EMISSARY CAPITAL

Initiation Report – TechMedia Advertising, Inc. (TECM - OTCBB - $2.25)

April 12, 2010

INVESTMENT RESEARCH: TechMedia Advertising, Inc. (TECM–OTCBB-$2.25)

Rating–Buy / Target: $4.00

Share Data (4/12/10):				Key Executives:	
Recent Price:	$2.25	ROE '11E:	65%	Chairman & CEO:	Johnny Lian
Price Target:	$4.00	ROA '11E:	60%	Treasurer:	William Goh Han Tiang
52-week range:	$1.70-2.34	ROI '11E:	55%	Director:	Ratner Vellu
Bid/Ask	$2.05 / $2.25	LT debt	0%	Investor relations:	Fusion IR
Average volume:	5,000	S/O (mil):	49.0	Legal:	Jensen, Lunny, MacInnes Law Corp.
Market Cap. (MM):	106.4	g/m '11E	58.0%	Auditor	Davis Accounting Group
Exchange:	OTCBB	o/m '11E	40.0%	Principal address:	c/o 62 Upper Cross Street 04-01 Singapore
FCF yield '11:	2%	n/m '11E	26.0%	IPO Date:	August 2009
Risk profile:	Speculative	5-yr CAGR:	50.0%		

	Estimates:			Current Valuation:			Target valuation:		
FYE July	Rev (mil)	FCF (mil)	EPS	P/Rev	P/FCF	P/E	P/Rev	P/FCF	P/E
2010E	$3.53	($4.02)	nm	30.1x	nm	nm	25.4x	nm	nm
2011E	$26.11	$3.05	$0.13	4.1x	34.9x	16.7x	3.4x	29.4x	29.7x
2012E	$56.29	$16.75	$0.37	1.9x	6.3x	6.0x	1.6x	5.3x	10.7x
2013E	$89.88	$33.10	$0.65	1.2x	3.2x	3.4x	1.0x	2.7x	6.1x
2014E	$132.45	$54.86	$1.04	0.8x	1.9x	2.2x	0.7x	1.6x	3.8x

Source: Bloomberg, ECG estimates

INVESTMENT SUMMARY:

- **Initiating with a Buy Rating & $4 Price Target**

© 2010 Emissary Capital Group, LLC. All figures in U.S. $ unless otherwise advised. 1

With demand for new and creative advertising avenues outstripping that of traditional forms, we believe prospects remain high for Chennai, India-based TechMedia Advertising (TechMedia), a company that went public onto the bulletin board via a reverse merger in August 2009. Through its soon to be completed joint venture (JV) with Peacock Media Ltd. India (Peacock) - one of India's fastest growers in the Out-Of-Home (OOH) media segment and leader in fixed-print advertisements (www.peacockmedia.in) - the company holds a first mover advantage offering scalable digital out-of-home (DOOH) media content to India's growing consumer class. DOOH is currently the world's fastest growing advertising medium, combining the sound and movement of audio-visual communication with highly visible outdoor electronic display advertisements regularly mounted in elevators, stores, malls, airports and transit shelters. In India, DOOH is well in its infancy, valued at less than $20 million or a mere fraction of the OOH space. According to the company, the company's digital content network management system is the only such system in India to combine software and hardware capable of delivering content – commercials, news, sports, movies, etc. - to LCD, LED and plasma screens in fixed locations through both wired network and wireless networks. The initial roll out is taking hold on trans-provincial long-distance buses in Tamil Nadu's capital city of Chennai, the country's fourth most populous metropolitan region and the second largest exporter of software, IT and IT-enabled services. The southern state of Tamil Nadu is the fifth largest contributor to India's GDP and the most urbanized state in the country with the highest number of business enterprises.

The JV with Peacock, which will be owned 85% by TM Mauritius (a wholly owned subsidiary of TechMedia) and 15% by Peacock, is central to the investment thesis and is expected to be formalized by mid-April 2010. The partnership's mandate is to install and display mobile digital advertising platforms on public transportation vehicles including long-distance buses and trains, which will display third party commercial content from local and international advertisers. The main terms of the agreement include: 1) two directors of the JV will be nominees from Peacock and three from TM Mauritius, 2) Peacock will contribute its exclusive media rights licenses granted to it by the Government of Tamil Nadu for which currently covers over 10,392 buses 3) Peacock will fully equip the buses with the required hardware and software and ensure proper working order, 4) Peacock will provide access to all of Peacock's current and future advertising clients to market the JV, 5) TM Mauritius will manage the JV, 6) TM Mauritius will reimburse Peacock for the costs associated with fully equipping the buses, 7) TM Mauritius will provide the necessary funding to the JV for operations and working capital (up to $25 million over 5 years) and 8) profits generated from the sale of advertising space from the JV will be split 85% for TM Mauritius and 15% for Peacock.

TechMedia's market research and initial operations in India reveal that: 1) outdoor advertising continues to capture a growing share away from television, radio and newspaper, 2) outdoor advertising was dominated by static boards and not interactive, and 3) the mobile fleet television advertising market, particularly related to outdoor metro (light rail) advertising, is still in its nascency. Such market inefficiencies helped management identify key opportunities and define its near and long-term strategy. In the near-term, initiatives will focus on building an extensive network of LCD panels in Tamil Nadu pursuant to the agreement with Peacock. More recently, the company has already announced a $1.36 million purchase order from a marketing company for prime advertisement slots in long distance buses, which followed an earlier announcement that the JV had installed digital streaming platforms onto an additional 731 buses across six regions in Tamil Nadu - SETC, Vilippuram, Kumbakonam, Salem, Coimbatore and Madurai, bringing the total number of fitted buses to 4,508 and average daily viewership to 360,000 passengers from 300,000.

Long-term, the company's leadership intends to replicate this JV model by securing rights to media space through other regional leaders, enhancing the company's ability to deliver a broader array of DOOH services to both local and foreign advertisers seeking to address India's expanding consumer class. The company also expects to leverage technological advancements to provide lower-cost digital advertising solutions to its partners and customers, while diversifying revenue sources through sub-licensing, fixed-print advertising, and value-added services. The company will also look to target locations outside of mobile fleets, including theaters, retail chains, entertainment outlets and transit locations.

While still in its early stages, we believe TechMedia's strategy plays well into our thesis of owning shares in under-perceived growth companies that cater to recurring consumer demand. Given the strong tailwinds in what is still an un-saturated market and improving visibility on new installations, the company sees annual revenue increases of 30% through 2014. Combined with higher utilization of its 864 advertisement spots per day for each bus journey and spot prices, gross and operating margins should also improve each year by at least several hundred basis points, while cross marketing opportunities such as print advertising lend further upside. Based on a 10-year DCF – forecasting $54 million free cash flow in year 5 and $134 million in year 10 and 20% discount factor - the shares should be worth closer to $4, a level that is premised upon P/E expansion to 25-30x over the next twelve months. This still reflects a discount to the low to mid- range of the average multiples of a diversified group of small to mid-cap advertising and media services companies. Currently, the company has approximately 49 million fully diluted shares outstanding, which we are modeling will increase to 52 million by 2011 and 55 by 2013 to account for possible financings needed to scale out the business.

Large, under-saturated market

Zenith Optimedia, the world's third largest media-buying agency, projects India will become a top ten advertising market in absolute dollar terms by 2015. Prior to 2000, newspapers and television captured over 90% of the domestic advertising market. But between 1998 and 1999, domestic online advertising spending grew over 400% from a niche to $11 million. From 2007 to 2008, online advertising grew 150%, and is expected to grow a further 100% in 2009 and 2010 to over $792 million. Urban India is expected to account for 68% of consumption growth from 2005 to 2025. Today, roughly 318 million (or 30%) live in urban areas (5,161, cities and towns), which accounts for 52% of GDP. According to a McKinsey study, India will overtake China as the world's most populous country by 2030, which could triple per capita income during this time.

Exhibit 1: Advertising expenditure by medium in India (in mil. of Rs)

	2004	2005	2006	2007	2008	2009E	2010E
Press	**64,471**	**73,004**	**97,633**	**144,709**	**153,750**	**175,408**	**206,701**
Newspapers	59,222	66,968	88,127	131,550	136,611	153,789	178,885
Magazines	5,249	6,036	9,506	13,159	17,139	21,619	27,816
Television	**60,658**	**72,252**	**90,626**	**104,242**	**119,521**	**132,152**	**151,229**
Radio	**2,360**	**3,300**	**3,700**	**5,260**	**5,350**	**5,767**	**6,457**
Cinema	**3,540**	**2,640**	**2,900**	**3,291**	**4,445**	**5,035**	**5,878**
Outdoor	**8,850**	**9,500**	**10,500**	**13,640**	**13,896**	**14,773**	**16,322**
Internet	**420**	**1,070**	**2,100**	**3,200**	**4,600**	**7,932**	**13,484**
Total	**145,548**	**167,802**	**216,965**	**287,501**	**318,701**	**362,686**	**427,887**

Source: World Association of Newspapers

The DOOH market, which generally excludes traditional billboards and posters, conventional transit advertisements, POP displays, B2B promotional products, broadcast and satellite radio, event sponsorship or consumer wireless media devices, is most effective within highly concentrated population centers and is readily utilized to address targeted demographics. With traditional outdoor space saturated, increasingly un-regulated, and Indian television's high advertisement rates, DOOH is being sought out as the affordable and intelligent digital alternative for reaching a massive consumer base on a pan-India level. The largest industry segment is Video Advertising Networks, which integrate targeted entertainment and informational programming with advertising narrowcast through digital video. According to PQ Media, global DOOH spending from 2004-2009 grew at a 16.2% CAGR to $6.68 billion, outperforming all other forms of advertising such as newspaper, television and radio, which fell at double-digit rates. Though the U.S. now accounts for nearly 40% of global DOOH spending, this share is expected to decline over the next several years due to contribution from Russia, India, China, Brazil, and Australia. The most active DOOH brand categories in recent years have been consumer packaged goods and electronics, followed by media and entertainment, food and beverage, and retail. Overall, 66% of DOOH advertising spending was national versus local.

Advantages of technology platform

TechMedia's content management system, developed through Peacock, has an easy web interface that enables the company to simultaneously monitor all screens online and remotely schedule, manage all content and relay critical ad hoc messages to the entire network as needed. The Schedule Creation and Delivery System allows multiple schedules to be created for a group of LCD screens (bus or group of buses) or the entire network with specific advertisements played according to the time slots purchased by the advertisers. The Live View Media Tracking System provides real time detailed analysis on all advertisements while other modules enable SMS to be generated through the SMS Gateway. Capabilities

© 2010 Emissary Capital Group, LLC. All figures in U.S. $ unless otherwise advised. 3

Initiation Report – TechMedia Advertising, Inc. (TECM - OTCBB - $2.25)

also include an emergency messaging system. Advertisements can also be scheduled on the basis of contract i.e. played at fixed times during the day or for several straight days.

- **Valuation & Financials:**

With an initial investment of $5 million, we project revenue power could exceed $100 million and $175 million over the next 3 to 5 years, respectively as per the existing revenue-sharing model, which includes paying licensing fees to DOOH media space owners such as Peacock. Gross and operating margins should improve gradually as capacity utilization and spot prices increase, and through economies of scale as the company rolls out new screens both in Tamil Nadu and other large regions such as Hyderabad. Our forecasts assume the accumulation of 10,000 new screens annually, y/y spot rate increase of 10%, and capacity utilization improving to 80% (out of roughly 800 10-second spots per day) over 5 years. These factors take July fiscal 2010 and 2011 revenue projections to $3.5 million (following a $1.36 million purchase order) and $26 million, respectively. We have modeled gross margin to come in between 70-75% over 3 years from the 30-35% range near-term. Sales and marketing and G&A should reflect approximately 11-12% of revenue. Excluding cross selling opportunities such as print advertising sales, forecasts through 2014 assume revenue and EBITDA CAGRs north of 50% to $132 million and $86 million, respectively.

Exhibit 2: Annual earnings model, Fiscals 2010 – 2019E

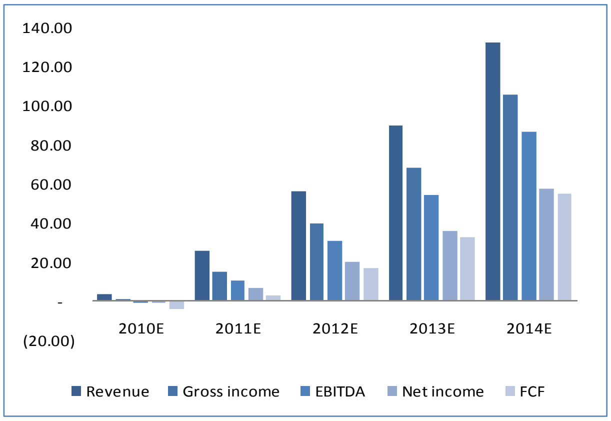
FYE July 31	1Q10A	2Q10A	**2010E**	**2011E**	**2012E**	**2013E**	**2014E**	**2015E**	**2016E**	**2017E**	**2018E**	**2019E**
# of new screens			9,000	10,000	10,000	10,000	10,000	11,000	11,000	11,000	11,000	11,000
Cumulative # of screens			10,392	20,392	30,392	40,392	50,392	61,392	72,392	83,392	94,392	105,392
*# of 10 second spots per day**			*864*	*864*	*864*	*864*	*864*	*864*	*864*	*864*	*864*	*864*
Market rate per spot			56.0	69.0	85.0	95.0	105.0	115.0	118.0	120.0	122.0	124.0
Total revenue from spots per day			48,384	119,232	220,320	328,320	453,600	596,160	713,664	829,440	948,672	964,224
Revenue per year (mil)			**17.66**	**43.52**	**80.42**	**119.84**	**165.56**	**217.60**	**260.49**	**302.75**	**346.27**	**351.94**
capacity utilization			20%	60%	70%	75%	80%	81%	82%	84%	85%	88%
Revenue	**-**	**-**	**3.53**	**26.11**	**56.29**	**89.88**	**132.45**	**176.25**	**213.60**	**254.31**	**294.33**	**309.71**
Marketing right exp. paid to PML	-	-	2.27	10.68	15.68	20.68	25.68	33.49	40.58	48.32	55.92	58.84
Cost of content	-	-	0.11	0.26	0.56	0.90	1.32	1.76	2.14	2.54	2.94	3.10
Gross profit	**-**	**-**	**1.16**	**15.17**	**40.05**	**68.30**	**105.45**	**141.00**	**170.88**	**203.45**	**235.46**	**247.77**
Sales & marketing			0.45	2.35	4.50	7.19	9.93	13.22	16.02	19.07	22.07	23.23
G&A			0.21	1.31	2.53	3.60	5.30	6.70	8.12	9.66	11.18	11.77
Directors' compensation			0.20	0.50	2.00	2.50	3.00	4.00	5.00	5.00	6.00	6.00
Allocation of cost to JV from TECM			0.35	0.40	0.42	0.44	0.46	0.53	0.64	0.76	0.88	0.93
Total direct expenses	**1.24**	**1.01**	**1.21**	**4.56**	**9.46**	**13.73**	**18.69**	**24.45**	**29.78**	**34.50**	**40.14**	**41.93**
EBITDA	**(1.24)**	**(1.01)**	**-0.05**	**10.62**	**30.59**	**54.57**	**86.75**	**116.56**	**141.10**	**168.95**	**195.32**	**205.84**
Pretax income	(1.24)	(1.01)	-0.05	10.62	30.59	54.57	86.75	116.56	141.10	168.95	195.32	205.84
Taxes -34%			-0.02	3.61	10.40	18.55	29.50	39.63	47.97	57.44	66.41	69.99
Net income	**(1.24)**	**(1.01)**	**-0.04**	**7.01**	**20.19**	**36.02**	**57.26**	**76.93**	**93.13**	**111.50**	**128.91**	**135.85**
EPS	**(0.03)**	**(0.02)**	**(0.00)**	**0.13**	**0.37**	**0.65**	**1.04**	**1.40**	**1.69**	**2.03**	**2.34**	**2.47**
Shares Outstanding	46.97	47.29	49.00	52.00	54.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00
* 12 hours/day, 12 min/hour, 6 spots/min												
Margin analysis:												
Gross margin			32.7%	58.1%	71.1%	76.0%	79.6%	80.0%	80.0%	80.0%	80.0%	80.0%
EBITDA margin			-1.5%	40.7%	54.3%	60.7%	65.5%	66.1%	66.1%	66.4%	66.4%	66.5%
Pretax margin			-1.5%	40.7%	54.3%	60.7%	65.5%	66.1%	66.1%	66.4%	66.4%	66.5%
Net margin			-1.0%	26.8%	35.9%	40.1%	43.2%	43.6%	43.6%	43.8%	43.8%	43.9%
Sales & marketing, % of sales			12.7%	9.0%	8.0%	8.0%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
G&A, % of sales			5.9%	5.0%	4.5%	4.0%	4.0%	3.8%	3.8%	3.8%	3.8%	3.8%
Marketing right exp. Paid to PML			64.3%	40.9%	27.9%	23.0%	19.4%	19.0%	19.0%	19.0%	19.0%	19.0%
Allocation of cost to JV from TECM			9.9%	1.5%	0.7%	0.5%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Cost of content			3.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Y/Y Growth:												
Revenue				639.3%	115.6%	59.7%	47.4%	33.1%	21.2%	19.1%	15.7%	5.2%
Gross profit				1212.3%	164.0%	70.5%	54.4%	33.7%	21.2%	19.1%	15.7%	5.2%
EBITDA				nm	188.2%	78.4%	59.0%	34.4%	21.1%	19.7%	15.6%	5.4%
Pretax income				nm	188.2%	78.4%	59.0%	34.4%	21.1%	19.7%	15.6%	5.4%
Net income				nm	188.2%	78.4%	59.0%	34.4%	21.1%	19.7%	15.6%	5.4%

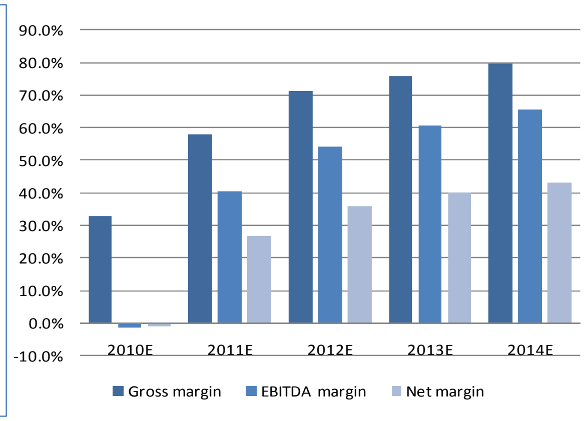
Source: ECG estimates, SEC filings

Initiation Report – TechMedia Advertising, Inc. (TECM - OTCBB - $2.25)

To support a meaningfully higher revenue ramp over the next 3 years, the JV will seek to shore up its balance sheet through multiple financings primarily for investment into new screen installations and working capital to expand the business. Share count estimates as a result, increase from the current 47 million to 52 million in 2011 and 55 million by 2013, yielding EPS of $0.13, $0.37, and $0.65 in 2011, 2012, and 2013, respectively.

Exhibit 3: Projections & margins, 2010–2014E





Source: ECG estimates, SEC filings, Bloomberg

Valuing TECM shares on the bases of a 5-year DCF, P/E to 3-year growth PEG, and comparable analysis, we arrive at fair value of $4 per share.

10-year DCF - Deducting costs related to the JV and content, operating expenses, taxes, net investment ($25 million over 10 years) and working capital requirements, we arrive at a cash burn projection of over $4 million in fiscal 2010, with free cash flow ramping from $3 million to $85 million in between 2011 and 2014 - between 2015 and 2019 free cash flow increases from $75 million to $134 million. Discounting the 10-year cash flows by 20%, which adequately captures adoption and regulatory risk, we arrive at an average net present value of $4.00-$4.25 per share (Exhibit 3). This is a level that suggests P/E expansion to 25-30x, which is the average comp range (Exhibit 4) for small to large cap media companies.

Exhibit 4: DCF Analysis

			2010E	2011E	2012E	2013E	2014E	2015E	2016E	2017E	2018E	2019E		
5-year DCF	**Net income**		**-0.04**	**7.01**	**20.19**	**36.02**	**57.26**	**76.93**	**93.13**	**111.50**	**128.91**	**135.85**		
	D&A		0.02	0.04	0.06	0.08	0.10	0.12	0.14	0.16	0.18	0.20		
	Capex		4.00	4.00	3.50	3.00	2.50	2.00	2.00	2.00	2.00	2.00		
	FCF		**(4.02)**	**3.05**	**16.75**	**33.10**	**54.86**	**75.05**	**91.27**	**109.66**	**127.09**	**134.05**	**201.08**	**T-valu**
Discount rate	20.0%		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	
Long-term growth rate	4.0%	Year	1	2	3	4	5	6	7	8	9	10	10	
Present value DCF	201.34	DCF	(3.35)	2.12	9.69	15.96	22.05	25.13	25.47	25.50	24.63	21.65	32.48	
Cash	1.00													
Shares outstanding	49.00													
Fair Value/share	4.13													
Target market capitalization	202.34													
FCF yield- 2011	1.51%													

Source: ECG estimates

All figures in U.S. $ unless otherwise advised. 5

Initiation Report – TechMedia Advertising, Inc. (TECM - OTCBB - $2.25)

Exhibit 5: Comp table – small to mid-cap media companies

				LTM							LTM											Margins			
Company Name	**Industry Classifications**	**Market cap**	**TEV**	**Revenue**	**Gross profit**	**EBITDA**	**EBIT**	**Net income**	**Assets**	**Debt**	**TEV/Rev**	**TEV/EBITDA**	**TEV.EBIT**	**P/E**	**P/B**	**P/Rev**	**P/E**	**TEV/FCF**	**ROA**	**ROI**	**ROE**	**Gross**	**EBITDA**	**EBIT**	**Net**
Alloy Inc. (NasdaqGM:ALOY)	**Print Advertising**; **Broadcast Advertising**; **Marketing Services**	106.1	76.1	201.8	116.6	8.8	1.7	7.5	160.7	0.0	0.4x	8.7x	46.2x	13.7x	0.9x	0.5x	97.4x	9.6x	0.65	0.94	6.79	57.8	4.38	0.83	3.73
Arbitron Inc. (NYSE:ARB)	**Marketing Services**	708.8	768.6	385.0	188.7	87.5	64.1	42.2	203.8	68.0	2.0x	8.1x	10.7x	16.8x	23.1x	1.8x	16.1x	56.9x	19.9	47.4	524.4	49.0	22.7	16.7	11.0
Atrinsic, Inc. (NasdaqGM:ATRN)	**Broadcast Advertising**	17.1	(0.5)	78.3	18.1	(7.0)	(12.9)	(122.1)	78.8	1.9	0.0x	NM	NM	NM	0.4x	0.2x	NM	0.3x	(5.85)	(7.46)	(114.0)	23.1	(8.95)	(16.5)	(155.9)
Bark Group Inc (OTCBB:BKPG)	**Marketing Services**	56.2	65.4	4.4	0.8	(2.3)	(2.4)	(2.8)	9.3	6.9	17.0x	NM	NM	NM	NM	14.9x	NM	98.0x	(14.7)	(21.8)	NM	18.4	(51.4)	(54.0)	(64.6)
Belo Corp. (NYSE:BLC)	**Web Broadcasts And Cybercasts**	878.1	1,901.5	590.3	202.0	169.1	127.5	(109.1)	1,584.5	1,028.2	3.2x	11.2x	14.9x	NM	9.6x	1.5x	18.7x	19.8x	4.64	6.7	(84.3)	34.2	28.7	21.6	(18.5)
CBS Corporation (NYSE:CBS)	**Web Broadcasts And Cybercasts**	9,438.0	15,718.2	13,014.6	4,314.9	1,826.5	1,244.2	226.5	26,962.0	6,996.9	1.2x	8.9x	13.1x	42.7x	1.1x	0.7x	22.7x	31.4x	2.88	4.92	2.57	33.2	14.0	9.56	1.74
China Mass Media Corp. (NYSE:CMM)	**Broadcast Advertising**; **Marketing Services**	68.1	(18.2)	62.2	22.7	15.4	15.0	14.1	104.1	0.0	NM	NM	NM	4.9x	1.0x	1.1x	6.7x	0.2x	6.66	14.6	22.0	36.4	24.8	24.0	22.6
China MediaExpress Holdings, Inc. (AMEX:CCME)	**Broadcast Advertising**	324.6	267.5	95.9	63.0	59.8	56.6	41.7	83.0	0.0	2.8x	4.6x	4.8x	7.7x	6.9x	3.4x	9.1x	5.5x	53.6	85.6	100.8	65.7	62.3	59.0	43.5
China New Media Corp. (OTCBB:CMDI)	**Print Advertising**	68.8	70.9	11.3	6.7	5.5	4.8	3.2	14.8	4.7	6.5x	13.4x	15.5x	16.2x	7.3x	6.3x	18.0x	-	-	-	-	59.3	48.4	42.0	28.5
ChinaNet Online Holdings, Inc. (AMEX:CNET)	**Broadcast Advertising**	71.2	57.5	35.5	14.5	7.3	7.2	4.0	8.8	1.4	1.8x	8.6x	8.8x	NM	7.2x	2.2x	0.7x	-	-	-	-	40.7	20.7	20.2	11.2
Clear Channel Outdoor Holdings Inc. (NYSE:CCO)	**Print Advertising**	3,773.5	5,948.0	2,698.0	1,111.6	579.0	139.4	(868.2)	7,192.4	2,608.9	2.2x	10.9x	55.1x	NM	1.5x	1.4x	NM	7.5x	1.14	1.51	(29.4)	41.2	21.5	5.17	(32.2)
Envoy Capital Group, Inc. (TSX:ECG)	**Marketing Services**	7.7	(8.0)	9.6	(0.8)	(4.0)	(4.5)	(12.8)	22.0	0.0	NM	1.9x	1.7x	NM	0.5x	0.8x	NM	NM	(10.4)	(12.0)	(55.3)	(8.3)	(41.9)	(46.9)	(133.2)
Focus Media Holding Ltd. (NasdaqGS:FMCN)	**Print Advertising**; **Broadcast Advertising**	2,664.9	2,069.3	505.0	214.8	43.3	(19.5)	(208.8)	1,393.4	0.0	3.8x	44.8x	NM	NM	2.0x	5.0x	NM	5.6x	(0.83)	(1.02)	(13.6)	42.5	8.57	(3.86)	(41.3)
Harris Interactive Inc. (NasdaqGS:HPOL)	**Marketing Services**	65.8	69.7	167.0	61.8	2.9	(4.2)	(6.7)	84.5	22.5	0.4x	24.0x	NM	NM	3.2x	0.4x	NM	32.5x	(2.89)	(5.96)	(30.8)	37.0	1.71	(2.54)	(4.04)
Harte-Hanks Inc. (NYSE:HHS)	**Marketing Services**	817.6	970.7	860.1	181.8	119.4	89.4	47.7	908.2	239.7	1.1x	8.2x	11.0x	17.4x	2.1x	1.0x	16.8x	10.6x	6.13	8.78	12.6	21.1	13.9	10.4	5.55
interCLICK, Inc. (NasdaqCM:ICLK)	**Broadcast Advertising**	90.6	83.7	41.9	19.4	0.8	0.3	(1.5)	19.0	3.6	1.9x	96.8x	281.9x	NM	6.2x	2.1x	NM	NM	0.81	1.25	1.77	46.3	2.01	0.69	(3.58)
Interpublic Group of Companies, Inc. (NYSE:IPG)	**Broadcast Advertising**; **Marketing Services**	4,042.4	4,324.3	6,027.6	2,231.9	681.3	511.4	121.3	12,263.1	1,946.6	0.7x	6.5x	8.6x	45.5x	2.1x	0.7x	16.4x	7.8x	2.62	6.79	5.16	37.0	11.3	8.48	2.01
Lamar Advertising Co. (NasdaqGS:LAMR)	**Print Advertising**	3,159.2	5,721.8	1,056.1	658.3	448.4	92.2	(58.0)	3,943.5	2,674.9	5.4x	12.8x	62.2x	NM	3.8x	3.0x	NM	14.9x	1.43	1.6	(6.82)	62.3	42.5	8.73	(5.5)
Legend Media, Inc. (OTCBB:LEGE)	**Print Advertising**; **Broadcast Advertising**	38.4	38.5	9.9	5.7	(2.1)	(3.5)	(5.9)	11.1	0.4	2.5x	NM	NM	NM	5.7x	2.5x	NM	NM	(17.6)	(33.7)	(96.9)	57.7	(20.6)	(35.3)	(59.8)
MDC Partners Inc. (TSX:MDZ.A)	**Marketing Services**	291.2	500.7	545.9	191.6	54.7	20.2	(18.3)	604.5	217.9	0.9x	9.3x	25.2x	NM	3.2x	0.6x	NM	6.1x	2.23	3.74	(16.0)	35.1	10.0	3.71	(3.36)
New Frontier Media Inc. (NasdaqGS:NOOF)	**Web Broadcasts And Cybercasts**	38.9	27.2	49.0	31.5	14.2	7.6	4.5	68.5	4.0	0.5x	1.9x	3.5x	8.4x	0.7x	0.8x	8.3x	3.7x	6.82	8.08	8.21	64.2	28.9	15.5	9.24
Omnicom Group Inc. (NYSE:OMC)	**Print Advertising**; **Broadcast Advertising**; **Marketing Services**	12,048.5	13,227.5	11,720.7	3,744.9	1,668.7	1,425.9	793.0	17,920.7	2,301.1	1.2x	8.0x	9.3x	15.8x	2.9x	1.1x	14.6x	8.7x	5.06	12.9	20.6	32.0	14.2	12.2	6.77
Raphael Industries Ltd (OTCBB:RPHA)	**Marketing Services**	19.2	19.0	0.0	0.0	(0.1)	(0.1)	(0.0)	0.2	0.0	NM	NM	NM	NM	108.3x	NM	NM	NM	(17.3)	(22.8)	(24.4)	115.3	-	-	-
Spanish Broadcasting System Inc. (NasdaqGM:SBSA)	**Web Broadcasts And Cybercasts**	51.3	439.3	139.4	48.0	38.3	32.0	(13.8)	-	341.4	3.2x	11.5x	13.7x	NM	NM	0.4x	8.8x	11.7x	-	5.15	(27.5)	34.4	27.5	23.0	(9.89)
Spar Group Inc. (NasdaqCM:SGRP)	**Marketing Services**	16.5	19.6	59.3	18.3	1.4	0.7	0.7	20.6	5.8	0.3x	13.7x	28.4x	25.2x	4.6x	0.3x	140.6x	44.4x	2.1	4.95	21.6	30.9	2.4	1.16	1.12
VisionChina Media Inc. (NasdaqGM:VISN)	**Broadcast Advertising**	336.0	309.1	120.7	59.6	31.4	28.1	26.6	388.9	41.5	2.6x	10.2x	11.5x	12.9x	1.2x	2.8x	19.0x	-	5.14	6.26	10.3	49.4	26.0	23.3	22.0
WPP plc (LSE:WPP)	**Print Advertising**; **Broadcast Advertising**; **Marketing Services**	12,999.8	17,281.8	14,028.4	12,891.9	1,883.0	1,239.5	707.1	36,106.1	6,957.6	1.2x	8.8x	13.0x	18.1x	1.3x	0.9x	19.9x	18.4x	2.05	4.36	7.51	91.9	13.4	8.84	5.04
Xinhua Sports & Entertainment Limited (NasdaqGM:XSEL)	**Print Advertising**; **Broadcast Advertising**; **Marketing Services**	49.6	176.9	149.2	44.5	12.0	(15.2)	(267.3)	508.3	70.7	1.2x	15.0x	NM	NM	0.2x	0.3x	NM	NM	(1.39)	(2.11)	(70.3)	29.8	8.03	(10.2)	(179.2)
Zurvita Holdings, Inc. (OTCBB:ZRVT)	**Broadcast Advertising**; **Marketing Services**	22.2	26.7	5.2	1.8	(5.2)	(5.3)	(9.4)	3.6	1.1	3.4x	NM	NM	NM	NM	2.9x	NM	-	-	-	-	34.3	(100.2)	(101.0)	(181.1)

Source: Capital IQ, SEC filings, Yahoo Finance

Investment risks:

There exist off-the-shelf technologies that would allow competitors to enter the market and offer services similar in nature to those that TechMedia offers. However, these technologies may lack the flexibility and would limit competitors' ability to offer customized solutions. Additionally, technologies purchased off the shelf disable potential competitors to stream digital content over a large area forcing them to settle for a small cluster of LCD panels in fixed locations, which do not offer the same reach to consumers and thus are less attractive to large media houses. TechMedia remains mindful that a potential competitor can develop a similar solution to make up for any shortcomings from existing software available in the market. TechMedia

In committing to maintaining its lead as the first mover in the DOOH mobile market, TechMedia will have to prove out the concept and organically expand its network of LCD panels throughout India over the next several years. The company will need to continue to establish strong ties with reliable suppliers of LCD panels as well as the ability to maintain these LCD panels on a national level with the shortest possible maintenance downtime.

Additionally, to meet our five-year projections, we estimate the company will need to raise in excess of $20 million over this period through the markets, which would result in further dilution for current shareholders.

Key Executives:

Johnny Lian, Chairman & CEO. Chairman of JAS Singapore Group of Companies since 1992 with business interests in medical and hospitality services, finance and investments, logistics, human resources and professional development, green technologies and information technology. Director of Afinity Gold Resources, Inc., a reporting issuer on the OTCBB. Degree in Business Administration from Thames Valley University in the U.K.

William Goh Han Tiang, Treasurer. Former financial executive with Sakura Bank, Chase Manhattan, United Overseas Bank and Development Bank of Singapore with extensive experience in credit, corporate banking, consulting and facilitating banking transactions for clients throughout Asia. Business degree from the National University of Singapore.

Ratner Vellu, Director. Proprietor of Ratner Associates (Advocates & Solicitors and Commissioner for Oaths) in Singapore. Expert in corporate advisory services, particularly with respect to cross-border expansion in India. Graduate from the University of London and obtained Barrister-At-Law of Gray's Inn in 1995. Appointed Commissioner of Oaths in 2008.

EMISSARY CAPITAL

Initiation Report – TechMedia Advertising, Inc. (TECM - OTCBB - $2.25)

CONTACT:

Albert Lee
Managing Director and Head of Research
Emissary Capital Group, LLC
420 Lexington Avenue, Suite 300
New York, NY 10170
(212) 297-6219
alee@emissarycapital.com
http://www.emissarycapital.com

Disclosures

Disclosure of Interest

Emissary Capital Group or its affiliates may from time to time may receive compensation from companies mentioned in this report for financial and advisory services. In addition, Emissary Capital Group officers or affiliates may from time to time hold positions in companies mentioned in this report.

General Disclosures

Distributing Entity: This report has been prepared and distributed by Emissary Capital Group, LLC. This report is for clients only. This report is based on sources that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. All information contained herein is subject to change without notice. This report is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any information in this report is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. Statements included in this report may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve a number of risks and uncertainties such as competitive factors, technological development, market demand and the company's ability to obtain new contracts and accurately estimate net revenues due to variability in size, scope and duration of projects, and internal issues.

Emissary Capital Group, LLC (“Emissary”) is a New York City-based company that provides strategic consulting and research services to public emerging growth companies. The firm also provides a diversified array of services to small and medium sized private companies, generally defined as those with annual revenues under $200 million, in order to assist them to become publicly traded companies in the U.S. TechMedia, Inc. (“TecMedia”)) is a client of Emissary. Emissary as well as the principals, officers and directors of Emissary may own shares of common stock of TechMedia, including the author of this report. GreenHouse has agreed to pay Emissary for the preparation of this report. This report is prepared for informational purposes only and has been paid for by TechMedia.

Our professionals may provide oral or written market commentary that reflects opinions that are contrary to the opinions expressed in this report. We and our affiliates, officers, directors, and employees will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives (including options and warrants) thereof of the company referred to in this report. The price and value of the investment referred to in this report may fluctuate. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. Our report is disseminated primarily electronically, and, in some cases, in printed form. Electronic report is simultaneously available to all clients in any form. The information contained in this report is not incorporated into the contents of our website and should be read independently thereof. Copyright 2010 Emissary Capital Group, LLC. No part of this material may be (i) copied, photocopied or duplicated in any for by any means or (ii) redistributed without the prior written consent of Emissary Capital Group LLC.