

MobileMonday Shanghai

- 34 Now playing
- 5 Coming attractions
- 15 In The Pipeline



The Market Driver - China



SatNav penetration rate is below 3%

1.3B consumer and a fast growing economy has made China into one of the largest mobile technology and service market

World's largest mobile subscriber base: 330M+

SmartPhone growth expected at near 50% over the next 3 years

China mobile phone penetration rate at 29%, with EU penetration rate at 75%

With the approaching 2008 Beijing Olympics and other global events, the Chinese consumers are demanding more value-add mobile products and services

Quick Snapshot: Location Technology & Adoption

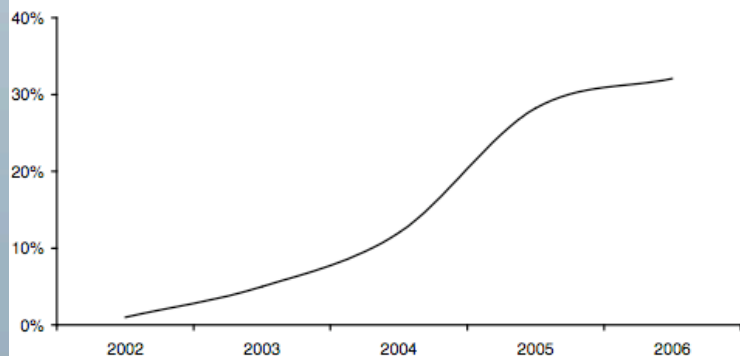


Cellular Location Technologies

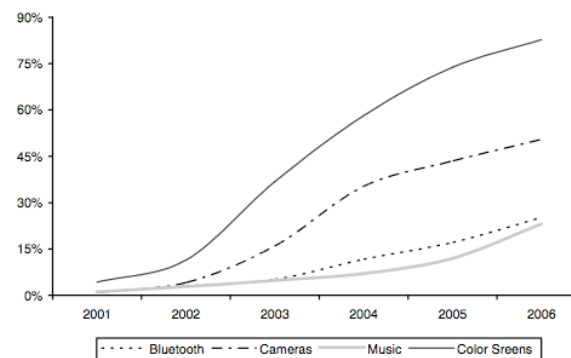
Technology	Network-Based				Satellite-Based	
	Cell-ID (CID)	Enhanced-CID	Wireless Location Signatures (WLS)	U-TDOA	GPS	Assisted-GPS
Description	Uses base station data to identify which cell a user is calling from.	Same as CID but narrows user location further by using timing advance and power measurement (i.e., strength of signal) data	Radio frequency is modeled for the target coverage area. Signal information is compared against this database and combined with other available data at each base station to approximate position	Highly accurate clocks are installed at each base station. The time difference between the arrival of a user's signal at each cell station enables location calculation.	Synchronized atomic clocks in satellites broadcast signals. Ground-based receivers use knowledge of satellite position and timing differences between signals to calculate location.	Same principal as GPS but position calculation and speed are augmented by assistance data provided by a server in the cellular network
GPS Chipsets required in handsets	No	No	No	No	Yes	Yes
Performance - Urban	●	●	●	●	●	●
Performance - Rural	●	●	●	●	●	●
Performance - Indoor	Depends on towers	Depends on towers	●	●	●	●

Source: Industry sources, Bernstein estimates and analysis

SKT: GPS-Enabled Phones as a Share of Subscriber Base



Phones With Selected Functionality as a Share of Total Handset Shipments



How Do People Spent Their Time Online? (per age group)



Select Weekly Online Activities* of US Internet Users, by Age, February-March 2007 (% of respondents in each group)

	Millen- nials (13-24)	Gener- ation X (25-41)	Baby Boomers (42-60)	Matures (61-75)	Total
Watching and reading personal content created by others	71%	56%	40%	36%	51%
Searching, downloading and listening to music	78%	57%	36%	17%	50%
Visiting online gaming sites where you can actually play games	66%	51%	39%	38%	49%
Maintaining and sharing photographs	53%	52%	38%	43%	46%
Visiting TV show Web sites	48%	52%	43%	34%	46%
Conducting job searches	31%	52%	43%	17%	39%
Participating in auction sites	30%	49%	37%	32%	38%
Reading/posting on message boards	51%	43%	29%	22%	38%
Seeking financial/investment information	20%	42%	42%	41%	38%
Socializing	62%	41%	25%	18%	37%
Reading blogs	55%	42%	27%	16%	36%
Watching YouTube or other video streaming sites	62%	41%	24%	11%	36%
Creating personal content	58%	41%	19%	16%	34%
Participating in a discussion board or forum	34%	33%	24%	19%	28%
Watching TV shows online	34%	28%	19%	9%	24%
Maintaining your own personal Web site	36%	27%	14%	7%	22%
Keeping a Web log (blog)	35%	25%	7%	1%	18%
Using a computer video camera	20%	19%	14%	8%	16%
Using computer's microphone to conduct audio chats or Internet phone calls	15%	15%	10%	6%	13%

Note: n=2,211; *frequent or occasional
Source: Deloitte & Touche USA LLP, "The Future of Media: Profiting from Generational Differences" provided to eMarketer, April 16, 2007

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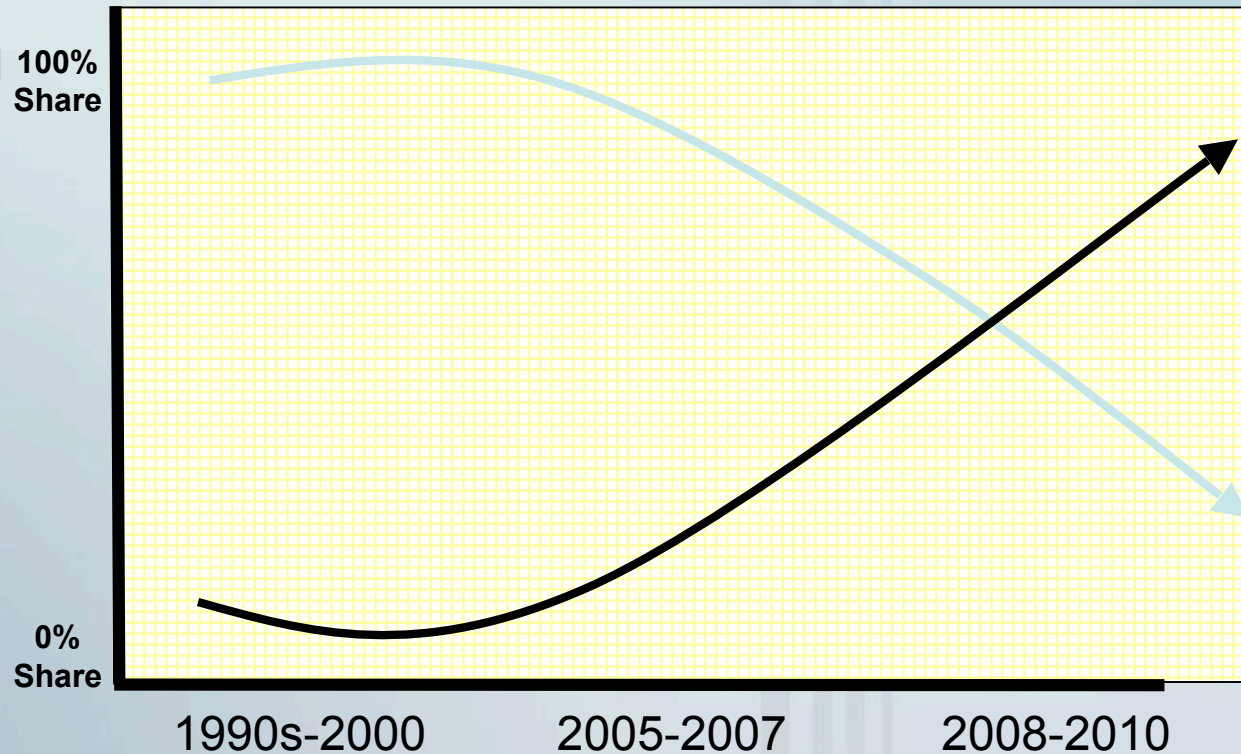


Developing Trend for Content



Traditional Published Content

User Generated Content



User Generated Content Websites (MySpace, FaceBook, YouTube, etc.) is the fastest growing segments of the WWW

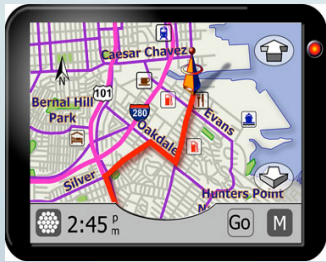


User Generated Content Growth Explode with Mobile Content



- More than 800 million new mobile phones sold per year
 - Most new phones are "SmartPhones" with camera's, SMS, etc
- Users can create & share photo's, text and video with friends via mobile SMS or Email
- Users will be able to "search" for location-based content created by their friends or group members
- Quantity of mobile user-content will dwarf existing publisher content
 - Online trends of MySpace & YouTube moving to mobile
 - SMS, photo's and IM are top content for mobile users

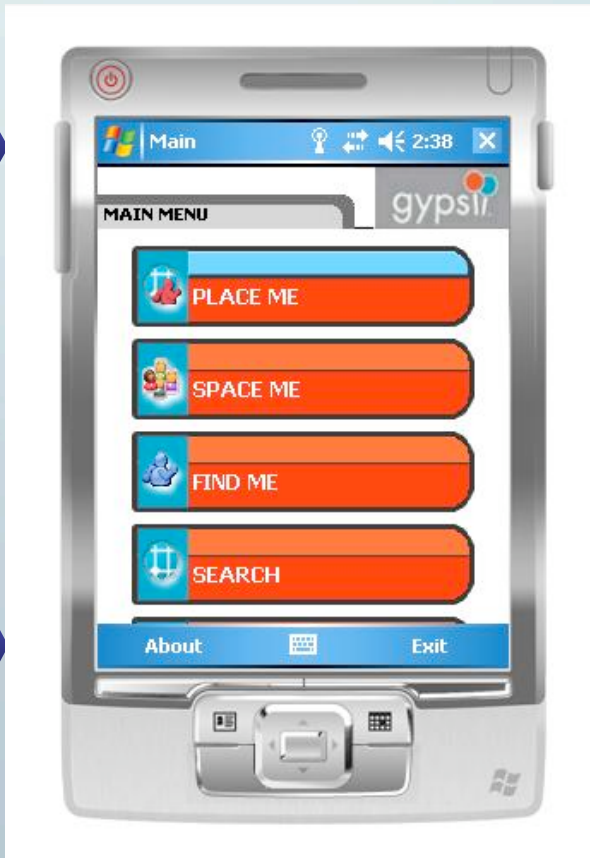
Things to Come...



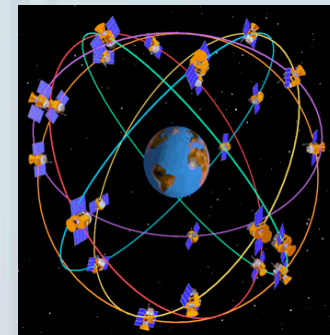
SatNav approaching mass adoption (PND and Mobile terminal based)



Free map and mobile search becoming mainstream (i.e., Google, Nokia)



The existing and impending 3G networks will bring and expand the possibility of rich content and faster access



Over the next 2 years, OEM/OEM will see further price drops on embedded GPS chipsets

Search + Location + Mobile Content

