%	6.5%	2.8%	-0.8%	-2.3%	2.5%	3.6%	-2.9%	1.0%	3.9%
TSP US	Telesp Fixed	12.9%	-17.4%	-1.0%	-6.0%	12.3%	-13.5%	1.9%	-13.8%	2.4%	4.6%	16.7%	-4.4%	2.1%	25.1%	-7.2%	-1.1%
TLSN SS	TeliaSonera	7.1%	7.2%	1.8%	2.4%	6.2%	4.6%	4.8%	1.5%	-2.0%	-0.4%	-1.4%	3.5%	-1.5%	0.2%	5.7%	3.9%
TMX US	Telmex L	-7.0%	-21.9%	0.7%	-0.7%	-6.3%	-22.5%	0.1%	-1.7%	-0.3%	7.5%	4.7%	-0.7%	6.9%	5.2%	-11.2%	-11.5%
TLS AU	Telstra Corp	4.4%	2.2%	1.7%	2.0%	5.6%	4.8%	7.1%	2.8%	0.7%	-0.7%	-0.5%	0.3%	0.5%	-1.8%	-0.3%	-1.9%
T CN	TELUS Corp.	6.4%	3.9%	3.0%	1.2%	5.3%	1.4%	2.0%	2.3%	-0.8%	-0.8%		-3.8%	-2.0%		-0.1%	-0.1%
TTKOM TI	Turk Telekom	22.4%	17.4%	-0.4%	6.1%	9.7%	13.1%	-1.9%	4.8%	-7.7%	9.2%	-0.3%	-4.5%	11.5%	1.0%	3.0%	3.4%
TCELL TI	Turkcell	10.1%	34.3%	10.5%	14.5%	-0.2%	29.0%	12.2%	14.8%	-56.6%	-0.6%	-11.1%	-50.0%	1.6%	-10.0%	-1.9%	-4.2%
VZ US	Verizon Comm	4.2%	9.9%	2.9%	3.1%	4.8%	11.2%	2.8%	7.1%	0.8%	-1.2%	-1.6%	2.1%	2.1%	-1.3%	3.4%	6.0%
VOD LN	Vodafone Group	14.1%	14.5%	7.6%	3.0%	10.2%	9.8%	6.1%	1.9%	0.3%	4.0%	-1.2%	-0.5%	1.7%	0.6%	2.5%	1.7%

Source: Banc of America Securities - Merrill Lynch, Bloomberg

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2. Top 40 stock performance

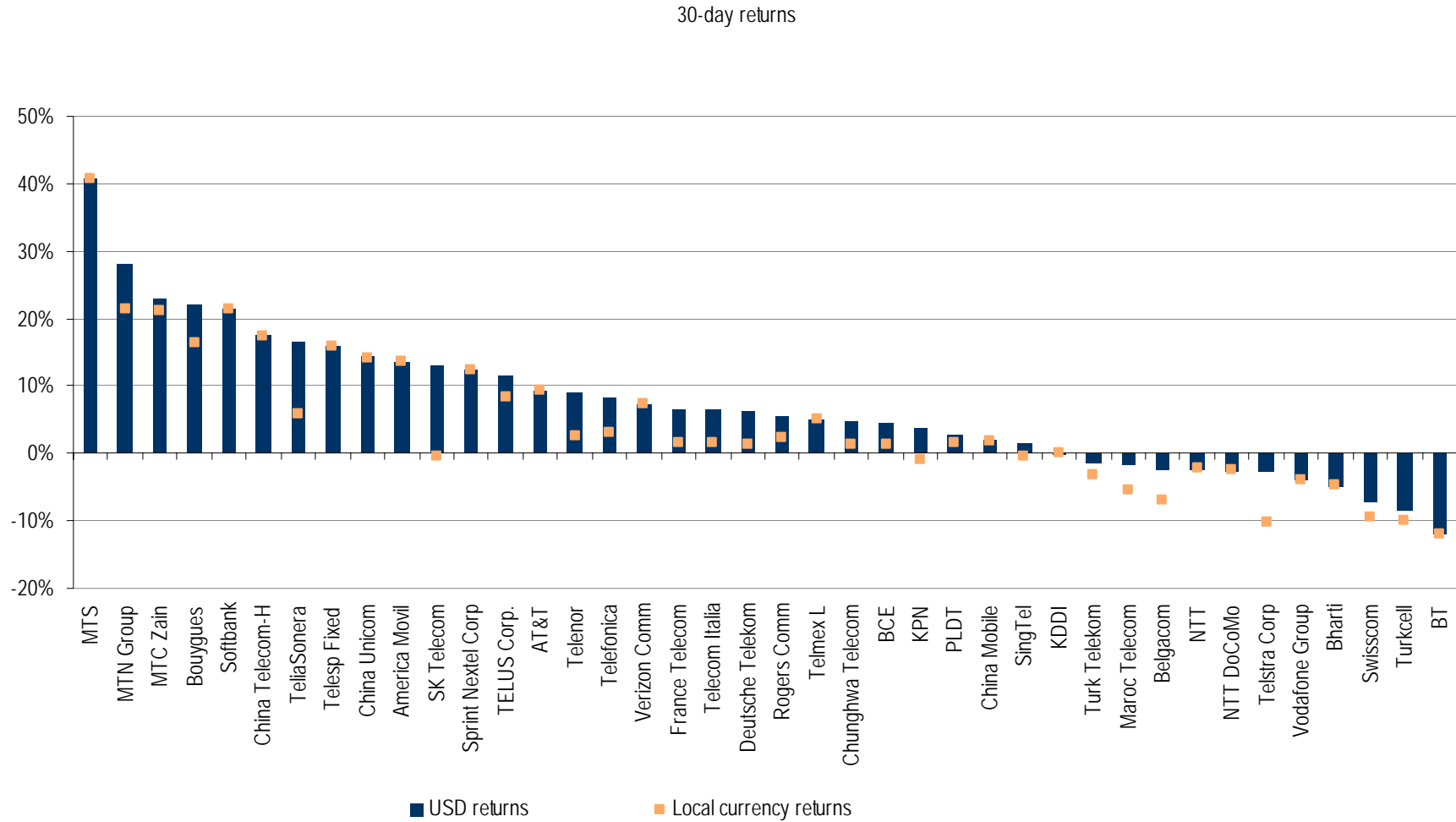
Chart 1: Top 40 stock price performance – last 5 days (as of Mar. 26, 2009)



Source: Banc of America Securities - Merrill Lynch, Bloomberg.

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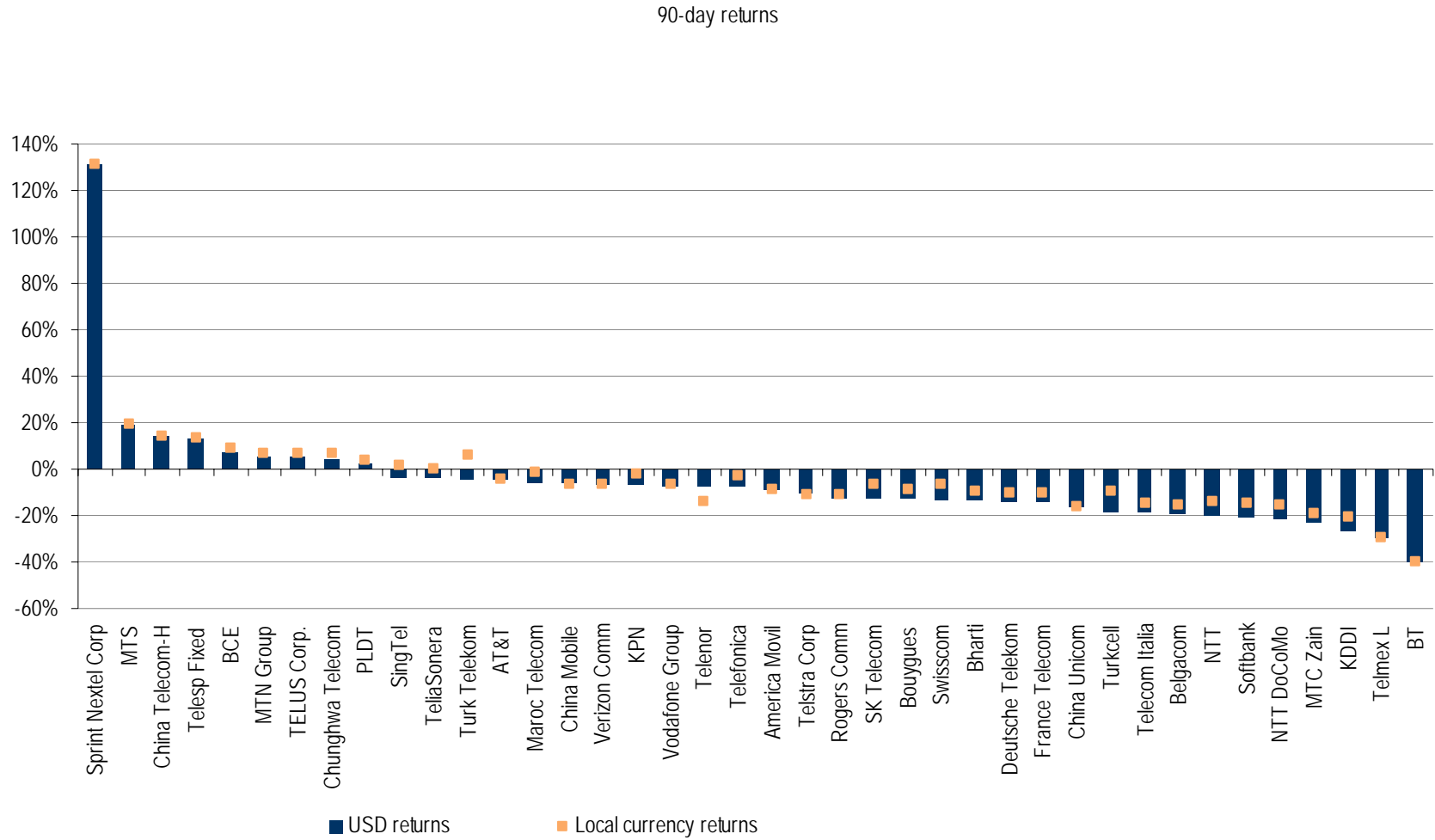
Chart 2: Top 40 stock price performance – last 30 days (as of Mar. 26, 2009)



Source: Banc of America Securities - Merrill Lynch, Bloomberg.

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Chart 3: Top 40 stock price performance – last 90 days (as of Mar. 26, 2009)



Source: Banc of America Securities - Merrill Lynch, Bloomberg.

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Table 7: Exchange rate movements vs. US dollar

		30-day change	90-day change	YTD change	Current rate (LC/USD)
Argentina	ARS	-3.9%	-7.0%	-6.5%	3.69
Australia	AUD	8.7%	2.7%	0.7%	1.42
Brazil	BRL	6.5%	6.2%	4.2%	2.24
Canada	CAD	2.2%	-1.4%	0.1%	1.23
Chile	CLP	4.6%	8.6%	10.6%	576.35
China	CNY	0.1%	0.1%	-0.1%	6.83
Colombia	COP	5.9%	-9.6%	-7.7%	2,436.70
Czech	CZK	11.7%	-5.2%	-3.5%	20.01
Denmark	DKK	6.8%	-3.0%	-2.5%	5.49
Egypt	EGP	-0.4%	-1.9%	-2.2%	5.63
Euro	EUR	6.8%	-3.1%	-2.5%	0.74
Hong Kong	HKD	0.0%	0.0%	0.0%	7.75
Hungary	HUF	6.7%	-14.5%	-14.0%	222.30
India	INR	-1.3%	-5.0%	-3.7%	50.57
Indonesia	IDR	3.6%	-5.0%	-5.5%	11,530.00
Israel	ILS	0.4%	-7.3%	-9.7%	4.18
Japan	JPY	-1.5%	-8.0%	-8.0%	98.49
Korea	KRW	13.9%	-1.8%	-5.4%	1,330.75
Malaysia	MYR	1.2%	-4.0%	-4.5%	3.62
Mexico	MXN	4.9%	-6.7%	-2.7%	14.23
Morocco	MAD	5.4%	-2.5%	-2.1%	8.26
New Zealand	NZD	13.5%	0.7%	-0.9%	1.73
Norway	NOK	6.0%	10.0%	7.6%	6.51
Peru	PEN	3.8%	0.5%	0.3%	3.13
Philippines	PHP	-0.1%	-1.3%	-1.3%	48.16
Poland	PLN	9.9%	-13.2%	-11.9%	3.36
Russia	RUB	7.4%	-14.0%	-8.5%	33.37
Singapore	SGD	1.4%	-4.1%	-4.5%	1.51
South Africa	ZAR	6.4%	3.6%	-1.5%	9.39
Sweden	SEK	11.8%	0.3%	-1.3%	8.02
Switzerland	CHF	3.6%	-4.6%	-5.6%	1.13
Taiwan	TWD	2.7%	-2.3%	-2.9%	33.81
Thailand	THB	1.4%	-2.0%	-1.6%	35.34
Turkey	TRY	2.2%	-8.3%	-7.0%	1.66
UK	GBP	1.8%	-1.5%	0.8%	0.69
Ukraine	UAH	11.3%	-2.5%	-4.7%	8.05

Source: Banc of America Securities - Merrill Lynch, spot exchange rates as on Mar. 26, 2009

Telecom performance (absolute)

Chart 4: Last 30 days (as of Mar. 26, 2009)

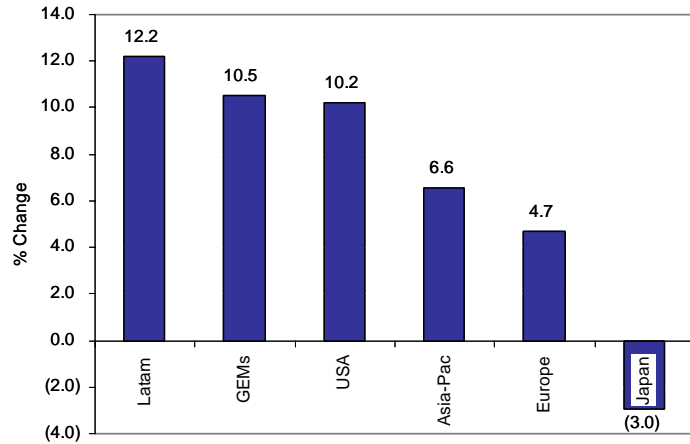


Chart 5: Last 90 days (as of Mar. 26, 2009)

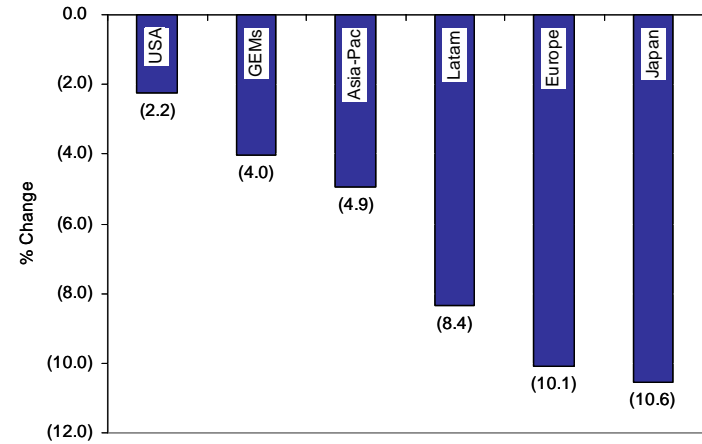


Chart 6: Year-to-date (as of Mar. 26, 2009)

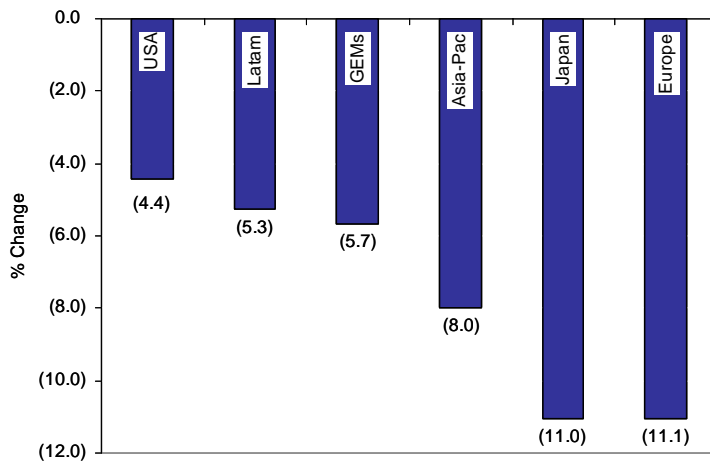
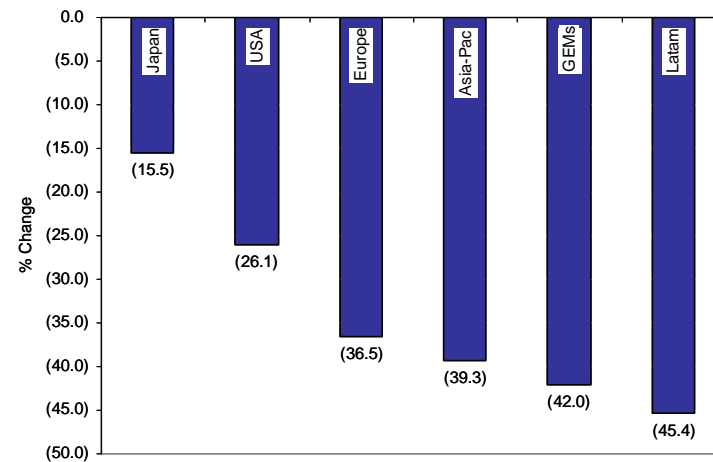


Chart 7: Last 12 months (as of Mar. 26, 2009)



Source: Banc of America Securities - Merrill Lynch. Performance based on corresponding MSCI indices per Bloomberg.

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3. Telecom performance vs. world telecom index (in US\$)

Chart 8: Last 30 days (as of Mar. 26, 2009)

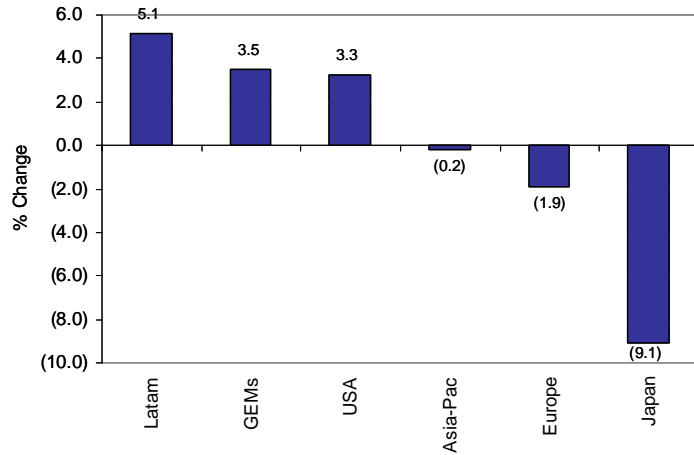


Chart 9: Last 90 days (as of Mar. 26, 2009)

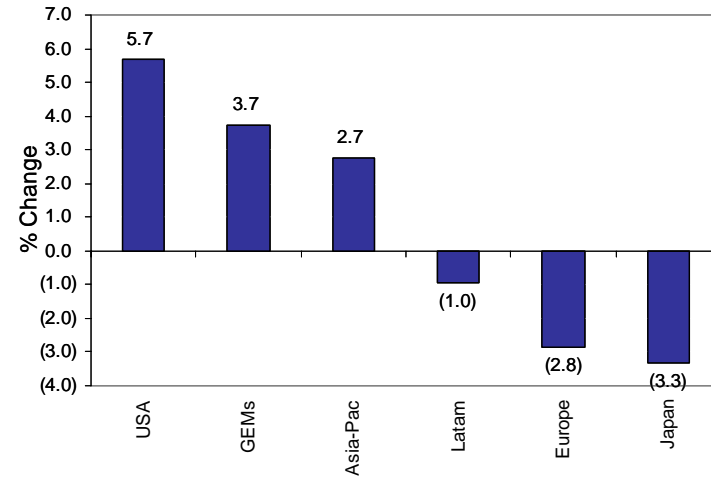


Chart 10: Year-to-date (as of Mar. 26, 2009)

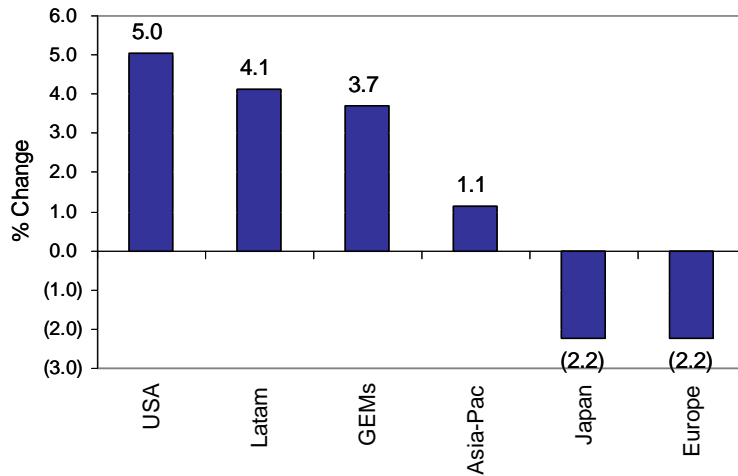
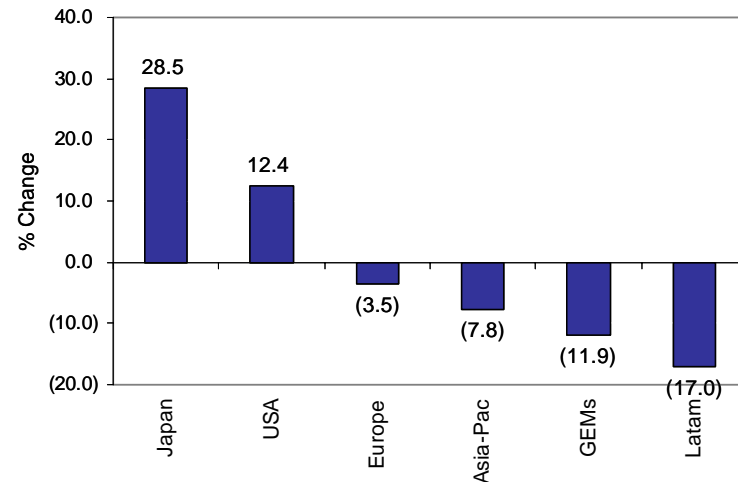


Chart 11: Last 12 months (as of Mar. 26, 2009)



Source: Banc of America Securities - Merrill Lynch. Performance based on corresponding MSCI indices per Bloomberg.

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4. Telecom performance vs. local market

Chart 12: Last 30 days (as of Mar. 26, 2009)

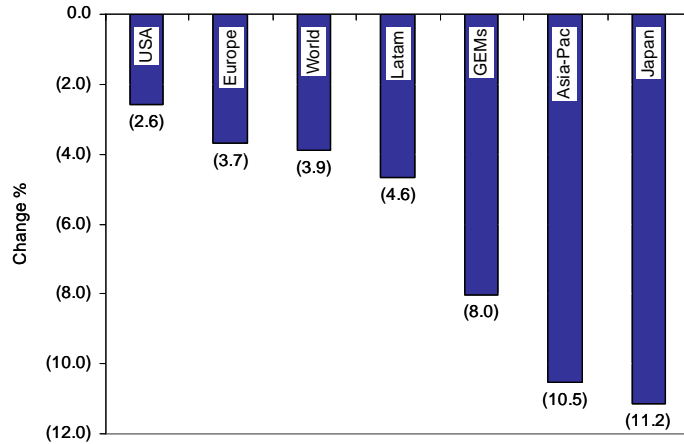


Chart 13: Last 90 days (as of Mar. 26, 2009)

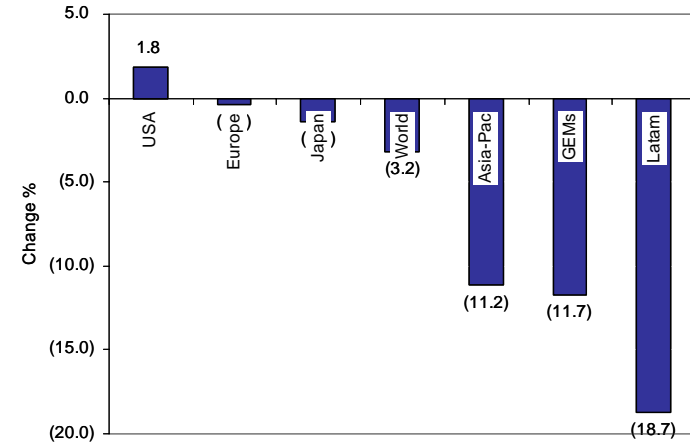


Chart 14: Year-to-date (as of Mar. 26, 2009)

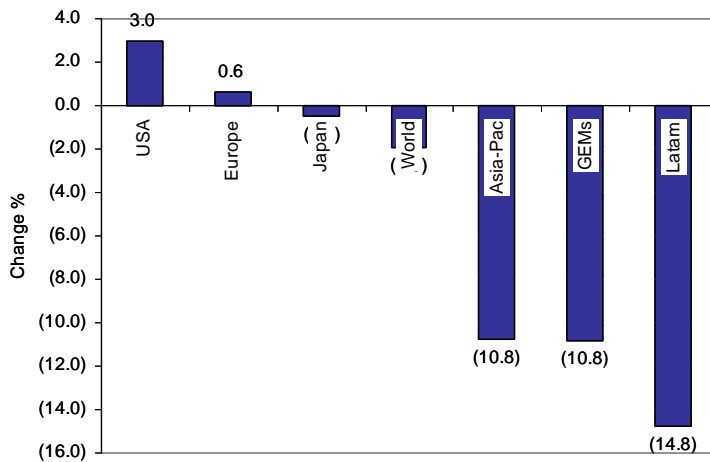
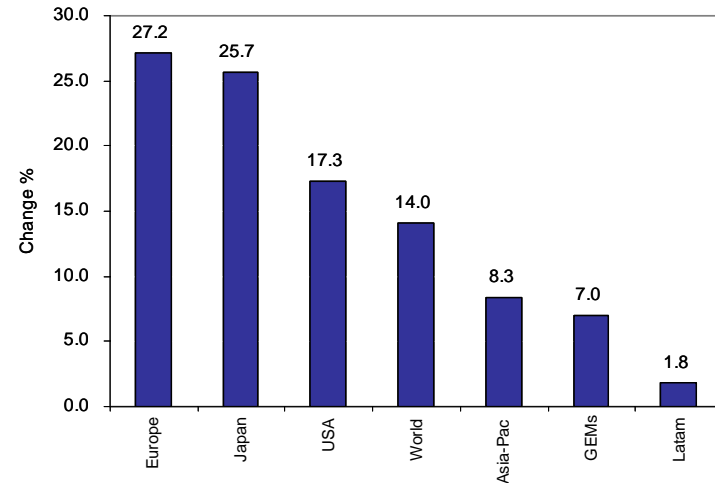


Chart 15: Last 12 months (as of Mar. 26, 2009)



Source: Banc of America Securities - Merrill Lynch. Performance based on corresponding MSCI indices per Bloomberg.

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5. Telecom capex summary

Table 8: Global telecom capex

3/27/2009	Capex (US\$B)							Capex Growth YoY (%)							Capex/Sales						
	2004	2005	2006	2007	2008E	2009E	2010E	2004	2005	2006	2007	2008E	2009E	2010E	2004	2005	2006	2007	2008E	2009E	2010E
Wireless																					
Developed Europe	18.9	28.3	31.6	29.1	30.6	29.1	29.2	41%	50%	12%	-8%	5%	-5%	0%	15%	16%	14%	12%	12%	11%	11%
EESA	5.8	8.6	8.1	9.4	12.0	10.4	9.6	50%	50%	-6%	17%	27%	-13%	-8%	24%	27%	21%	19%	20%	17%	13%
Europe	24.7	36.9	39.7	38.6	42.6	39.5	38.8	43%	50%	8%	-3%	11%	-7%	-2%	16%	17%	15%	13%	14%	12%	11%
North America	19.2	22.6	18.7	16.0	18.3	20.9	21.8	7%	18%	-17%	-15%	14%	14%	4%	22%	21%	14%	11%	12%	12%	14%
Latin America	6.6	8.2	7.1	7.7	16.2	9.7	9.7	137%	24%	-13%	8%	111%	-40%	0%	28%	25%	19%	14%	25%	15%	11%
Americas	25.8	30.8	25.8	23.7	34.5	30.6	31.5	25%	19%	-16%	-8%	46%	-11%	3%	23%	22%	15%	12%	16%	13%	13%
Australasia & Japan	0.3	7.4	10.2	9.0	8.2	7.8	7.8	163%	2870%	37%	-12%	-9%	-4%	-1%	28%	9%	10%	9%	8%	8%	15%
Emerging Asia	16.2	17.8	21.5	29.8	39.7	43.0	36.9	12%	10%	21%	39%	33%	8%	-14%	24%	22%	24%	28%	34%	34%	58%
Asia	16.4	25.2	31.7	38.7	47.9	50.8	44.7	13%	54%	26%	22%	24%	6%	-12%	24%	16%	16%	18%	22%	23%	32%
Wireless total	66.9	93.0	97.3	101.0	125.0	121.0	115.0	28%	39%	5%	4%	24%	-3%	-5%	20%	18%	16%	14%	17%	16%	16%
Fixed																					
Developed Europe	14.1	20.5	24.5	25.5	24.6	24.0	22.8	75%	45%	19%	4%	-3%	-3%	-5%	12%	12%	13%	14%	14%	13%	13%
EESA	2.4	2.5	2.4	2.5	3.3	3.2	3.0	19%	1%	-1%	3%	30%	-1%	-9%	16%	12%	13%	13%	16%	16%	19%
Europe	16.5	23.0	26.9	28.0	27.9	27.2	25.8	64%	39%	17%	4%	0%	-2%	-5%	12%	12%	13%	14%	14%	14%	13%
North America	20.7	22.8	25.7	39.9	39.2	38.7	37.0	6%	10%	13%	55%	-2%	-1%	-4%	47%	13%	16%	25%	25%	25%	19%
Latin America	2.5	3.6	3.9	4.5	5.5	5.0	5.2	3%	45%	6%	17%	22%	-9%	3%	10%	13%	13%	14%	16%	15%	13%
Americas	23.2	26.4	29.5	44.4	44.8	43.7	42.2	6%	14%	12%	51%	1%	-2%	-4%	34%	13%	15%	23%	23%	23%	18%
Australasia & Japan	0.2	30.4	42.3	41.2	40.7	40.0	39.7	NA	NA	39%	-2%	-1%	-2%	-1%	17%	63%	67%	67%	67%	67%	-35%
Emerging Asia	11.9	12.1	14.1	13.5	13.2	15.1	14.4	-6%	2%	17%	-5%	-2%	15%	-5%	31%	30%	34%	32%	31%	28%	48%
Asia	12.1	42.5	56.4	54.7	53.9	55.1	54.1	-5%	250%	33%	-3%	-2%	2%	-2%	31%	48%	54%	53%	52%	48%	95%
Fixed line total	51.8	91.8	112.9	127.1	126.5	126.0	122.1	16%	77%	23%	13%	0%	0%	-3%	21%	19%	23%	26%	26%	25%	18%
Telecom total																					
Developed Europe	38.1	56.0	70.9	67.3	69.8	69.8	67.8	43%	47%	27%	-5%	4%	0%	-3%	15%	16%	18%	16%	16%	16%	28%
EESA	7.9	14.5	14.0	15.6	29.8	19.2	17.0	16%	85%	-4%	11%	91%	-35%	-12%	20%	28%	24%	22%	37%	23%	18%
Europe	46.0	70.6	84.9	82.9	99.5	89.0	84.8	38%	53%	20%	-2%	20%	-11%	-5%	16%	18%	18%	17%	20%	17%	26%
North America	29.5	34.3	42.3	51.6	50.7	49.3	48.8	5%	16%	23%	22%	-2%	-3%	-1%	22%	12%	14%	17%	16%	15%	45%
Latin America	9.3	12.0	12.3	13.7	24.1	17.2	17.4	74%	29%	3%	11%	76%	-29%	1%	19%	19%	18%	15%	24%	18%	20%
Americas	38.8	46.2	54.6	65.2	74.8	66.5	66.2	16%	19%	18%	19%	15%	-11%	0%	22%	14%	15%	17%	18%	16%	36%
Australasia & Japan	4.2	34.6	47.3	46.8	45.9	44.4	43.8	16%	730%	37%	-1%	-2%	-3%	-1%	15%	18%	18%	17%	17%	17%	21%
Emerging Asia	29.2	31.3	37.2	44.3	55.3	58.2	51.3	4%	7%	19%	19%	25%	5%	-12%	28%	26%	28%	30%	35%	32%	160%
Asia	33.4	66.0	84.5	91.1	101.2	102.6	95.2	6%	97%	28%	8%	11%	1%	-7%	25%	21%	22%	22%	24%	23%	47%
Grand Total	118.2	182.8	224.0	239.3	275.4	258.2	246.2	20%	55%	23%	7%	15%	-6%	-5%	20%	17%	18%	18%	20%	19%	34%

Source: Banc of America Securities - Merrill Lynch estimates based on telecom stocks under Banc of America Securities - Merrill Lynch coverage.

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6. Global valuation comparisons

Table 9: Valuation comparisons – developed country markets: full service (as of Mar. 26, 2009)

BAS-ML	Bank of America Securities - Merrill Lynch			52-Week		Stock Price Performance					M.C.	P/E			FCF Yield (%)			Div. Yield (%)			EV/EBITDA			EV/(EBITDA-Capex)				
Symbol	DEV. MARKETS	QRQ	FX	Price	High	Low	5D	1M	3M	YTD	1Yr	(\$USB)	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	
	FULL SERVICE			Mar 26			3.1	2.3	(7.4)	(8.7)	(21.6)	767.2	13.4	12.0	11.2	15.4	14.4	15.0	6.5	7.0	7.4	6.2	6.2	6.1	10.0	9.7	9.0	
	AUSTRALASIA			-			6.9	(1.1)	(4.5)	(5.9)	(30.0)	58.7	11.0	10.9	10.1	7.5	8.9	10.6	7.0	7.2	7.4	6.5	6.5	6.2	11.0	9.9	8.7	
IINEF	iiNet Ltd	C-1-7	AUD	1.52	2.19	1.00	7.0	21.6	32.2	25.1	(24.0)	0.2	9.6	7.6	6.2	13.4	12.6	19.4	4.7	5.0	7.0	4.1	3.3	2.9	7.6	5.6	4.0	
PNTWF	Pipe Networks Ltd	C-1-7	AUD	3.55	4.56	1.88	1.4	16.8	18.3	16.4	(1.4)	0.1	18.8	13.2	9.0	NM	(22.2)	10.5	2.3	3.8	5.6	16.0	9.0	6.0	NM	NM	9.9	
SNGNF	SingTel	B-1-8	SGD	2.62	4.02	1.94	7.4	6.5	3.1	2.7	(33.7)	27.6	11.9	12.4	11.7	6.8	6.7	7.3	4.8	4.9	4.7	7.7	8.0	7.7	11.4	11.1	9.9	
NZTCF	Telecom NZ	A-2-8	NZD	2.28	4.10	2.19	(2.1)	(5.8)	0.9	(0.4)	(39.7)	2.4	7.3	10.0	10.6	7.1	3.5	9.0	11.5	10.4	10.4	4.0	4.1	4.1	10.6	13.0	9.1	
TTRAF	Telstra Corp	B-1-7	AUD	3.25	4.86	2.93	7.3	(8.5)	(12.9)	(15.1)	(25.8)	28.4	10.4	9.4	8.5	8.2	11.7	13.9	8.8	9.1	9.8	5.6	5.3	5.1	10.7	8.6	7.6	
	CANADA			-			3.5	0.9	6.5	(2.0)	(26.1)	31.2	11.17	10.92	11.27	12.7	9.6	10.6	5.1	6.8	6.8	6.5	6.2	6.2	13.4	11.9	11.1	
YBCE	BCE	A-2-7	CAD	24.90	40.29	20.94	3.6	0.3	7.1	(0.9)		15.7	11.1	10.6	11.1	15.1	11.4	12.8	2.9	6.2	6.2	7.1	6.5	6.4	15.9	12.2	11.5	
YBA U	Bell Aliant	B-3-8	CAD	25.01	30.55	19.50	1.2	(1.9)	13.9	6.2		4.6	12.8	13.3	13.1	15.1	13.3	13.3	11.6	11.6	11.6	7.7	7.7	7.7	12.4	11.6	11.8	
YMBT	Manitoba Telecom	B-3-8	CAD	32.33	43.87	30.01	(0.6)	(8.4)	(4.3)	(10.1)	(17.3)	1.7	14.5	11.8	11.4	7.2	6.7	8.7	8.0	8.0	8.0	4.4	4.5	4.5	10.2	9.0	8.9	
YT	TELUS Corp.	B-2-7	CAD	35.46	48.87	30.02	4.6	4.5	5.2	(4.6)	(18.9)	9.2	9.9	10.2	10.6	8.5	5.0	5.8	5.1	5.4	5.4	5.3	5.4	5.4	10.3	12.2	10.6	
	EUROPE			-			2.3	(0.3)	(8.3)	(8.8)	(19.3)	370.0	13.0	9.5	8.8	13.8	12.9	14.5	6.7	7.2	8.1	5.2	5.1	5.0	9.1	8.8	8.3	
BGAOF	Belgacom	B-2-7	EUR	23.68	31.24	21.92	5.3	(8.3)	(15.2)	(13.2)	(16.4)	10.5	9.1	9.0	9.2	11.4	12.6	12.0	6.1	6.1	6.1	4.7	4.9	5.0	6.5	6.4	6.6	
BGOF	BT	A-2-8	GBP	79.00	239.75	70.20	(7.2)	(14.8)	(41.2)	(42.8)	(64.2)	8.9	4.8	4.5	4.1	13.6	15.0	16.4	11.6	9.3	10.0	3.2	3.1	3.1	8.4	7.2	6.5	
CWPUF	Cable & Wireless	B-3-7	GBP	139.50	184.40	107.80	(3.0)	0.8	(7.0)	(11.4)	(4.4)	5.1	12.7	8.5	6.8	3.9	6.4	9.8	5.9	6.6	6.9	5.1	3.9	3.4	11.6	7.4	6.2	
CLTZF	COLT Telecom	C-1-9	GBP	85.75	177.50	49.00	3.0	7.7	66.5	29.9	(47.5)	0.8	8.7	12.3	9.7	9.2	5.2	5.6	-	-	-	2.0	2.1	2.1	NM	45.6	11.3	
DTLSF	Deutsche Telekom	B-2-7	EUR	9.56	12.03	8.90	3.2	(2.4)	(12.0)	(12.7)	(13.1)	56.5	28.1	12.8	11.6	16.9	17.4	17.7	8.2	8.6	9.0	4.9	4.4	4.2	8.5	7.5	7.3	
ELMUF	Elisa	A-2-7	EUR	10.80	17.30	9.85	8.3	6.3	(8.6)	(12.3)	(33.1)	2.3	10.1	10.0	10.0	15.9	11.2	11.3	5.6	5.7	5.8	5.0	5.1	5.1	8.0	7.8	7.8	
FNCTF	France Telecom	B-1-7	EUR	17.77	23.07	16.40	0.7	(3.5)	(13.2)	(13.9)	(19.7)	62.7	11.4	8.3	7.9	16.8	17.9	17.8	7.9	8.4	9.0	4.3	4.5	4.4	6.8	NM	6.8	
ILIAF	IlIad SA	B-3-7	EUR	69.00	74.00	43.23	4.5	10.0	13.0	11.5	8.5	5.1	38.3	21.7	18.1	3.9	(4.8)	2.2	0.4	0.8	1.0	11.9	8.9	8.1	32.2	NM	34.9	
KGSCF	KCOM Group	C-3-8	GBP	16.75	55.75	9.69	(1.4)	4.6	28.3	25.9	(61.4)	0.1	5.1	8.4	9.4	NM	25.8	25.5	10.9	9.0	9.0	4.1	4.3	4.4	6.8	7.5	7.8	
KKPNF	KPN	B-1-7	EUR	10.12	12.35	8.01	1.9	(1.8)	(3.3)	(3.6)	(9.1)	24.7	13.3	10.8	9.5	11.5	10.3	10.9	5.9	6.9	7.9	6.0	5.7	5.5	9.7	9.1	8.6	
OTEFF	OTE	A-1-7	EUR	11.38	20.84	8.78	0.1	8.3	(3.6)	(6.2)	(36.9)	7.6	8.2	7.7	7.1	14.1	12.2	15.3	6.6	7.0	7.4	5.1	5.0	4.9	8.5	8.6	8.3	
PTGXF	Portugal Telecom	A-2-8	EUR	5.76	8.28	4.35	0.2	(12.3)	(5.7)	(6.8)	(23.6)	7.0	7.5	8.2	8.4	13.6	11.1	11.0	10.0	10.0	10.0	5.9	5.8	5.7	11.2	10.6	10.2	
SWZCF	Swisscom	A-1-7	CHF	320.25	378.00	292.00	1.8	(8.5)	(6.1)	(5.1)	(5.9)	14.7	8.4	7.5	7.8	14.3	12.3	13.0	6.8	9.1	11.2	6.1	6.2	6.3	10.2	10.1	10.1	
TLTZF	Tele2 AB	B-3-8	SEK	74.75	134.58	56.25	1.8	7.8	5.8	5.1	(32.8)	4.1	11.7	9.5	8.7	10.1	9.4	9.6	6.7	5.3	5.8	4.7	4.4	4.3	10.3	8.9	8.4	
TIAOF	Telecom Italia	A-1-7	EUR	0.98	1.53	0.72	5.8	(0.8)	(16.4)	(16.6)	(29.0)	25.7	8.7	9.1	8.7	16.0	7.2	18.4	5.1	5.1	6.1	4.9	4.9	4.8	9.2	8.4	7.8	
TEFOF	Telefonica	A-1-7	EUR	15.27	19.60	12.31	1.7	2.3	(4.6)	(5.0)	(19.4)	93.7	9.4	9.1	8.0	12.3	12.9	13.9	6.5	7.5	8.2	5.5	5.7	5.5	8.9	8.7	8.3	
TKMAF	Telekom Austria	B-1-7	EUR	10.99	16.83	8.10	7.5	7.9	(0.4)	8.4	(16.7)	6.6	NM	10.6	9.6	15.4	16.7	16.6	6.8	6.8	6.8	4.5	4.5	4.5	7.7	7.6	7.6	
TLGHF	Telenet Grp Hld	C-2-9	EUR	12.75	17.58	9.62	(4.7)	(8.5)	9.8	2.8	(7.8)	1.9	NM	11.4	10.4	8.8	10.4	10.2	3.9	4.3	4.7	7.3	6.5	6.4	13.5	10.9	10.8	
TELNF	Telenor	B-2-9	NOK	38.50	116.50	31.30	11.0	6.4	(13.2)	(16.1)	(59.9)	9.9	5.0	6.4	6.8	19.3	2.6	8.4	-	-	10.4	3.2	3.4	3.3	5.2	9.5	6.8	
TLSNF	TeliaSonera	A-3-7	SEK	39.30	58.50	30.80	2.4	7.2	(1.5)	(0.3)	(15.3)	22.0	9.7	8.3	8.1	6.4	7.2	8.3	4.6	5.2	5.9	7.3	6.7	6.5	13.9	11.9	10.7	
	JAPAN			-			6.6	(8.7)	(17.1)	(17.1)	(10.4)	53.7	8.7	9.0	9.2	20.5	18.4	15.8	2.6	2.8	2.8	3.5	3.5	3.6	8.4	8.6	9.2	
NPPXF	NTT	A-1-7	JPY	3,880	5,810	3,390	6.6	(8.7)	(17.1)	(17.1)	(10.4)	53.7	8.7	9.0	9.2	20.5	18.4	15.8	2.6	2.8	2.8	3.5	3.5	3.6	8.4	8.6	9.2	
	US			-			2.5	9.5	(6.0)	(8.0)	(24.9)	253.4	12.0	12.7	11.4	10.0	9.7	10.5	6.1	6.2	6.3	6.4	6.7	6.5	12.7	12.7	11.6	
ALSK	Alaska Comm	B-2-7	USD	7.17	13.90	4.92	19.7	14.0	(19.4)	(23.6)	(40.9)	0.3	NM	47.8	35.9	(8.6)	15.3	20.9	12.0	12.0	12.0	6.6	6.5	6.6	NM	11.3	9.5	
T	AT&T	A-2-7	USD	26.35	40.70	20.90	2.9	10.9	(5.7)	(7.5)	(30.0)	151.9	12.2	13.2	11.3	8.8	9.4	9.8	6.1	6.1	6.3	6.3	7.3	6.9	11.8	13.5	12.4	
CBB	Cincinnati Bell	B-3-9	USD	2.28	4.84	1.23	6.0	37.3	18.8	18.1	(46.7)	0.4	5.6	5.2	5.4	26.5	NM	NM	-	-	-	6.0	6.0	6.1	11.6	9.1	9.4	
FRP	Fairpoint Commun	C-3-9	USD	0.55	10.85	0.35	14.6	(72.1)	(84.0)	(83.2)		0.0	NM	NM	NM	NM	NM	NM	NM	-	-	-	8.0	6.0	5.3	15.4	11.4	8.5
FTR	Frontier Comm	B-3-8	USD	6.95	12.94	5.32	6.6	(3.5)	(18.6)	(20.5)	(34.4)	2.2	12.2	10.2	9.1	20.9	23.1	17.7	14.4	14.4	14.4	5.7	6.0	6.2	7.5	7.7	7.9	
TWTF	TW Telecom	C-1-9	USD	9.11	20.18	4.39	11.2	13.3	14.9	7.6	(42.7)	1.4	NM	NM	NM	2.3	3.7	5.2	-	-	-	6.0	6.1	5.7	19.1	17.4	15.0	
LVLTF	Level 3	C-2-9	USD	0.79	4.48	0.79	9.7	(1.3)	16.2	12.9	(62.0)	1.2	NM	NM	NM	13.8	8.9	5.6	-	-	-	9.1	9.0	8.7	17.3	15.6	17.4	
Q	Qwest	C-1-8	USD	3.81	5.55	2.05	7.6	12.4	10.4	4.7	(19.3)	6.5	8.5	11.2	12.7	17.7	22.8	19.4	8.4	8.4	8.4	6.3	6.7	7.1	10.6	11.1	11.7	
VZ	Verizon Comm	A-2-7	USD	30.54	39.94	23.07	1.0	7.0	(8.0)	(9.9)	(14.																	

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Table 10: Valuation comparisons – developed country markets: wireless (as of Mar. 26, 2009)

BAS-ML	Bank of America Securities - Merrill Lynch				52-Week		Stock Price Performance					M.C.	P/E			FCF Yield (%)			Div. Yield (%)			EV/EBITDA			EV/(EBITDA-Capex)			
Symbol	DEV. MARKETS	QRQ	FX	Price	High	Low	5D	1M	3M	YTD	1Yr	(\$USB)	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	
	MOBILE			Mar 26	-	-	1.8	(1.1)	(5.4)	(9.5)	(20.4)	251.3	14.5	12.1	10.0	5.6	8.7	9.3	4.2	4.3	4.4	4.8	4.4	4.2	7.5	6.6	6.0	
	AUSTRALASIA			-			2.9	(2.9)	2.9	1.6	(32.9)	3.2	10.2	10.5	11.0	11.5	12.8	11.8	9.1	8.9	8.8	6.1	6.2	6.4	9.2	9.5	9.5	
HTMMF	Hutchison Teleco	C-3-9	AUD	1.52	0.17	0.07	10.5	16.7	26.5	29.6	(19.2)	0.1	NM	NM	NM	NM	NM	NM	-	-	-	4.8	3.3	2.9	NM	8.3	6.9	
MBOFF	MobileOne	B-2-8	SGD	3.55	2.22	1.16	7.1	(3.8)	4.9	1.4	(25.7)	0.9	8.9	9.4	9.8	12.0	13.0	14.3	9.3	8.5	8.2	5.3	5.5	5.6	7.6	8.4	7.6	
SRHBF	StarHub	B-1-7	SGD	2.62	3.14	1.76	1.0	(3.0)	1.6	1.0	(36.2)	2.2	10.7	11.0	11.5	11.3	12.7	10.8	9.2	9.2	9.2	6.5	6.5	6.8	9.8	10.0	10.4	
	CANADA			2.28			1.1	1.3	(12.1)	(17.2)	(16.0)	15.5	16.0	14.5	12.6	6.7	7.6	7.7	3.3	3.8	4.4	7.0	6.5	6.2	14.1	12.1	10.8	
YRCIB	Rogers Comm	B-2-7	CAD	3.25	49.50	25.40	1.1	1.3	(12.1)	(17.2)	(16.0)	15.5	16.0	14.5	12.6	6.7	7.6	7.7	3.3	3.8	4.4	7.0	6.5	6.2	14.1	12.1	10.8	
	EUROPE			-			(2.2)	(3.1)	(8.9)	(14.5)	(25.5)	111.2	10.2	8.4	7.6	8.8	9.4	9.6	6.3	6.5	6.8	4.2	3.6	3.4	12.9	9.3	9.4	
BOUYF	Bouygues	B-3-8	EUR	24.90	52.51	21.77	(2.0)	17.9	(10.0)	(11.0)	(34.7)	12.8	6.6	6.9	7.0	3.1	6.0	5.3	5.4	5.1	5.0	4.6	4.8	5.1	8.9	9.2	9.8	
IMASF	Inmarsat PLC	B-2-7	GBP	35.46	585.00	300.00	4.2	12.7	8.3	3.2	13.5	3.2	23.3	21.1	17.2	7.9	6.7	8.8	4.4	4.6	4.6	14.5	8.0	7.4	34.8	9.6	8.0	
MBSRF	Mobistar	A-1-8	EUR	-	59.00	44.57	6.9	0.7	(8.8)	(4.6)	(9.5)	4.0	10.9	11.0	11.3	9.9	9.0	9.1	9.2	9.2	9.1	6.1	6.3	6.4	8.1	9.1	9.1	
VODPF	Vodafone Group	A-1-7	GBP	23.68	169.50	96.40	(3.0)	(7.0)	(9.5)	(16.3)	(26.0)	91.1	10.2	8.0	7.2	9.6	10.0	10.3	6.4	6.7	7.0	3.6	3.1	2.9	NM	NM	NM	
	JAPAN			79.00	-	-	5.8	(4.5)	(19.2)	(20.0)	(14.5)	98.0	11.9	10.9	10.8	3.0	6.9	8.2	2.6	2.7	2.7	4.4	4.3	4.4	8.5	7.7	7.9	
KDDIF	KDDI	B-1-7	JPY	140	732,000	419,000	9.4	(5.6)	(22.2)	(23.1)	(21.7)	22.1	8.4	7.5	7.6	5.4	7.9	5.9	2.4	2.8	2.8	3.5	3.1	3.1	9.6	7.7	7.2	
NTDMF	NTT DoCoMo	A-2-7	JPY	86	180,300	129,500	2.9	(8.8)	(19.2)	(20.4)	(9.4)	60.8	12.1	11.9	12.5	2.2	6.1	8.4	3.3	3.3	3.3	4.1	4.3	4.5	7.0	7.3	8.0	
SFTBF	Softbank	C-1-7	JPY	10	2,145	636	12.7	15.1	(15.0)	(13.8)	(25.3)	15.2	16.5	12.2	8.7	3.0	8.7	10.7	0.2	0.2	0.2	7.0	6.1	5.5	12.7	9.6	8.2	
	US			10.80			3.7	24.3	84.3	72.1	(25.0)	23.5	45.3	33.3	16.0	4.5	13.1	12.8	-	-	-	7.4	6.6	5.7	8.6	17.6	11.1	
CLWR	Clearwire-CL A	C-3-9	USD	-	17.94	2.64	18.6	54.7	23.6	1.0	(67.0)	3.5	NM	NM	NM	(8.4)	NM	NM	-	-	-	NM	NM	NM	NM	NM	NM	NM
LEAP	Leap Wireless	C-1-9	USD	17.77	61.67	14.18	0.7	38.7	43.6	39.9	(22.5)	2.6	NM	NM	17.6	(17.6)	(9.7)	3.9	-	-	-	12.4	9.1	6.0	NM	NM	17.6	
PCS	MetroPCS Communi	C-1-9	USD	69.00	21.86	10.23	4.1	24.1	25.5	21.1	5.6	6.3	48.6	33.3	15.4	(7.8)	0.2	10.4	-	-	-	11.1	8.6	6.1	NM	35.1	9.1	
S	Sprint Nextel Corp	C-2-9	USD	-	9.94	1.35	3.2	18.8	131.4	113.7	(39.8)	11.2	43.4	NM	NM	20.5	25.5	16.2	-	-	-	4.2	4.8	5.3	8.6	7.7	10.7	

Source: Banc of America Securities - Merrill Lynch, Bloomberg.

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Table 11: Valuation comparisons – emerging country markets: full service (as of Mar. 26, 2009)

BAS-ML	Bank of America Securities - Merrill Lynch				52-Week		Stock Price Performance					M.C.	P/E			FCF Yield (%)			Div. Yield (%)			EV/EBITDA			EV/(EBITDA-Capex)			
Symbol	EMERGING MKTS	ORQ	FX	Price	High	Low	5D	1M	3M	YTD	1Yr	(\$USB)	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	
	FULL SERVICE			Price	-	-	3.0	9.6	1.9	1.0	(22.1)	220.4	11.8	11.3	11.1	8.2	8.5	10.3	6.1	5.9	6.4	4.4	4.5	4.4	7.5	7.3	7.5	
	ASIA-PACIFIC			Price	-	-	3.7	11.6	6.1	4.5	(22.6)	109.2	13.5	13.2	13.5	8.1	5.9	8.1	3.8	4.0	4.0	4.5	4.5	4.4	8.9	8.0	9.6	
CHUFF	China Unicom	C-2-7	HKD	Price	18.70	6.60	8.6	22.8	(12.4)	(7.2)	(50.8)	26.7	17.0	11.1	9.9	15.4	(13.7)	3.5	2.7	3.4	3.7	3.4	3.5	3.3	NM	NM	19.7	
CHJHF	China Telecom-H	C-3-7	HKD	Price	5.73	1.80	6.6	22.3	16.5	12.1	(33.9)	33.8	NM	17.8	18.7	12.5	13.3	14.0	2.7	2.6	1.9	3.8	3.9	4.0	10.4	8.7	8.5	
CHWAF	Chunghwa Telecom	B-1-8	TWD	Price	79.85	52.95	(4.6)	(0.1)	5.9	0.6	(16.5)	21.4	13.5	12.8	13.0	7.7	7.8	7.7	6.6	6.8	6.7	6.6	6.6	6.7	9.4	9.4	9.6	
HANTF	SK Broadband	C-3-9	KRW	Price	11,050	4,345	(3.6)	-	(5.7)	(8.2)	(50.7)	0.9	NM	NM	25.7	(10.1)	(2.5)	1.7	-	-	-	5.3	4.9	4.1	NM	NM	23.4	
KTCNF	KT	B-1-8	KRW	Price	51,200	27,350	-	6.4	4.9	6.3	(15.6)	8.2	24.6	13.1	11.9	(0.9)	4.9	4.8	2.8	5.0	5.2	5.2	5.3	5.2	14.9	18.6	16.4	
DCMPF	LG Dacom Corp	C-1-7	KRW	Price	22,500.00	14,800.00	(1.6)	2.3	(8.7)	(10.1)	(3.2)	1.1	12.2	9.0	6.9	14.5	8.9	11.2	2.8	3.3	4.3	4.5	4.1	3.7	9.1	8.2	6.6	
XMTNF	MTNL	C-3-7	INR	Price	116.00	51.00	12.1	12.0	(9.3)	(9.0)	(26.3)	0.9	15.0	18.4	19.7	11.5	3.1	8.6	5.9	5.9	5.9	NM	NM	NM	0.2	0.3	0.7	
PKTLF	Pak Telecom	C-1-8	PKR	Price	50.90	11.70	2.2	16.8	(21.1)	(2.2)	(64.1)	1.0	6.0	6.1	6.6	(3.2)	18.7	19.5	8.0	15.7	14.8	2.7	2.7	2.8	10.7	5.8	5.7	
PLTLF	PLDT	C-1-7	PHP	Price	2,780	1,762	11.5	3.9	6.4	6.4	(17.6)	8.5	11.4	9.4	8.9	13.7	13.6	14.5	9.3	9.6	11.0	5.2	4.9	4.6	7.7	7.2	6.7	
TCPJF	TRUE Corp	C-3-9	THB	Price	5.35	1.12	-	(10.0)	(29.7)	(24.6)	(74.0)	0.2	20.4	13.6	20.0	NM	NM	NM	-	-	-	4.5	4.5	4.5	7.1	6.4	6.8	
VSLSF	Tata Communications	C-3-8	INR	Price	585.00	320.00	16.6	33.1	7.7	7.3	0.1	3.0	40.8	42.0	43.7	(2.0)	1.7	4.1	0.8	0.8	0.8	18.9	16.0	15.1	NM	NM	22.7	
	EESA			Price	-	-	0.2	3.1	(0.2)	(0.8)	(19.7)	61.9	11.0	10.0	9.5	9.4	12.7	13.8	9.3	10.1	11.0	5.1	5.0	5.1	4.6	5.0	4.4	
BZQIF	BEZEO	B-1-8	ILS	Price	6.86	5.00	3.1	3.3	14.5	6.8	(0.6)	4.1	10.5	10.4	9.4	10.0	12.8	15.0	9.5	8.6	9.6	5.2	5.2	5.0	7.2	7.3	6.3	
JSTKY	Comstar UTS-GDR	C-1-7	USD	Price	12.00	1.75	(3.9)	35.2	13.7	(7.6)	(63.9)	1.5	7.0	5.3	4.1	5.8	22.6	28.2	0.4	1.9	2.4	3.0	2.7	2.4	4.7	3.8	3.4	
XTMMF	Magyar Telekom	B-3-7	HUF	Price	881.00	472.00	1.9	(3.7)	(4.5)	(1.9)	(34.9)	2.5	6.4	5.7	5.9	16.0	18.6	19.4	14.0	14.0	15.9	4.0	4.0	4.0	6.8	6.8	6.6	
MAOTF	Maroc Telecom	C-3-7	EUR	Price	19.10	12.55	(4.0)	(5.0)	(1.8)	(0.9)	(18.9)	16.4	14.4	14.1	13.6	5.5	6.2	7.1	6.9	7.1	7.4	7.7	7.6	7.3	1.1	1.1	1.0	
XTOQF	Qatar Telecom	C-2-8	QAR	Price	217.56	89.00	8.4	16.4	(4.9)	(3.4)	(44.5)	4.3	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	10.3	7.2
TEGPF	Telecom Egypt	C-1-7	EGP	Price	21.00	10.70	0.8	(1.3)	(2.7)	(10.7)	(28.3)	4.4	8.4	7.0	6.2	12.8	14.2	14.0	8.3	10.7	15.4	2.0	1.9	1.9	2.0	1.9	1.8	
TFAOF	Telefonica O2 CZ	B-1-8	CZK	Price	524.00	313.10	(2.5)	7.2	(5.8)	(4.7)	(21.2)	6.6	11.4	11.4	10.7	14.0	13.2	12.7	12.2	11.3	9.3	4.8	5.0	5.1	6.7	7.0	7.3	
TKMJF	Telkom SA	C-3-7	ZAR	Price	158.00	89.50	4.3	7.9	(6.9)	(6.6)	(28.3)	6.1	6.5	6.3	NM	9.8	13.1	NM	10.1	10.9	NM	3.2	3.1	NM	6.3	5.8	NM	
PTTWF	TP SA	B-1-7	PLN	Price	24.50	17.15	3.6	8.3	(0.9)	(0.2)	(12.0)	7.9	12.3	10.6	8.6	12.2	17.7	16.7	11.5	11.5	12.8	4.7	4.7	4.7	6.7	6.7	6.8	
TRKNF	Turk Telekom	C-1-8	TRY	Price	4.68	2.94	(1.5)	(1.0)	7.8	10.9	#N/A	8.0	9.4	6.0	5.2	7.3	15.9	20.7	9.3	14.4	16.7	4.1	3.8	3.5	6.2	6.1	4.8	
	LATIN AMERICA			Price	-	-	5.2	14.0	(5.4)	(5.0)	(24.2)	49.3	9.1	8.6	7.5	6.7	8.9	10.6	7.1	4.9	5.9	3.4	3.8	3.5	8.2	8.5	7.0	
AXTLF	Axtel CPO	C-1-9	MXN	Price	23.95	4.40	15.7	5.5	(21.7)	(22.9)	(73.2)	0.5	NM	15.2	8.6	(5.6)	13.1	18.4	-	-	5.8	3.5	3.4	3.0	36.4	7.6	6.0	
GVTHF	GVT	C-1-7	BRL	Price	42.03	15.32	3.9	13.4	12.9	9.5	(17.1)	1.6	39.7	13.6	10.9	(9.9)	3.3	2.0	-	-	-	7.6	5.8	5.1	NM	16.3	20.3	
TEO	Telecom Argentina	C-3-9	USD	Price	21.99	4.33	10.0	12.6	(1.8)	5.7	(61.6)	1.6	4.5	4.5	3.9	NM	21.4	21.7	2.7	11.8	16.1	2.0	2.0	1.9	3.7	3.6	3.2	
TSP	Telesp Fixed	C-2-7	USD	Price	30.68	16.75	4.2	13.2	9.6	7.2	(16.7)	10.5	7.8	9.5	8.8	16.4	11.9	11.8	13.1	10.7	11.3	3.2	3.9	3.7	4.9	6.2	5.8	
TXNBF	Telemar ON	C-2-7	BRL	Price	53.83	22.30	1.7	8.5	9.0	8.4	(25.0)	6.8	7.1	7.8	6.3	3.3	6.1	9.1	15.5	5.3	7.7	2.2	2.6	2.3	NM	NM	NM	
TNE	Tele Norte Leslie	C-2-7	USD	Price	23.06	9.18	4.1	20.1	13.6	15.9	(28.2)	5.6	4.8	6.4	5.0	8.9	16.7	24.7	23.0	6.5	9.8	2.2	2.6	2.3	13.8	7.6	5.7	
TMX	Telmex L	C-3-7	USD	Price	27.18	12.54	4.4	8.0	(30.2)	(29.1)	(31.5)	13.4	7.6	8.6	7.4	10.2	12.8	14.8	5.0	4.4	5.3	4.0	5.1	4.8	4.8	6.0	6.2	
TII	Telmex Int'l	C-3-7	USD	Price	20.00	6.43	13.0	33.2	(12.9)	(10.6)	#N/A	9.4	17.5	14.7	13.2	(2.2)	0.4	1.8	1.5	1.8	2.0	5.3	5.5	4.9	18.4	20.8	13.6	

Source: Banc of America Securities - Merrill Lynch, Bloomberg.

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Table 12: Valuation comparisons – emerging country markets: wireless (as of Mar. 26, 2009)

BAS-ML	Bank of America Securities - Merrill Lynch			52-Week		Stock Price Performance					M.C.	P/E			FCF Yield (%)			Div. Yield (%)			EV/EBITDA			EV/(EBITDA-Capex)				
Symbol	EMERGING MKTS	ORQ	FX	Price	High	Low	5D	1M	3M	YTD	1Yr	(\$USB)	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	
	MOBILE			Mar 26			6.8	8.2	(3.4)	(5.6)	(37.8)	407.7	11.0	12.2	11.3	4.5	5.6	7.1	3.9	3.6	4.1	5.1	5.1	5.0	13.9	14.1	12.8	
	ASIA-PACIFIC			-	-	-	9.3	2.8	(5.8)	(9.5)	(34.8)	252.1	11.4	11.4	12.3	3.8	4.0	4.6	3.9	3.8	3.6	5.3	5.1	5.2	13.6	15.8	15.1	
XVDIF	Advanced Info	C-1-8	THB	1.52	103.00	62.00	1.2	3.7	7.1	5.0	(16.5)	7.0	13.1	14.1	13.7	9.8	10.3	10.9	7.6	7.6	7.6	5.6	5.7	5.5	7.7	7.8	7.4	
BHTIF	Bharti	C-1-9	INR	2.62	979.80	483.00	9.2	(2.6)	(9.4)	(13.1)	(24.8)	23.3	14.8	12.2	10.5	(1.4)	0.8	4.1	-	-	1.8	8.8	7.3	6.3	NM	44.7	18.1	
CHLKF	China Mobile	C-2-7	HKD	2.28	138.98	50.50	10.4	2.4	(6.5)	(10.5)	(39.6)	180.2	10.9	11.1	12.7	4.6	4.3	3.5	3.9	3.9	3.4	4.7	4.7	5.1	14.4	13.7	16.3	
FEOTF	FarEasTone	C-1-8	TWD	25.01	54.90	29.25	(0.1)	3.1	(3.3)	(6.2)	(29.1)	3.4	11.4	11.4	11.1	13.3	11.9	11.6	7.8	7.6	7.8	4.1	4.4	4.5	5.8	6.3	6.4	
GTMEF	Globe Telecom	C-1-7	PHP	32	1,471	700	6.7	10.8	14.5	14.5	(38.2)	2.4	9.9	9.1	8.6	7.0	9.3	11.6	14.9	10.1	10.7	4.2	4.1	4.0	9.5	8.0	7.1	
IDEAF	Idea Cellular	C-2-9	INR	35.46	124.00	34.00	13.5	11.8	8.9	(0.2)	(49.0)	3.2	17.5	23.7	22.6	(22.4)	(15.4)	(5.2)	-	-	-	6.2	5.4	4.8	NM	NM	NM	
LTCLF	LG TeleCom	C-1-7	KRW	79.00	11,050	7,260	4.1	(5.2)	(15.7)	(15.1)	13.2	1.8	7.9	6.7	6.0	10.3	6.5	9.7	3.7	4.4	5.0	3.7	3.4	3.2	35.6	12.0	8.4	
RLCMF	RCVL	C-2-7	INR	85.75	610.10	131.10	15.6	18.2	(10.3)	(19.1)	(65.8)	6.9	6.5	8.0	8.9	(29.8)	(15.9)	(0.3)	0.5	0.4	0.4	7.2	6.2	5.3	NM	NM	NM	
SKMTF	SK Telecom	B-3-7	KRW	10	232,000	176,000	3.2	3.5	(9.1)	(7.2)	5.1	11.8	12.1	10.5	9.7	13.9	11.7	16.7	4.9	4.8	4.8	5.0	4.7	4.6	9.4	8.1	7.6	
TWMBF	Taiwan Mobile	C-1-7	TWD	-	60.50	40.05	-	9.6	7.3	2.7	(13.8)	5.6	12.6	12.4	11.5	10.5	8.7	9.3	8.7	8.7	9.4	6.3	6.3	6.2	8.1	8.0	7.9	
TACJF	Total Access	C-1-8	USD	17.77	1.85	0.55	20.6	(1.2)	3.1	(6.8)	(35.4)	1.9	9.0	12.6	11.9	14.1	14.5	13.9	5.2	4.0	4.2	4.0	4.5	4.3	1.4	1.3	1.3	
	EESA			69.00	-	-	3.9	22.6	3.6	2.7	(39.4)	83.3	9.0	13.0	10.9	8.3	7.8	12.0	5.6	4.8	6.5	5.0	5.1	4.8	17.4	13.6	9.3	
CEL	Cellcom	B-1-8	NM	-	37.05	19.71	3.2	7.8	4.7	(2.5)	(34.0)	-	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
EGYMF	ECMS Mobinil	C-2-8	EGP	16.75	211.00	87.00	(0.9)	5.9	4.7	0.4	(26.2)	2.6	10.4	10.6	10.2	2.1	7.5	12.9	10.2	9.5	9.7	5.3	4.6	4.3	24.8	10.6	7.9	
XEHTF	Mobily	C-1-7	SAR	10.12	49.54	21.90	2.0	1.1	34.6	15.5	(25.0)	6.7	9.0	10.5	9.1	2.4	7.0	9.6	2.1	2.9	5.5	8.3	7.1	6.2	37.3	15.1	11.8	
XOMBF	MTC Zain	C-3-8	KWD	-	2.00	0.59	(3.6)	21.2	(19.2)	(4.8)	(57.4)	11.8	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	15.5	8.7	6.7	
MTNOF	MTN Group	C-2-7	ZAR	11.38	165.00	73.25	6.9	29.2	6.7	2.4	(13.8)	22.1	12.5	10.8	10.0	1.9	6.9	9.1	1.6	2.2	3.1	6.8	5.9	5.6	25.8	12.3	9.8	
MBT	MTS	C-1-7	USD	5.76	89.24	18.36	6.5	37.4	19.2	22.0	(58.1)	13.0	6.5	22.7	14.1	18.0	8.4	12.9	9.9	4.4	7.1	2.8	4.2	4.3	4.6	8.1	6.7	
XORSF	Orascom Telecom	C-2-7	EGP	-	83.00	16.50	12.0	42.2	(3.9)	(9.8)	(62.6)	4.4	12.8	14.2	11.5	(9.6)	15.8	20.9	4.6	5.6	6.9	5.0	5.2	4.9	NM	27.3	24.6	
PTNRF	Partner	B-2-8	ILS	320.25	82.20	56.65	8.3	4.6	8.5	4.1	(17.6)	2.4	9.5	9.5	9.2	13.3	9.2	10.7	8.5	8.4	8.7	5.2	5.6	5.4	6.8	7.5	7.6	
TKCZF	Turkcell	C-1-7	TRY	74.75	12.20	6.50	0.6	(5.9)	(7.0)	(9.1)	(32.1)	10.2	5.6	7.7	7.4	21.7	2.2	9.8	10.8	10.4	13.5	3.0	3.8	3.3	6.4	30.8	10.2	
VIP	VimpelCom	C-2-8	USD	0.98	36.49	4.81	7.3	42.6	1.5	4.3	(75.1)	7.6	5.0	NM	14.3	NM	12.8	18.9	4.0	4.0	5.2	3.0	4.3	4.3	NM	7.8	6.8	
XNNMF	Watanitya	C-1-7	KWD	15.27	2.42	1.20	(3.9)	21.7	(22.3)	(22.3)	(38.7)	2.5	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	12.4	5.9	5.0	
	LATIN AMERICA			10.99	-	-	1.0	10.2	(3.2)	(1.0)	(47.3)	72.3	11.9	14.3	8.7	2.5	8.7	9.8	2.0	1.9	3.2	4.5	5.2	4.5	11.1	8.5	8.6	
AMX	America Movil	B-1-7	USD	12.75	67.39	23.18	1.5	13.6	(9.0)	(6.6)	(53.0)	51.0	9.1	9.6	7.7	6.6	10.5	11.2	1.7	1.4	2.4	4.7	5.5	4.8	9.1	7.6	6.9	
EPRNF	Entel	B-1-7	CLP	39	8,200	5,320	3.6	7.2	0.0	0.2	(7.8)	2.9	11.2	12.4	11.7	1.3	7.9	9.9	6.4	7.1	6.5	5.1	5.1	4.9	12.9	11.2	9.2	
NIHD	NII Holdings	C-1-9	USD	39.30	57	10	5.8	25.8	(9.6)	(11.3)	(49.3)	2.7	7.1	9.1	5.1	(5.3)	(0.7)	(14.4)	-	-	-	3.2	3.6	2.8	10.2	23.0	45.3	
XITMF	Tim PartON	C-3-7	BRL	-	8	4	7.1	(2.6)	20.0	29.7	(13.7)	6.6	NM	45.5	16.3	(5.1)	(0.6)	5.4	2.2	1.7	3.3	NM	NM	NM	NM	NM	NM	
TSU	TIM PartPN	C-2-7	USD	-	35.42	10.39	(0.3)	(3.9)	4.3	9.0	(59.0)	3.2	32.4	21.0	7.6	(12.9)	(1.3)	11.6	5.5	3.7	7.2	3.2	3.3	2.9	NM	10.5	6.9	
VIV	Vivo	C-1-9	USD	3,880.00	31.12	7.75	(10.2)	(6.4)	25.1	21.0	(37.1)	6.0	27.5	19.4	8.8	(11.9)	12.8	13.1	1.3	3.7	7.0	3.3	3.8	3.4	27.3	8.1	7.1	

Source: Banc of America Securities - Merrill Lynch, Bloomberg.

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7. Earnings estimates

Table 13: Earnings estimates – developed country markets: full service

BAS-ML DEV. MARKETS	Sales (US\$MM)				EBITDA (US\$MM)				EBIT (US\$MM)				EBIT Margin (%)			Tax Rate (%)			Net Income (US\$MM)				Normalised EPS								
	'08E	'09E	'10E	CAGR '08-'10	'08E	'09E	'10E	CAGR '08-'10	'08E	'09E	'10E	CAGR '08-'10	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	CAGR '08-'10	'08E	'09E	'10E	CAGR '08-'10	'08E	'09E	'10E		
FULL SERVICE	821,303	837,713	845,699	1%	286,890	287,242	293,418	1%	41.2	40.5	41.0		145,224	148,637	155,815	4%	20.8	20.9	21.7	37	37	38		78,470	78,707	83,513	3%				
AUSTRALASIA	30,853	30,773	31,071	0%	12,925	13,224	13,756	3%	42.9	44.2	45.7		8,219	8,459	9,019	5%	28.3	29.6	31.4	26	27	27		5,263	5,381	5,831	5%				
iNet Ltd	233	302	328	19%	40	51	56	18%	17.3	16.7	17.1		23	31	36	25%	9.8	10.1	10.9	30	30	30		16	21	26	26%	0.16	0.20	0.24	
Pipe Networks Ltd	29	43	56	37%	11	20	31	64%	38.9	47.3	55.4		9	14	21	54%	30.6	33.2	38.5	29	30	30		6	10	15	50%	0.18	0.26	0.38	
SingTel	9,729	9,191	9,171	-3%	4,313	4,152	4,316	0%	44.3	45.2	47.1		3,166	3,098	3,265	2%	32.5	33.7	35.6	25	25	25		2,271	2,182	2,310	1%	0.22	0.21	0.22	
Telecom NZ	3,275	3,296	3,369	1%	1,060	1,024	1,044	-1%	32.4	31.1	31.0		575	484	480	-9%	17.6	14.7	14.2	27	30	33		313	222	241	-12%	0.31	0.23	0.22	
Telstra Corp	17,586	17,941	18,147	2%	7,499	7,977	8,310	5%	42.6	44.5	45.8		4,447	4,832	5,217	8%	25.3	26.9	28.7	28	28	29		2,656	2,946	3,240	10%	0.30	0.34	0.37	
CANADA	24,378	24,512	24,733	1%	9,079	9,382	9,401	2%	37.4	38.5	38.3		5,537	5,356	5,339	-2%	21.1	20.3	20.0	23	19	23		2,874	2,879	2,718	-3%				
BCE	12,328	12,257	12,282	0%	4,353	4,760	4,777	5%	35.3	38.8	38.9		3,029	2,969	2,981	-1%	21.1	20.8	20.8	26	17	26		1,471	1,499	1,364	-4%	2.25	2.36	2.24	
Bel Alliant	2,662	2,620	2,629	-1%	1,125	1,113	1,117	0%	42.3	42.5	42.5		596	552	560	-3%	22.4	21.1	21.3	(4)	2	2		360	348	350	-2%	1.96	1.88	1.90	
Manitoba Telecom	1,559	1,561	1,566	0%	537	525	524	-1%	34.4	33.6	33.5		236	251	255	4%	15.1	16.1	16.3	41	32	32		117	144	146	12%	2.23	2.74	2.83	
TELUS Corp.	7,829	8,074	8,256	3%	3,064	2,984	2,983	-1%	39.1	37.0	36.1		1,675	1,585	1,543	-4%	21.4	19.6	18.7	28	27	27		927	889	858	-4%	3.57	3.47	3.36	
EUROPE	409,997	418,999	425,353	2%	143,630	145,650	149,097	2%	36.7	36.7	36.9		74,268	77,623	81,329	5%	18.9	19.6	20.2	32	30	31		42,744	45,040	47,706	6%				
Belgacom	3,880	3,774	3,716	-2%	2,846	2,760	2,687	-3%	73.3	73.1	72.3		1,633	1,738	1,723	3%	20.4	22.3	22.5	24	28	29		1,178	1,166	1,149	-1%	2.61	2.62	2.58	
BT	30,872	30,790	30,548	-1%	7,443	7,594	7,756	2%	24.1	24.7	25.4		3,270	3,458	3,630	5%	10.6	11.2	11.9	21	25	26		1,875	1,987	2,139	7%	16.48	17.74	19.09	
Cable & Wireless	5,205	6,111	6,478	12%	1,716	1,464	1,646	21%	21.4	24.0	25.4		614	911	1,075	32%	11.8	14.9	16.6	18	20	18		394	600	749	38%	10.97	16.50	20.54	
COLT Telecom	2,272	2,211	2,182	-2%	412	390	401	-1%	18.1	17.6	18.4		103	81	96	-4%	4.6	3.6	4.4						74	85	107	20%	0.11	0.07	0.09
Deutsche Telekom	83,616	93,597	94,510	6%	26,385	29,382	30,209	7%	31.6	31.4	32.0		11,959	13,235	13,868	8%	14.3	14.1	14.7	41	34	34		8,846	8,812	9,266	2%	0.34	0.75	0.83	
Elka	2,013	1,941	1,904	-3%	649	633	640	-1%	32.2	33.1	33.6		368	365	364	0%	18.3	18.8	19.1	26	26	26		223	230	232	2%	1.07	1.08	1.09	
France Telecom	72,528	71,951	73,904	1%	26,684	25,584	26,211	-1%	36.8	35.6	35.5		13,928	14,499	15,340	5%	19.2	20.2	20.8	38	32	36		5,885	7,567	7,906	16%	1.56	2.14	2.24	
Iliad SA	2,122	2,659	2,859	16%	663	891	972	21%	31.2	33.5	34.0		234	434	507	47%	11.0	16.3	17.7	34	33	33		136	241	288	45%	1.80	3.18	3.81	
KCOM Group	695	651	644	-4%	92	88	87	-3%	13.3	13.5	13.5		(87)	(5)	37	NM	(12.5)	(0.7)	5.7	7	(5)	20		25	15	13	-27%	3.30	2.00	1.78	
KPN	19,562	19,248	19,675	0%	6,858	7,187	7,477	4%	35.1	37.3	38.0		3,521	3,757	3,983	6%	18.0	19.5	20.2	29	26	26		1,806	2,118	2,287	13%	0.76	0.94	1.07	
OTE	8,722	8,871	9,023	2%	3,137	3,207	3,258	2%	36.0	36.2	36.1		1,568	1,662	1,745	5%	18.0	18.7	19.3	28	28	28		876	984	1,065	10%	1.39	1.48	1.60	
Portugal Telecom	9,131	9,198	9,353	1%	3,544	3,601	3,632	1%	38.8	39.1	38.8		1,824	1,838	1,887	2%	20.0	20.0	20.2	25	26	26		938	854	833	-6%	0.77	0.70	0.69	
Swisscom	10,853	10,778	10,726	-1%	4,238	4,219	4,133	-1%	39.0	39.1	38.5		2,412	2,635	2,445	1%	22.2	24.5	22.8	21	22	22		1,753	1,943	1,839	2%	38.13	42.48	41.08	
Tele2 AB	4,927	5,122	5,433	5%	1,022	1,079	1,119	5%	20.7	21.1	20.6		566	612	648	7%	11.5	12.0	11.9	12	20	20		350	433	471	16%	6.38	7.88	8.57	
Telecom Italia	40,925	40,393	40,752	0%	15,413	15,433	15,657	1%	37.7	38.2	38.4		7,408	7,540	7,908	3%	18.1	18.7	19.4	23	38	39		2,949	2,830	2,952	0%	0.11	0.11	0.11	
Telefonica	74,966	73,103	74,673	0%	29,746	28,758	29,623	0%	39.7	39.3	39.7		18,593	18,197	19,469	2%	23.7	23.8	24.9	28	28	28		10,294	10,349	11,372	5%	1.63	1.69	1.90	
Telekom Austria	7,011	7,014	6,965	0%	2,633	2,610	2,605	-1%	37.6	37.2	37.4		1,066	1,098	1,147	4%	15.2	15.7	16.5	36	23	23		814	611	673	-9%	(0.11)	1.04	1.15	
Telenor Grp Hld	1,381	1,548	1,579	7%	679	766	774	7%	49.2	49.5	49.0		324	426	446	17%	23.4	27.5	28.3	131	31	31		(20)	166	182	NM	(0.14)	1.12	1.22	
Telenor	16,444	16,504	16,701	1%	5,959	5,552	5,622	-3%	36.2	33.6	33.7		2,349	2,280	2,045	-7%	15.7	14.3	12.6	22	27	26		1,975	1,549	1,456	-14%	7.70	6.04	5.68	
TeleSonera	12,870	13,535	13,727	3%	4,111	4,444	4,589	6%	31.9	32.8	33.4		2,613	2,862	2,964	7%	20.3	21.1	21.6	39	35	35		2,371	2,500	2,728	7%	4.04	4.72	4.87	
JAPAN	107,230	104,757	103,085	-2%	36,304	35,596	34,589	-2%	33.9	34.0	33.6		12,902	12,893	12,461	-2%	12.0	12.3	12.1	36	39	40		6,230	5,868	5,611	-5%				
NTT	107,230	104,757	103,085	-2%	36,304	35,596	34,589	-2%	33.9	34.0	33.6		12,902	12,893	12,461	-2%	12.0	12.3	12.1	36	39	40		6,230	5,868	5,611	-5%	455	440	432	
US	248,845	258,671	261,457	3%	84,953	83,389	86,574	1%	34.6	32.1	33.0		44,297	44,305	47,666	4%	18.3	17.4	18.6	35	35	35		21,359	19,538	21,647	1%				
Alaska Comm	390	392	390	0%	133	134	134	0%	34.0	34.2	34.2		17	46	50	69%	4.5	11.8	12.7	39	40	40		(10)	7	9	NM	(0.24)	0.15	0.20	
AT&T	124,028	124,772	126,449	1%	43,939	38,427	40,327	-4%	35.4	30.8	31.9		23,063	21,196	23,688	1%	18.6	17.0	18.7	35	36	36		12,867	11,756	13,552	3%	2.16	2.00	2.34	
Cincinnati Bell	1,403	1,376	1,360	-2%	478	481	469	-1%	34.1	35.0	34.5		305	312	291	-2%	21.7	22.6	21.4	42	42	42		97	91	81	-9%	0.41	0.44	0.42	
Fairpoint Commun	1,342	1,244	1,190	-6%	307	408	461	23%	22.9	32.8	38.7		34	121	187	136%	2.5	9.7	15.7	37	38	38		5							

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Table 16: Earnings estimates – emerging country markets: wireless

BAS-ML DEV. MARKETS	Sales (US\$MM)			CAGR '08-'10	EBITDA (US\$MM)			CAGR '08-'10	EBITDA Margin (%)			EBIT (US\$MM)			CAGR '08-'10	EBIT Margin (%)			Tax Rate (%)			Net Income (US\$MM)			CAGR '08-'10	Normalised EPS		
	'08E	'09E	'10E		'08E	'09E	'10E		'08E	'09E	'10E	'08E	'09E	'10E		'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E		'08E	'09E	'10E
MOBILE	207,311	201,467	215,972	3%	86,341	82,690	84,730	-1%	46.0	43.8	41.2	55,224	50,008	51,018	-4%	30.0	27.1	25.0	22	24	24	37,658	34,206	36,206	-2%			
ASIA-PACIFIC	96,888	105,838	112,768	8%	45,841	47,227	45,930	0%	49.6	46.6	42.2	29,759	29,505	27,551	-4%	32.8	29.6	25.7	22	23	23	22,582	22,470	20,975	-4%			
Advanced Info	2,818	2,866	3,006	3%	1,316	1,292	1,342	1%	46.7	45.1	44.6	779	718	733	-3%	27.7	25.1	24.4	31	30	30	532	494	507	-2%	6.35	5.90	6.05
Bharti	6,842	8,598	10,062	21%	2,832	3,428	3,934	18%	41.4	39.9	39.1	1,926	2,323	2,665	18%	28.1	27.0	26.5	9	12	13	1,574	1,908	2,216	19%	41.95	50.85	59.05
China Mobile	60,355	65,640	68,939	7%	32,163	32,499	30,011	-3%	53.3	49.5	43.5	21,666	20,900	18,307	-8%	35.9	31.8	26.6	25	25	25	16,510	16,211	14,274	-7%	5.62	5.52	4.86
FarEasTone	1,695	1,649	1,662	-1%	769	708	691	-5%	45.3	43.0	41.6	424	411	410	-2%	25.0	24.9	24.7	25	25	25	301	295	301	0%	3.05	3.06	3.12
Globe Telecom	1,306	1,345	1,396	3%	777	794	825	3%	59.5	59.0	59.1	423	435	461	4%	32.4	32.3	33.0	35	30	30	233	255	269	7%	84.56	92.46	97.60
Idea Cellular	1,884	2,557	3,029	27%	566	643	724	13%	30.0	25.1	23.9	281	233	241	-7%	14.9	9.1	7.9	6	10	15	166	138	149	-5%	3	2	2
LG TeleCom	3,605	3,643	3,641	0%	584	633	689	9%	16.2	17.4	18.9	285	311	362	13%	7.9	8.5	10.0	22	17	20	213	249	281	15%	1,022.47	1,193.90	1,347.23
RCVL	4,325	5,246	6,380	21%	1,759	2,030	2,384	16%	40.7	38.7	37.4	1,046	1,080	1,189	7%	24.2	20.6	18.6	1	2	5	1,120	903	818	-15%	26.23	21.15	19.18
SK Telecom	8,773	8,915	9,045	2%	3,008	3,187	3,256	4%	34.3	35.7	36.0	1,548	1,804	1,862	10%	17.6	20.2	20.6	15	28	28	960	1,106	1,194	12%	15,779.91	18,235.77	19,674.18
Taiwan Mobile	2,052	2,066	2,091	1%	887	891	904	1%	43.2	43.2	43.2	636	648	662	2%	31.0	31.4	31.7	25	25	25	445	454	488	5%	3.95	4.04	4.34
Total Access	1,905	1,904	2,032	3%	587	519	539	-4%	30.8	27.3	26.5	325	239	244	-13%	17.1	12.6	12.0	25	25	25	215	154	164	-13%	3.20	2.29	2.44
EESA	46,904	41,930	43,813	-3%	20,764	17,812	18,640	-5%	43.2	42.2	42.4	14,246	10,781	11,163	-11%	27.7	24.1	24.0	27	28	26	8,655	5,543	6,785	-11%			
Celcom	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
ECMS Mobinil	1,740	1,988	2,138	11%	712	816	883	11%	40.9	41.1	41.3	429	433	463	4%	24.7	21.8	21.7	20	21	21	251	246	255	1%	14.25	13.97	14.46
Mobily	3,417	3,939	4,216	11%	1,201	1,400	1,599	15%	35.1	35.5	37.9	790	880	979	11%	23.1	22.3	23.2	0	2	2	662	756	870	15%	4.00	3.41	3.93
MTC Zain	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
MTN Group	8,450	9,953	10,771	13%	3,648	4,208	4,460	11%	43.2	42.3	41.4	3,278	3,657	3,867	9%	30.6	28.8	28.1	41	40	40	1,771	2,048	2,200	11%	8.90	10.29	11.05
MTS	10,267	7,058	6,920	-18%	5,143	3,398	3,338	-19%	50.1	48.1	48.2	3,137	1,471	1,444	-32%	30.6	20.8	20.9	27	36	26	1,983	571	920	-32%	5.01	1.43	2.31
Orascom Telecom	4,379	4,445	4,660	3%	1,994	1,953	2,049	1%	45.5	43.9	44.0	1,335	1,109	1,107	-9%	25.1	20.3	19.4	43	43	39	367	308	379	2%	0.38	0.34	0.42
Partner	1,514	1,524	1,542	1%	540	510	520	-2%	35.7	33.5	33.7	384	369	374	-1%	25.4	24.2	24.3	27	27	27	251	246	254	0%	6.73	6.74	6.94
Turkcell	6,970	5,414	5,953	-8%	2,609	2,060	2,344	-5%	37.4	38.1	39.4	1,897	1,354	1,528	-10%	27.2	25.0	25.7	24	20	20	1,837	1,331	1,377	-13%	0.83	0.61	0.63
VimpelCom	10,166	7,608	7,613	-13%	4,918	3,466	3,446	-16%	48.4	45.6	45.3	2,997	1,507	1,401	-32%	29.5	19.8	18.4	27	28	28	1,533	37	531	-41%	1.50	0.04	0.52
Walanija	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
LATIN AMERICA	58,518	53,898	59,391	1%	19,735	17,650	20,161	1%	36.4	35.6	36.6	11,218	9,722	12,304	5%	22.7	21.8	23.8	18	25	25	6,421	6,193	8,446	15%			
America Movil	31,124	27,281	30,579	-1%	12,517	10,657	12,208	-1%	40.2	39.1	39.9	8,755	7,319	8,664	-1%	28.1	26.8	28.3	26	26	26	5,414	5,064	6,173	7%	3.18	3.02	3.74
Enel	1,732	1,700	1,777	1%	691	690	721	2%	39.9	40.6	40.6	353	330	348	-1%	20.4	19.4	19.6	19	18	18	255	231	244	-2%	620.72	562.20	594.86
NIH Holdings	4,269	4,089	4,909	7%	1,172	1,031	1,339	7%	27.5	25.2	27.3	768	625	817	3%	18.0	15.3	16.6	30	30	30	369	286	513	18%	2	2	3
TIM PartON	5,846	6,427	6,680	7%	1,296	1,543	1,723	15%	22.2	24.0	25.8	219	389	699	78%	3.8	6.1	10.5	(55)	29	26	81	151	408	125%	0.08	0.14	0.39
TIM PartLPN	7,123	6,500	6,913	-1%	1,579	1,560	1,783	6%	22.2	24.0	25.8	267	393	723	64%	3.8	6.1	10.5	(55)	29	26	98	153	422	107%	0.42	0.65	1.80
Vivo	8,424	7,901	8,532	1%	2,480	2,169	2,387	-2%	29.4	27.5	28.0	856	665	1,053	11%	10.2	8.4	12.3	63	14	17	204	309	685	83%	0.55	0.78	1.73

Source: Banc of America Securities - Merrill Lynch.

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8. Capital deployment

Table 17: Capital deployment – developed country markets: full service

BAS-ML	DVPS			Dividend Payout			FCF/Dividend			FCF (US\$MM)			CAGR	Capex (US\$MM)			ROCE (%)			Net Debt (US\$MM)			Net Debt/EBITDA			
DEV. MARKETS	'08E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08-'10	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E
FULL SERVICE					74%	74%	0.7	1.8	1.5	95,733	90,635	98,310	1%	133,553	129,701	126,439	8.6	8.7	9.0	510,388	493,435	446,686	1.9	1.8	1.6	
AUSTRALASIA				75%	74%	71%	1.1	1.3	1.5	4,251	5,129	6,075	20%	5,605	4,878	4,211	12.9	12.3	12.6	17,629	17,676	15,820	1.3	1.2	1.0	
iNet Ltd	0.07	0.08	0.11	45%	38%	44%	2.9	2.5	2.8	21	20	31	20%	18	21	15	11.0	13.2	14.8	11	(3)	(23)	0.3	(0.1)	(0.4)	
Pipe Networks Ltd	0.08	0.13	0.19	43%	51%	50%	(15.7)	(5.8)	1.9	(44)	(27)	13	NM	56	43	12	7.9	8.4	11.0	36	57	49	3.1	2.8	1.6	
SingTel	0.12	0.12	0.12	57%	60%	55%	1.4	1.4	1.5	1,840	1,823	1,971	4%	1,358	1,126	935	11.8	10.8	10.7	3,966	3,675	3,201	0.9	0.9	0.7	
Telecom NZ	0.27	0.24	0.24	84%	104%	111%	0.6	0.3	0.9	172	85	219	13%	662	700	580	11.8	9.3	8.5	1,649	1,850	1,847	1.6	1.8	1.8	
Telstra Corp	0.28	0.29	0.31	92%	86%	84%	0.9	1.3	1.4	2,262	3,228	3,841	30%	3,511	2,987	2,668	14.0	14.1	14.8	11,967	12,097	10,746	1.6	1.5	1.3	
CANADA				59%	77%	79%	3.3	1.4	1.6	3,971	2,985	3,310	-9%	4,665	4,536	4,218	8.1	8.1	7.8	16,239	16,767	16,568	1.8	1.8	1.8	
BCE	0.73	1.54	1.54	32%	65%	69%	5.1	1.8	2.1	2,372	1,795	2,013	-8%	2,424	2,243	2,114	7.9	8.3	7.9	7,495	7,892	7,740	NM	1.7	1.6	
Bell Alliant	2.89	2.90	2.90	148%	154%	152%	1.3	1.1	1.1	699	615	612	-6%	429	369	385	5.8	5.4	5.6	2,246	2,260	2,269	NM	2.0	2.0	
Manitoba Telecom	2.60	2.60	2.60	117%	95%	92%	0.9	0.8	1.1	122	114	148	10%	305	262	259	7.6	9.2	9.1	611	599	596	1.1	1.1	1.1	
TELUS Corp.	1.80	1.90	1.90	50%	55%	57%	1.7	0.9	1.1	779	461	537	-17%	1,508	1,663	1,460	9.8	8.8	8.4	5,887	6,015	5,963	1.9	2.0	2.0	
EUROPE				75%	70%	70%	2.1	1.7	1.8	50,945	47,671	53,509	2%	60,647	60,129	58,859	9.1	9.6	10.0	286,040	275,447	254,171	1.9	1.8	1.7	
Belgacom	1.44	1.44	1.44	55%	55%	56%	1.9	2.1	2.0	1,203	1,322	1,264	3%	880	778	767	16.6	15.9	14.8	1,765	1,084	462	0.6	0.4	0.2	
BT	9.20	7.38	7.88	56%	42%	41%	1.2	1.6	1.6	1,204	1,330	1,452	10%	4,592	4,280	4,096	7.7	7.6	7.8	14,672	14,245	13,554	2.0	1.9	1.7	
Cable & Wireless	8.25	9.18	9.66	75%	56%	47%	0.7	1.0	1.4	201	328	500	58%	628	702	737	13.8	19.2	21.1	69	223	113	0.1	0.2	0.1	
COLT Telecom				NM	NM	NM				78	44	48	-22%	421	380	360	5.5	4.4	4.9	(15)	(333)	(392)	(0.0)	(0.9)	(1.0)	
Deutsche Telekom	0.78	0.82	0.86	229%	110%	104%	2.1	2.0	2.0	9,536	9,808	10,030	3%	11,302	12,347	12,662	4.0	5.0	5.3	51,740	53,581	49,360	2.0	1.8	1.6	
Elsa	0.60	0.61	0.62	56%	57%	58%	2.9	2.0	1.9	367	257	260	-16%	243	225	221	9.7	9.5	9.2	1,100	973	843	1.7	1.5	1.3	
France Telecom	1.40	1.50	1.60	90%	70%	71%	2.1	2.1	2.0	10,553	11,239	11,147	-3%	9,785	9,008	9,212	8.4	9.5	9.8	50,547	45,147	40,238	1.9	NM	NM	
Iliad SA	0.31	0.55	0.66	17%	17%	17%	8.8	(6.0)	2.3	200	(242)	112	-25%	443	1,059	786	15.0	13.8	13.7	1,480	1,409	-	2.2	1.6	-	
KCOM Group	1.83	1.50	1.50	55%	75%	84%	3.0	2.9	2.8	41	32	32	-11%	36	37	38	(12.5)	(0.5)	5.4	243	245	244	2.6	2.8	2.8	
KPN	0.60	0.70	0.80	79%	75%	75%	1.9	1.5	1.4	2,854	2,540	2,690	-3%	2,610	2,641	2,668	9.4	11.1	12.2	14,701	14,577	14,557	2.1	2.0	1.9	
OTE	0.75	0.80	0.84	54%	54%	52%	2.1	1.7	2.1	1,068	922	1,158	4%	1,280	1,375	1,365	9.6	10.2	10.4	6,342	5,984	5,357	2.0	1.9	1.6	
Portugal Telecom	0.58	0.58	0.58	74%	82%	84%	1.4	1.1	1.1	955	777	769	-10%	1,684	1,633	1,596	8.1	8.0	8.1	7,554	7,477	7,406	2.1	2.1	2.0	
Swisscom	21.90	29.15	36.02	57%	69%	88%	2.1	1.3	1.2	2,105	1,804	1,908	-5%	1,739	1,713	1,619	16.1	16.2	14.7	9,334	8,716	8,641	2.2	2.1	2.1	
Tele2 AB	5.00	3.97	4.31	78%	50%	50%	1.5	1.8	1.7	415	387	393	-3%	570	556	566	5.9	6.6	7.1	647	538	367	0.6	0.5	0.3	
Telecom Italia	0.05	0.05	0.06	45%	46%	53%	3.1	1.4	3.0	4,122	1,849	4,748	7%	7,275	6,483	6,044	9.6	7.5	7.6	46,155	45,712	42,369	3.0	3.0	2.7	
Telefonica	1.00	1.15	1.25	61%	68%	66%	1.9	1.7	1.7	11,547	12,134	13,068	6%	11,391	10,015	10,059	11.5	12.0	13.0	57,944	55,715	53,150	1.9	1.9	1.8	
Telekom Austria	0.75	0.75	0.75	-680%	72%	65%	2.3	2.4	2.4	1,014	1,102	1,092	4%	1,098	1,062	1,055	6.9	8.0	8.2	4,738	4,086	3,444	1.8	1.6	1.3	
Telenet Grp Hld	0.50	0.55	0.61	-369%	49%	50%	2.2	2.4	2.2	166	197	194	8%	311	310	316	4.7	7.7	8.0	3,052	2,929	2,815	4.5	3.8	3.6	
Telenor			4.00			70%	NM	NM	0.8	1,901	253	828	-34%	2,394	3,587	2,891	6.9	5.5	4.7	7,238	6,984	6,157	1.2	1.3	1.1	
TeliaSonera	1.80	2.05	2.30	45%	43%	47%	1.4	1.4	1.4	1,413	1,587	1,819	13%	1,966	1,935	1,805	6.2	6.3	6.3	6,733	6,155	5,484	1.6	1.4	1.2	
JAPAN				23%	25%	25%	-	-	-	11,296	10,115	8,678	-12%	21,457	21,107	21,013	5.2	5.1	4.9	32,637	28,008	23,458	0.9	0.8	0.7	
NTT	105	110	110	23%	25%	25%	7.8	6.6	5.7	11,296	10,115	8,678	-12%	21,457	21,107	21,013	5.2	5.1	4.9	32,637	28,008	23,458	0.9	0.8	0.7	
US				73%	80%	73%	1.6	1.5	1.6	25,270	24,735	26,738	3%	41,179	39,051	38,138	6.3	6.1	6.4	157,844	155,538	136,669	1.8	1.8	1.5	
Alaska Comm	0.86	0.86	0.86	-358%	573%	430%	(0.7)	1.3	1.7	(27)	48	66	NM	122	56	41	1.9	4.2	4.8	540	557	547	4.1	4.2	4.1	
AT&T	1.61	1.61	1.65	75%	80%	71%	1.4	1.5	1.6	13,321	14,253	14,959	6%	20,335	17,781	17,894	6.0	5.6	6.2	81,338	75,340	66,005	1.9	2.0	1.6	
Cincinnati Bell							NM	NM	NM	115	156	133	8%	231	165	162	10.1	9.9	8.7	1,964	1,859	1,736	4.1	3.9	3.7	
Fairpoint Commun	1.18			181%			(0.8)	NM	NM	(89)	102	123	NM	146	193	171	1.1	2.5	4.0	2,410	2,372	2,269	7.9	5.8	4.9	
Frontier Comm	1.00	1.00	1.00	175%	147%	132%	1.5	1.6	1.2	451	497	382	-8%	288	253	235	7.8	8.4	8.6	4,922	4,735	4,643	4.1	4.1	4.2	
TW Telecom							NM	NM	NM	31	50	70	50%	275	253	260	3.8	3.0	4.0	1,017	967	898	2.5	2.5	2.1	
Level 3							NM	NM	NM	170	110	68	-36%	449	400	492	0.4	0.3	1.3	5,812	6,029	6,015	6.1	6.3	6.1	
Qwest	0.32	0.32	0.32	71%	94%	107%	2.1	2.7	2.3	1,154	1,488	1,264	5%	1,777	1,707	1,568	8.8	8.2	7.3	13,094	12,202	10,526	2.9	2.9	2.6	
Verizon Comm	1.75	1.84	1.84	69%	74%	70%	1.9	1.4	1.7	9,382	7,270	8,991	-2%	17,238	17,945	17,023	6.5	6.7	6.7	41,661	46,670	39,469	1.3	1.3	1.1	
Windstream Comm.	1.00	1.00	1.00	101%	114%	114%	1.7	1.7	1.6	763	759	682	-5%	318	298	292	9.2	8.5	8.3	5,086	4,805	4,563	3.1	3.2	3.1	

Source: Banc of America Securities - Merrill Lynch.

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Table 18: Capital deployment – developed country markets: wireless

BAS-ML DEV. MARKETS	DVPS			Dividend Payout			FCF/Dividend			FCF (US\$MM)				CAGR	Capex (US\$MM)			ROCE (%)			Net Debt (US\$MM)			Net Debt/EBITDA		
	'08E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08-'10	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E
MOBILE				41%	37%	36%	2.0	4.3	5.0	15,112	20,211	20,952	18%	34,310	32,413	32,387	6.2	6.5	6.4	108,947	105,754	98,376	1.2	1.0	0.8	
AUSTRALASIA				94%	95%	99%	1.2	1.4	1.3	222	443	403	35%	381	330	317	27.7	28.0	27.1	614	1,229	1,130	1.1	1.1	1.1	
Hutchison Teleco				NM	NM	NM				(134)	46	37	NM	173	114	129	(3.6)	0.8	2.3	(93)	562	526	(0.7)	2.9	2.4	
MobileOne	0.14	0.13	0.12	83%	80%	80%	1.3	1.5	1.7	106	116	127	9%	62	71	53	24.2	24.1	23.2	187	158	111	0.9	0.8	0.6	
StarHub	0.18	0.18	0.18	99%	102%	106%	1.2	1.4	1.2	250	281	240	-2%	146	145	135	29.8	30.2	29.3	521	509	493	1.2	1.2	1.2	
CANADA				53%	56%	55%	-	-	-	1,043	1,183	1,197	7%	1,639	1,630	1,582	11.9	11.9	12.5	7,452	7,096	6,930	2.3	2.0	2	
Rogers Comm	1.00	1.16	1.32	53%	56%	55%	2.0	2.0	1.8	1,043	1,183	1,197	7%	1,639	1,630	1,582	11.9	11.9	12.5	7,452	7,096	6,930	2.3	2.0	1.9	
EUROPE				65%	54%	51%	1.4	1.4	1.4	9,776	10,418	10,702	5%	10,475	10,409	9,890	5.5	5.9	6.1	49,377	49,593	47,746	1.4	1.2	1	
Bouygues	1.47	1.38	1.36	36%	35%	35%	0.6	1.2	1.1	400	766	675	30%	2,358	2,231	2,136	11.1	10.2	9.3	6,694	7,278	7,930	1.3	1.5	1.7	
Inmarsat PLC	0.30	0.32	0.32	102%	97%	79%	1.8	1.5	1.9	251	213	281	6%	211	200	170	3.7	9.5	10.3	1,418	1,348	1,213	4.5	2.4	2.0	
Mobistar	4.55	4.55	4.50	100%	102%	103%	1.1	1.0	1.0	395	361	365	-4%	197	244	231	15.7	14.2	13.0	445	519	545	0.6	0.7	0.7	
Vodafone Group	7.71	8.02	8.37	66%	54%	50%	1.5	1.5	1.5	8,730	9,079	9,381	4%	7,710	7,734	7,353	4.3	4.8	5.1	40,819	40,449	38,058	1.3	1.1	1.0	
JAPAN				30%	29%	31%	3.5	9.3	11.2	3,020	6,937	8,222	65%	15,908	15,600	15,404	9.4	9.1	8.5	29,467	28,099	23,003	0.8	0.7	0	
KDDI	12000	13625	14000	20%	21%	22%	2.2	2.9	2.1	1,212	1,772	1,310	4%	5,775	5,946	5,842	10.8	10.3	9.2	7,091	7,838	7,368	0.8	0.8	0.7	
NTT DoCoMo	4800	4800	4800	40%	39%	41%	0.6	1.8	2.5	1,349	3,837	5,284	98%	7,401	7,118	7,057	9.8	9.3	8.4	3,408	3,397	1,133	0.2	0.2	0.1	
Softbank	2.50	2.50	2.50	3%	2%	2%	16.7	48.4	59.3	459	1,329	1,628	88%	2,731	2,536	2,505	5.9	6.5	7.9	18,968	16,865	14,502	3.1	2.4	1.9	
US				-	-	-	-	-	-	1,050	1,230	428	-36%	5,907	4,444	5,194	(2.1)	0.0	1.1	22,037	19,736	19,567	2.6	2.4	1.6	
Cleanwire-CL A				NM	NM	NM				(292)	(1,384)	(2,135)	170%	290	535	1,190	(12.8)	(9.1)	(10.6)	(448)	(1,029)	1,124	0.6	1.1	(1.0)	
Leap Wireless				NM	NM	NM				(456)	(251)	100	NM	796	702	567	1.1	2.8	5.9	2,217	2,419	2,319	5.4	4.3	2.7	
MetroPCS Communi				NM	NM	NM				(491)	14	648	NM	939	768	468	4.8	5.7	8.6	2,377	2,299	1,638	3.0	2.3	1.1	
Sprint Nextel Corp				NM	NM	NM				2,289	2,851	1,814	-11%	3,882	2,438	2,969	(3.3)	(1.0)	(0.7)	17,891	16,047	14,486	2.4	2.5	2.5	

Source: Banc of America Securities - Merrill Lynch.

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Table 19: Capital deployment – emerging country markets: full service

BAS-ML EMERGING MKTS	DVPS			Dividend Payout			FCF/Dividend			FCF (US\$MM)				Capex (US\$MM)			ROCE (%)			Net Debt (US\$MM)			Net Debt/EBITDA		
	'08E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08'-'10	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E
ASIA-PACIFIC				-23%	73%	62%	1.5	1.6	2.3	20,617	17,141	23,114	6%	40,037	37,426	30,802	12.7	12.4	13.0	50,357	57,419	48,439	0.5	0.5	0.4
China Unicom	0.20	0.25	0.27	46%	38%	37%	5.7	(4.0)	0.9	3,911	(3,470)	901	-52%	9,404	11,900	7,237	5.9	6.1	6.5	3,680	7,839	7,809	0.4	0.9	0.8
China Telecom-H	0.07	0.07	0.05	-533%	46%	35%	4.7	5.1	7.5	4,149	4,396	4,648	6%	7,086	5,738	5,352	4.5	5.0	4.5	13,962	10,573	6,829	1.2	0.9	0.6
Chungghwa Telecom	4.18	4.31	4.24	89%	87%	87%	1.2	1.2	1.1	1,677	1,697	1,657	-1%	905	897	907	11.7	12.2	12.4	(2,310)	(2,208)	(2,025)	(0.8)	(0.7)	(0.7)
SK Broadband							NM	NM	NM	(92)	(23)	16	NM	380	349	335	(0.3)	1.8	4.4	700	727	722	2.2	2.1	1.8
KT	1120.00	2000.00	2082.38	69%	65%	62%	(0.3)	1.0	0.9	(74)	410	398	NM	1,644	1,752	1,724	6.1	6.2	6.2	3,655	3,418	3,325	1.5	1.4	1.3
LG Dacom Corp	499.72	582.17	760.90	35%	30%	30%	5.1	2.7	2.6	159	98	123	-12%	137	149	145	9.2	10.4	11.5	61	1	(80)	0.2	0.0	(0.3)
MTNL	4.00	4.00	4.00	88%	108%	116%	2.0	0.5	1.5	97	26	73	-14%	213	183	132	1.9	1.4	1.3	(978)	(953)	(970)	(9.1)	(9.9)	(9.8)
Pak Telecom	1.30	2.55	2.40	48%	97%	98%	(0.4)	1.2	1.3	(33)	192	200	NM	368	271	252	9.6	9.0	8.1	118	22	(83)	0.2	0.0	(0.2)
PLDT	194.00	200.00	229.00	107%	90%	98%	1.5	1.4	1.3	1,103	1,098	1,175	3%	523	561	581	20.7	22.8	23.5	837	880	848	0.5	0.5	0.4
TRUE Corp							NM	NM	NM	145	131	154	3%	192	155	173	6.1	6.0	6.4	2,175	1,996	1,814	4.2	3.8	3.5
Tata Communications	4.50	4.50	4.50	34%	36%	37%	(2.4)	2.0	4.9	(60)	52	123	NM	225	141	67	5.0	5.1	5.2	(15)	(10)	(81)	(0.1)	(0.1)	(0.4)
EESA				94%	91%	92%	0.3	1.6	1.6	5,443	7,329	7,133	14%	5,284	5,553	3,977	21.9	21.7	23.2	8,538	6,846	3,876	0.4	0.3	0.2
BEZEQ	0.63	0.57	0.63	100%	90%	90%	1.0	1.5	1.6	411	528	617	23%	325	333	269	16.3	15.6	16.6	1,283	1,111	889	1.2	1.0	0.8
Comstar UTS-GDR	0.02	0.07	0.09	3%	10%	10%	13.6	11.9	11.6	90	348	435	120%	336	337	361	11.5	12.1	12.7	660	321	(80)	0.9	0.4	(0.1)
Magyar Telekom	75.00	75.00	85.00	89%	80%	94%	1.1	1.3	1.2	398	465	484	10%	463	463	445	12.7	13.2	13.1	1,519	1,479	1,346	1.4	1.3	1.2
Maroc Telecom	10.71	10.97	11.39	100%	100%	100%	0.8	0.9	1.0	909	1,018	1,161	13%	686	692	603	43.9	42.7	42.9	(117)	5	11	(0.1)	0.0	0.0
Qatar Telecom	4.47	5.06	8.46	22%	30%	50%	(14.1)	3.3	2.8	NM	NM	NM	NM	NM	NM	NM	11.6	10.9	10.7	NM	NM	NM	NM	NM	NM
Telecom Egypt	1.20	1.55	2.24	70%	75%	95%	1.5	1.3	0.9	565	624	615	4%	259	307	231	6.8	7.8	8.4	160	(373)	(827)	0.2	(0.4)	(0.8)
Telefonica O2 CZ	50.00	46.26	38.28	139%	129%	100%	1.2	1.2	1.4	927	872	838	-5%	404	400	412	14.2	15.7	17.0	(22)	213	145	(0.0)	0.2	0.1
Telkom SA	10.88	11.75	NM	66%	69%	NM	1.0	1.2	NM	598	797	NM	NM	1,065	1,062	NM	16.9	15.9	NM	1,224	1,157	278	0.5	0.5	NM
TP SA	2.25	2.25	2.50	141%	121%	110%	1.1	1.5	1.3	968	1,406	1,329	17%	751	724	723	10.3	11.6	14.0	2,266	1,896	1,584	1.0	0.8	0.7
Turk Telekom	0.35	0.55	0.63	87%	87%	87%	0.8	1.1	1.2	578	1,271	1,654	69%	994	1,235	934	20.2	18.7	20.5	1,566	1,035	531	0.6	0.3	0.2
LATIN AMERICA				52%	45%	46%	1.0	1.5	1.6	4,172	5,316	6,606	26%	13,112	8,914	9,083	13.8	12.1	12.5	18,582	27,077	25,184	0.6	0.9	0.8
Axcel CPO			0.33			50%	NM	NM	3.2	(27)	63	89	NM	255	166	163	5.4	5.8	8.0	493	461	436	1.8	1.6	1.4
GVT							NM	NM	NM	(155)	52	32	NM	302	195	255	10.0	11.4	12.8	107	55	23	0.5	0.2	0.1
Telecom Argentina	0.21	0.95	1.30	12%	53%	63%	11.4	1.8	1.3	482	339	343	-16%	521	502	503	19.6	19.1	19.7	264	138	64	0.2	0.1	0.1
Telesp Fixed	2.73	2.22	2.36	102%	102%	100%	1.2	1.1	1.0	1,725	1,253	1,248	-15%	1,276	1,113	1,115	25.0	19.6	19.0	862	815	818	0.2	0.3	0.3
Telmar ON	6.16	2.10	3.07	111%	41%	49%	0.2	1.2	1.2	496	932	1,373	66%	4,349	2,578	2,435	10.3	10.4	11.1	4,446	8,767	7,835	0.8	1.8	1.5
Tele Norte Leste	3.36	0.94	1.43	111%	41%	49%	0.4	2.6	2.5	496	932	1,373	66%	4,349	2,578	2,435	10.3	10.4	11.1	4,446	8,767	7,835	0.8	1.8	1.5
Telmex L	0.74	0.65	0.79	38%	37%	39%	2.0	2.9	2.8	1,365	1,708	1,981	20%	889	603	1,022	18.3	15.6	16.4	7,381	7,149	7,031	1.4	1.8	1.6
Telmex Int	0.15	0.18	0.20	26%	26%	26%	(1.5)	0.2	0.9	(210)	36	167	NM	1,171	1,179	1,154	7.1	7.7	8.4	584	926	1,141	0.3	0.6	0.6

Source: Banc of America Securities - Merrill Lynch.

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Table 20: Capital deployment – emerging country markets: wireless

BAS-ML DEV. MARKETS	DVPS			Dividend Payout			FCF/Dividend			FCF (US\$MM)			CAGR			Capex (US\$MM)			ROCE (%)			Net Debt (US\$MM)			Net Debt/EBITDA			
	'08E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08-'10	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E	'10E	'08E	'09E
MOBILE				43%	61%	46%	(0.1)	1.5	1.9	12,002	21,870	27,115	50%	62,297	47,277	44,738	23.0	19.4	17.8	15,670	11,365	3,629	0.0	(0.0)	(0.2)			
ASIA-PACIFIC				49%	48%	45%	(0.5)	0.1	1.2	9,555	10,127	11,608	10%	32,386	30,536	28,563	24.1	20.8	17.5	(15,803)	(17,288)	(19,096)	(0.4)	(0.5)	(0.6)			
Advanced Info	6.30	6.30	6.30	99%	107%	104%	1.3	1.4	1.4	683	718	761	6%	356	344	342	17.5	17.6	19.6	581	390	156	0.4	0.3	0.1			
Bharti			11.44			19%	NM	NM	2.2	(327)	190	946	NM	3,002	2,869	2,552	22.6	21.4	20.8	1,076	885	369	0.4	0.3	0.1			
China Mobile	2.42	2.37	2.09	43%	43%	43%	1.2	1.1	1.0	8,394	7,697	6,239	-14%	19,950	19,599	19,174	26.3	22.2	17.6	(27,025)	(28,430)	(28,874)	(0.8)	(0.9)	(1.0)			
FarEasTone	2.71	2.66	2.72	89%	87%	87%	1.7	1.6	1.5	447	398	390	-7%	221	206	199	13.7	13.8	13.7	(142)	(268)	(390)	(0.2)	(0.4)	(0.6)			
Globe Telecom	125.00	85.00	90.00	148%	92%	92%	0.5	0.9	1.1	162	215	268	29%	424	374	349	14.0	14.8	15.0	748	850	916	1.0	1.1	1.1			
Idea Cellular							NM	NM	NM	(708)	(487)	(164)	-52%	1,307	1,258	956	8.8	4.8	4.3	523	633	795	0.9	1.0	1.1			
LG TeleCom	299.58	358.17	404.17	29%	30%	30%	2.8	1.5	1.9	173	109	162	-3%	521	448	426	11.7	12.4	13.2	466	433	356	0.8	0.7	0.5			
RCVL	0.89	0.74	0.67	3%	4%	3%	(56.7)	(36.3)	(0.8)	(2,066)	(1,103)	(22)	-90%	4,425	3,431	2,572	8.5	6.6	6.5	4,623	5,778	5,831	2.6	2.8	2.4			
SK Telecom	9400.18	9234.33	9236.77	60%	51%	47%	2.8	2.4	3.5	1,612	1,355	1,937	10%	1,442	1,373	1,334	10.8	11.3	11.6	2,760	2,338	1,765	0.9	0.7	0.5			
Taiwan Mobile	4.37	4.37	4.70	111%	108%	108%	1.2	1.0	1.0	588	488	525	-6%	220	219	222	23.3	21.5	21.8	(21)	(267)	(181)	(0.0)	(0.3)	(0.2)			
Total Access	1.50	1.15	1.22	47%	50%	50%	2.7	3.7	3.3	274	282	270	-1%	273	175	186	10.4	7.8	8.4	594	377	211	1.0	0.7	0.4			
EESA				43%	128%	66%	(0.3)	2.2	2.2	656	5,483	8,398	258%	17,184	9,337	7,629	18.9	14.4	14.6	16,761	15,179	10,134	0.7	0.6	0.3			
Cellcom	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM			
ECMS Mobinil	15.00	14.00	14.31	105%	100%	99%	0.2	0.8	1.3	55	196	339	148%	551	437	374	26.8	22.1	21.5	1,156	1,386	1,454	1.6	1.7	1.6			
Mobily	0.75	1.02	1.96	19%	30%	50%	1.1	2.4	1.7	188	553	759	101%	935	744	759	11.6	11.8	13.4	2,367	1,980	1,448	2.0	1.4	0.9			
MTC Zain	0.04	0.04	0.04	50%	55%	55%	0.4	1.6	2.0	NM	NM	NM	NM	NM	NM	NM	8.1	6.8	7.4	NM	NM	NM	NM	NM	NM			
MTN Group	1.80	2.39	3.40	20%	23%	31%	1.2	3.2	3.0	412	1,534	2,014	121%	2,729	2,291	2,050	19.6	19.7	19.0	1,774	561	(996)	0.5	0.1	(0.2)			
MTS	3.23	1.43	2.31	64%	100%	100%	1.8	1.9	1.8	2,341	1,095	1,674	-15%	2,023	1,619	1,178	23.0	9.4	11.1	1,653	1,847	745	0.3	0.5	0.2			
Orascom Telecom	0.22	0.27	0.34	59%	80%	80%	(2.1)	2.8	3.0	(418)	691	913	NM	1,829	860	835	10.1	9.4	10.7	5,001	4,526	3,874	2.5	2.3	1.9			
Partner	5.41	5.39	5.55	81%	80%	80%	1.6	1.1	1.2	315	217	253	-10%	125	134	146	30.4	29.2	28.5	480	460	410	0.9	0.9	0.8			
Turkcell	0.50	0.48	0.63	60%	80%	100%	2.0	0.2	0.7	2,215	225	1,004	-33%	338	1,586	918	26.7	19.5	19.0	(2,474)	(1,720)	(1,801)	(0.9)	(0.8)	(0.8)			
VimpelCom	0.30	0.30	0.39	20%	825%	75%	(14.5)	3.2	3.6	(4,452)	972	1,443	NM	8,654	1,665	1,370	22.4	9.5	8.9	6,803	6,137	5,000	1.4	1.8	1.5			
Wafanija	0.05	0.10	0.17	29%	44%	73%	4.7	2.1	1.5	NM	NM	NM	NM	NM	NM	NM	14.1	16.7	16.5	NM	NM	NM	NM	NM	NM			
LATIN AMERICA				20%	31%	27%	1.7	5.8	3.8	1,791	6,260	7,109	99%	12,728	7,404	8,545	23.9	20.3	22.5	14,713	13,475	12,591	0.7	0.8	0.6			
America Movil	0.50	0.41	0.70	16%	13%	19%	3.8	7.5	4.6	3,356	5,364	5,703	30%	6,076	2,864	3,670	28.5	23.8	26.3	8,886	7,856	8,093	0.7	0.7	0.7			
Entel	442.98	496.58	449.76	71%	88%	76%	0.2	1.1	1.5	38	225	281	174%	424	381	343	15.3	13.1	13.1	652	611	440	0.9	0.9	0.6			
Tim Part.ON	0.14	0.11	0.21		79%	54%	(2.4)	(0.3)	1.6	(339)	(40)	358	NM	1,462	1,060	1,002	15.6	14.6	15.2	1,050	926	-	0.8	0.6	-			
TIM Part.PN	0.75	0.50	0.97		77%	54%	(2.3)	(0.3)	1.6	(413)	(41)	370	NM	1,782	1,073	1,037	16.5	14.5	14.2	889	1,119	1,063	0.6	0.7	0.6			
Vwo	0.19	0.56	1.06	35%	72%		(9.5)	3.5	1.9	(710)	769	783	NM	2,180	1,157	1,237	6.7	7.9	10.7	2,268	1,893	1,599	0.9	0.9	0.7			

Source: Banc of America Securities - Merrill Lynch.

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9. Debt spreads

Table 21: Selected US\$-denominated intermediate term debt issues (as of Mar. 26, 2009)

Company Name	Rating	Coupon	Maturity Date	Effective Yield	OAS	OAS 1-Mo Change	OAS 3-Mo Change	OAS 12-Mo Change	ISO Country	ISO Currency
US Issues in US\$										
AT&T CORP	A2	7.3%	11/15/11	4.4%	330	7	-177	60	US	USD
EMBARQ CORP	BBB3	6.7%	6/1/13	8.9%	741	78	-268	247	US	USD
QWEST CORP	BBB3	7.6%	6/15/15	9.8%	775	11	-257	257	US	USD
SPRINT NEXTEL	BB2	6.0%	12/1/16	11.9%	941	-113	-136	294	US	USD
VERIZON COMM INC	A2	5.6%	2/15/16	5.9%	359	22	-48	111	US	USD
Non-US Issues in US\$ Currency										
America Movil	A3	5.8%	1/15/15	6.7%	469	91	-115	209	MX	USD
Axtel	BB3	11.0%	12/15/13	16.3%	1467	139	-190	1039	MX	USD
BT	BBB1	8.1%	12/15/10	6.0%	513	-4	-305	227	GB	USD
Cable & Wireless	A1	8.0%	6/22/10	5.8%	506	23	62	401	AU	USD
Deutsche Telekom	BBB1	5.8%	3/23/16	6.2%	388	60	-62	112	DE	USD
France Telecom	A3	7.8%	3/1/11	3.9%	305	17	-157	27	FR	USD
KPN	BBB1	8.0%	10/1/10	5.7%	494	91	-201	205	NL	USD
KT	A3	4.9%	7/15/15	8.9%	681	21	-57	411	KR	USD
PCCW	BBB2	5.3%	7/20/15	11.9%	979	53	40	577	HK	USD
Rogers Comm	BBB3	6.4%	3/1/14	6.1%	436	42	-163	38	CA	USD
SingTel	A1	6.4%	12/1/11	3.4%	232	-32	-126	23	SG	USD
SK Telecom	A2	4.3%	4/1/11	6.6%	569	-26	-152	271	KR	USD
TCNZ	A2	6.8%	12/14/11	5.1%	396	21	-4	295	NZ	USD
Telecom Italia	BBB2	5.3%	10/1/15	8.5%	630	57	-209	263	IT	USD
Telefonica	A3	5.9%	2/4/13	4.9%	347	0	-281	26	ES	USD
Telmex	A3	5.5%	1/27/15	6.5%	446	34	-128	152	MX	USD
Telekom Malaysia	A3	7.9%	8/1/25	8.1%	465	50	-28	244	MY	USD
Telstra	A2	6.4%	4/1/12	5.7%	457	-5	-149	242	AU	USD
TELUS	BBB1	8.0%	6/1/11	5.9%	496	-24	-218	189	CA	USD
VimpelCom	BB2	8.3%	5/23/16	18.0%	1581	-54	-285	1048	RU	USD
Vodafone	A3	5.8%	3/15/16	5.8%	348	17	-108	76	GB	USD

Source: BAS-ML Global Index System

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Table 22: Selected non-US company foreign-denominated intermediate term debt issues (as of Mar. 26, 2009)

Company Name	Rating	Coupon	Maturity Date	Effective Yield	OAS	OAS 1-Mo Change	OAS 3-Mo Change	OAS 12-Mo Change	ISO Country	ISO Currency
International Issues in Local Currency										
Belgacom	A1	4.4%	11/23/16	5.1%	199	23	-82	92	BE	EUR
BT	BBB1	7.5%	12/7/16	7.6%	466	66	19	253	GB	GBP
Cable & Wireless	B1	8.6%	3/25/19	11.8%	866	70	-24	441	GB	GBP
Deutsche Telecom	BBB1	6.6%	3/29/18	5.4%	209	28	-5	58	DE	EUR
France Telecom	A3	4.8%	2/21/17	5.2%	199	33	-87	61	FR	EUR
KDDI	A2	1.5%	12/19/14	1.5%	62	-1	14	25	JPN	JPY
KPN	BBB1	4.0%	6/22/15	5.3%	248	6	-86	13	NL	EUR
Manitoba Telecom	BBB2	6.2%	6/10/14	6.4%	452	-8	-50	242	CA	CAD
NTT (Nippon Telecom)	AA2	1.5%	9/18/15	1.2%	32	-2	2	14	JPN	JPY
NTT DoCoMo	AA2	1.6%	12/20/11	0.9%	34	4	0	9	JPN	JPY
Nordic Tel	B1	8.3%	5/1/16	11.5%	858	85	-492	306	DK	EUR
OTE	BBB2	5.0%	8/5/13	5.9%	345	-11	-82	137	GR	EUR
Softbank	BB2	7.8%	10/15/13	25.9%	2350	735	727	1722	JPN	EUR
TCNZ	A2	5.6%	5/14/18	7.0%	377	2	-23	192	NZ	GBP
Telecom Italia	BBB2	5.4%	1/29/19	8.1%	467	51	-81	153	IT	EUR
Telefonica	A3	5.1%	2/14/13	4.5%	223	12	-81	74	ES	EUR
Telenor	BBB1	4.5%	3/28/14	6.1%	348	1	-25	158	NO	EUR
TeliaSonera	A3	4.8%	3/7/17	6.2%	301	23	-72	105	SE	EUR
Telstra	A2	6.3%	4/15/15	7.3%	308	5	7	4	AU	AUD
TELUS	BBB1	5.0%	6/3/13	4.9%	314	-28	-123	103	CA	CAD
TP SA	BBB1	4.6%	7/5/11	6.6%	489	-39	220	371	PL	EUR
Vodafone	A3	4.6%	9/8/14	4.8%	219	38	-111	-2	GB	GBP

Source: BAS-ML Global Index System

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Table 23: Selected sovereign debt issues in US\$ (as of Mar. 26, 2009)

Country	Rating	Coupon	Maturity	Effective Yield	OAS	OAS 1-Mo Change	OAS 3-Mo Change	OAS 12-Mo Change	ISO Country	ISO Currency
Argentina	B3	8.28	12/31/33	27.5%	2489	277	275	1926	AR	USD
Bulgaria	BBB3	8.25	1/15/15	8.2%	630	10	-86	388	BG	USD
Brazil	BBB3	8.25	1/20/34	7.2%	376	-6	-13	130	BR	USD
Chile	A2	5.5	1/15/13	3.8%	234	21	-4	63	CL	USD
China	A1	4.75	10/29/13	4.0%	237	2	-10	111	CN	USD
Egypt	BB1	8.75	7/11/11	3.7%	271	-82	-233	-35	EG	USD
Hong Kong	AA2	5.125	8/1/14	3.8%	190	10	-51	-19	HK	USD
Hungary	BBB1	4.75	2/3/15	8.1%	611	72	49	485	HU	USD
Indonesia	BB3	7.5	1/15/16	9.3%	710	-69	-49	418	ID	USD
Iraq	NR	5.8	1/15/28	13.9%	1069	-164	-316	535	IQ	USD
Israel	A2	5.125	3/1/14	3.6%	184	3	-76	27	IL	USD
Korea	A2	4.875	9/22/14	5.3%	343	18	-87	182	KR	USD
Malaysia	A3	7.5	7/15/11	3.8%	279	-11	-129	112	MY	USD
Mexico	BBB1	11.375	9/15/16	6.0%	364	20	0	216	MX	USD
Peru	BBB3	8.375	5/3/16	6.4%	413	43	-88	185	PE	USD
Philippines	BB3	8.75	10/7/16	6.7%	436	-21	-148	170	PH	USD
Pakistan	CCC1	7.125	3/31/16	21.6%	1936	-307	-586	1306	PK	USD
Poland	A3	5	10/19/15	6.0%	382	34	10	256	PL	USD
Russia	BBB2	11	7/24/18	6.6%	393	-99	-244	224	RU	USD
South Africa	BBB1	6.5	6/2/14	6.6%	475	24	-188	180	ZA	USD
Turkey	BB3	7.25	3/15/15	7.5%	546	-48	-20	213	TR	USD
Ukraine	B2	7.65	6/11/13	32.0%	3054	-673	-120	2676	UA	USD
Venezuela	B1	5.75	2/26/16	20.1%	1791	40	-255	1151	VE	USD

Source: BAS-ML Global Index System

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Table 24: Companies referenced (price as of Mar. 26, 2009)

Company	LOCAL				ADR			
	Ticker	Price	QRQ	Notes	Ticker	Price	QRQ	Notes
Advanced Info	XVDIF	83.50	C-1-8	q				
Alaska Comm	ALSK	7.17	B-2-7	iosgbpBwxv				
America Movil	AMX	28.94	B-1-7	ijosbpBwxv				
AT&T	T	26.35	A-2-7	ijosgbpBwxv				
Axtel CPO	AXTLF	5.76	C-1-9	qv				
BCE	YBCE	24.90	A-2-7	ijosbpBwxvBCE	20.30	A-2-7	jobpBwxv	
Belgacom	BGAOF	23.37	B-2-7	qjopv				
Bell Aliant	YBA U	25.01	B-3-8	iqspv				
BEZEQ	BZQIF	6.62	B-1-8	qv				
Bharti	BHTIF	621.85	C-1-9	qvwz				
Bouygues	BOUYF	26.64	B-3-8	qv				
BT	BTGOF	79.00	A-2-8	iqjospXN#vBT	11.54	A-2-8	ijosbXN#v	
Cable & Wireless	CWPUF	139.50	B-3-7	qv				
Cellcom	CEL	21.55	B-1-8	xv				
China Mobile	CHLKF	69.65	C-2-7	iqsxvCHL	45.31	C-2-7	isbBxv	
China Telecom-H	CHJHF	3.24	C-3-7	qwxCHA	41.65	C-3-7	bBwx	
China Unicom	CHUFF	8.63	C-2-7	qxvCHU	10.82	C-2-7	Bbvx	
Chungghwa Telecom	CHWAF	62.50	B-1-8	qzxvCHT	18.74	B-1-8	bBxv	
Cincinnati Bell	CBB	2.28	B-3-9	iosbpBwxv				
Clearwire-CL A	CLWR	4.98	C-3-9	isbpBxv				
COLT Telecom	CLTZF	85.75	C-1-9	iqspv				
Comstar UTS-GDR	JSTKY	3.69	C-1-7	qvXCSMF	8.50	C-1-7	qvw	
Deutsche Telekom	DTLSF	9.56	B-2-7	iqosgpXvDT	12.96	B-2-7	iosgbpBxv	
DiGi.com Bhd	DIGBF	21.40	B-2-7	qv				
ECMS Mobinil	EGYMF	147.51	C-2-8	q				
Elisa	ELMUF	10.84	A-2-7	qv				
Entel	EPRNF	6950.40	B-1-7	q				
Fairpoint Commun	FRP	0.55	C-3-9	iosbpBxv				
FarEasTone	FEOTF	35.00	C-1-8	qzv				
France Telecom	FNCTF	17.77	B-1-7	iqjospXvFTE	24.09	B-1-7	ijosgbpBxv	
Frontier Comm	FTR	6.95	B-3-8	ijosbpBx				
Globe Telecom	GTMFF	870.00	C-1-7	q				
GVT	GVTHF	27.78	C-1-7	qzv				
Hutchison Teleco	HTMMF	0.11	C-3-9	qjov				
Idea Cellular	IDEAF	52.55	C-2-9	gqvwwz				
iiNet Ltd	IINEF	1.52	C-1-7	qv				
Iliad SA	ILIAF	68.70	B-3-7	qv				
Inmarsat PLC	IMASF	479.25	B-2-7	Bbqv				
KCOM Group	KGSCF	16.75	C-3-8	Bbq				
KDDI	KDDIF	488000.00	B-1-7	iqjospv				
KPN	KKPNF	9.99	B-1-7	iqspvKKPNY	13.75	B-1-7	isbpBv	
KT	KTCNF	39850.00	B-1-8	iqxvKTC	14.66	B-1-8	ibBxv	
Leap Wireless	LEAP	37.61	C-1-9	iosbpBxv				
Level 3	LVLTF	0.79	C-2-9	ijosbpBxv				
LG Dacom Corp	DCMPF	17900.00	C-1-7	qv				
LG TeleCom	LTCLF	8430.00	C-1-7	q				
Magyar Telekom	XTMMF	528.00	B-3-7	iqosgpvMTA	12.00	B-3-7	iosgbpBv	
Manitoba Telecom	YMBT	32.33	B-3-8	iqv				
Maroc Telecom	MAOTF	13.75	C-3-7	qv				
MetroPCS Communi	PCS	17.99	C-1-9	iosgbpBwxv				
Mobily	XEHTF	35.80	C-1-7	q				
Mobistar	MBSRF	49.43	A-1-8	iqjospv				
MTC Zain	XOMBF	0.80	C-3-8	qv				

Table 24: Companies referenced (price as of Mar. 26, 2009)

Company	LOCAL				ADR			
	Ticker	Price	QRQ	Notes	Ticker	Price	QRQ	Notes
MTN Group	MTNOF	105.75	C-2-7	iqsv				
MTNL	XMTNF	72.00	C-3-7	qzxMTE	2.73	C-3-7	bBx	
MTS	MBT	32.55	C-1-7	bBxv				
NII Holdings	NIHD	16.12	C-1-9	iosbpBwxv				
NTT	NPPXF	3880.00	A-1-7	iqjospXvNTT	20.11	A-1-7	ijosbpBxv	
NTT DoCoMo	NTDMF	140400.00	A-2-7	iqjospvDCM	14.75	A-2-7	iqjospv	
Orascom Telecom	XORSF	27.48	C-2-7	qvORSTF	24.69	C-2-7	qv	
OTE	OTEFF	11.20	A-1-7	iqsvOTE	7.77	A-1-7	isbBv	
Pak Telecom	PKTLF	16.51	C-1-8	q				
Partner	PTNRF	64.00	B-2-8	iqspXvPTNR	15.22	B-2-8	isbpBxv	
Pipe Networks Ltd	PNTWF	3.55	C-1-7	q				
PLDT	PLTLF	2190.00	C-1-7	qxPHI	44.70	C-1-7	x	
Portugal Telecom	PTGXF	5.63	A-2-8	iqsgXvPT	7.78	A-2-8	isgbBxv	
Qatar Telecom	XTOQF	105.80	C-2-8	qv				
Qwest	Q	3.81	C-1-8	ijosbpBwxv				
RCVL	RLCMF	183.75	C-2-7	qzw				
Rogers Comm	YRCIB	30.30	B-2-7	iqspXvTRCI	24.66	B-2-7	isbpBxv	
SingTel	SNGNF	2.62	B-1-8	qjopv				
SK Broadband	HANTF	5130.00	C-3-9	qvw				
SK Telecom	SKMTF	194000.00	B-3-7	iqjospXvSKM	16.07	B-3-7	ijosbpBxv	
Softbank	SFTBF	1381.00	C-1-7	qv				
Sprint Nextel Corp	S	3.91	C-2-9	ijosbpBxv				
StarHub	SRHBF	1.96	B-1-7	iqjospv				
Swisscom	SWZCF	320.25	A-1-7	qSCMWY	28.34	A-1-7	q	
Taiwan Mobile	TWMBF	50.00	C-1-7	qz				
Tata Communications	VSLSF	538.35	C-3-8	qvxzTCL	21.52	C-3-8	bBxv	
Tele Norte Leste	TNE	14.56	C-2-7	bBxv				
Tele2 AB	TLTZF	71.25	B-3-8	qvw				
Telecom Argentina	TEO	8.03	C-3-9	x				
Telecom Egypt	TEGPF	14.52	C-1-7	qv				
Telecom Italia	TIAOF	0.96	A-1-7	iqjospXvTI	13.32	A-1-7	ijosrbpBwxv	
Telecom NZ	NZTCF	2.28	A-2-8	qvxNZT	6.63	A-2-8	bBxv	
Telefonica	TEFOF	15.02	A-1-7	iqjospXvTEF	62.49	A-1-7	ijosrbpBxv	
Telefonica O2 CZ	TFAOF	410.20	B-1-8	iqspv				
Telekom Austria	TKMAF	10.86	B-1-7	qvTKAGY	29.60	B-1-7	bBv	
Telekom Malaysia	MYTEF	3.50	B-2-7	iqospv				
Telecom ON	txnbF	39.67	C-2-7	qzxv				
Telenet Grp Hld	TLGHF	12.57	C-2-9	qv				
Telenor	TELNF	38.70	B-2-9	qvTELNY	17.65	B-2-9	qv	
Telesp Fixed	TSP	20.80	C-2-7	ijosbpBxv				
TeliaSonera	TLSNF	38.80	A-3-7	iqsv				
Telkom SA	TKMJF	105.89	C-3-7	qvx				
Telmex Intl	TII	10.16	C-3-7	ijsbpBxv				
Telmex L	TMX	14.84	C-3-7	ijsbpBxv				
Telstra Corp	TTRAF	3.25	B-1-7	iqospvTLSYY	11.30	B-1-7	iqospv	
TELUS Corp.	YT	35.46	B-2-7	iqjopXvTU	27.40	B-2-7	ijobpBxv	
Tim Part.ON	XITMF	6.37	C-3-7	iqjospv				
TIM Part.PN	TSU	13.62	C-2-7	ijosbpBv				
Total Access	TACJF	0.82	C-1-8	qvTACPF	27.25	C-1-8	qv	
TP SA	PTTWF	19.16	B-1-7	q				
TRUE Corp	TCPJF	1.35	C-3-9	q				
Turk Telekom	TRKNF	3.88	C-1-8	qv				
Turkcell	TKCZF	7.95	C-1-7	qwxvTKC	11.80	C-1-7	bBxv	

Table 24: Companies referenced (price as of Mar. 26, 2009)

Company	LOCAL				ADR			
	Ticker	Price	QRQ	Notes	Ticker	Price	QRQ	Notes
TW Telecom	TWTC	9.11	C-1-9	ijosbpBwxv				
Verizon Comm	VZ	30.54	A-2-7	ijosgbpBwxv				
VimpelCom	VIP	7.47	C-2-8	bBxv				
Vivo	VIV	15.15	C-1-9	ijosbpBxv				
Vodafone Group	VODPF	120.00	A-1-7	iqjosgpxvVOD	17.37	A-1-7	ijosgbpBxv	
Wataniya	XNNMF	1.46	C-1-7	q				
Windstream Comm.	WIN	8.37	C-1-8	isbpBwxv				

Source: Banc of America Securities - Merrill Lynch. Local stock prices expressed in local currency, ADR prices in US\$. *RSTR:

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/P Class A shares are variable voting

/Q Class A shares are subordinate voting

/R Class A shares are nonvoting

/S Class B shares are limited voting

/T Class B shares are nonvoting

/U Class B shares are restricted voting

/V Class B shares are subordinate voting

/W Class S shares are subordinate voting

/X Common shares are subordinate voting

/Y Common shares are limited voting

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster*
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

* Ratings dispersions may vary from time to time where BAS-ML Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

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