EQUITY FLASH

IDEIASNET (IDNT3)

OUTPERFORM

Price – R$ 6.30
Target Price – R$ 13.27
Upside – 110.6%

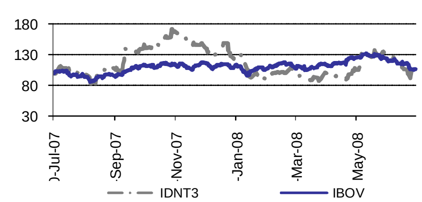
Highlights of our non-deal road show with the company

July 10 2008

Closing Price	6.30
52 week High	10.03
52 week Low	4.17
Average Daily Volume - 21 d (R$ thousands)	5,487
Number of shares (thousand)	103,066
Market Cap (R$ million)	649
Free-Float	84%
Payout Ratio	0%

R$ million	2007	2008e	2009e
Net Revenues	772	938	1,158
EBITDA	21	34	57
EBITDA Margin	*2.8%*	*3.6%*	*4.9%*
Net income	10	16	29
EV / EBITDA (x)	33.6	21.1	12.7
Price / Earnings (x)	66.9	40.3	22.1
Net Debt / EBITDA (x)	3.9	1.7	0.7

IDNT3 x IBOV (12 months)



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FACT: We have taken part of road show with president of Ideiasnet Luis Alberto Reátegui and Investors Relations Director, Rodin Spielmann. Below are evidenced comments on key aspects discussed.

OFFICER

2Q08 Results:

Officer's first quarter results were impacted by operation Persona of Brazilian Federal Police and Receita Federal (Brazilian IRS) to cut down frauds in imports. A non-recurring event related to one company also impacted sector and caused shortage of products in the market for distribution.

In view of this more tight control on imports, several distributors (especially irregular ones) started selling their inventories for any price, event that impaired sector's profitability and impacted negatively Officer's margins.

There were around 80 distributors in this market before operation Persona. Currently, there are 50 distributors, and this number is expected to be reduced to 30 still along this year.

However, we already expect Officer's EBITDA margin to show improvement in 2Q08, with possibility of reaching values above quarters prior to Persona Operation, possible higher than 3%.

Long-Term Prospects:

During road show it was emphasized that prospects for PC market continue positive, not only due to elevation in population disposable income and better credit situation, but also due to ongoing reduction in grey market. For 2008 expectations indicate that grey market penetration should decline to 35%, versus 46% in 2007.

In long term horizon, company believes that Officer's EBITDA margin should reach level near 3%/4%.

As prospective positive factor for Officer's margin (despite negative effect over working capital), company raised possibility of paying suppliers more rapidly and obtain greater sales discounts and extend credit to clients, as a means to encourage sales. Currently, average turnover period is 20 days, and average reception of 38 days and average payment within 60 days.

In regard to impact of ongoing reduction in prices of hardware over Officer's sales, company highlighted that such reduction has been occurring to a great extent due to digital inclusion (individual). Moreover, impact of an eventual more significant reduction in PC prices to small and mid-sized companies is likely to be divided along the chain and will very likely be compensated by increased sales.

PADTEC

2Q08 Results:

In 1Q08, Padtec's results were impacted by inception of another client and delay in receiving sales of Brasil Telecom and Oi, due to merger operation involving both companies.

For 2Q08, company pointed out that most of delivery is already normalized, event that is expected to lead to recovery in margins.

Telefonica:

Major clients of Padtec are telecom operators Embratel, Oi and Brasil Telecom.

Regarding Telefonica, company is expected to promote still along this year, new bidding to choose four infrastructure suppliers for next four years. There are great chances of Padtec being part of Telefonica's short list. In 2007, this telecom incumbent invested USD 600mm to acquire WDM technology world-wide. In 2008, Telefônica is expected to invest USD 1 bn in WDM.

Long-Term Prospects:

Other growth drivers mentioned were:

(i) Onset of new technologies, new products and constant need of investment in network of operators; and

(ii) International expansion. Company emphasized that has already opened offices in Mexico, Colombia and Argentina, to supply Telmex, in particular, and opened a short while ago one office in South Africa.

Competitive Edge:

Among competitive advantages of Padtec compared to large suppliers of infrastructure was mentioned interoperability, in which WDM offered by Padtec can be installed in any system.

iMUSICA

Ideiasnet believes that iMusica will start showing results in 2009. Dissemination of 3G technology and introduction of number portability, expected for second year-half 2009 are likely to boost company's results. In terms of latter aspect, company understands that iMusica content might be used by operators as part of strategy to aggregate value to services, as a means to attract new clients but, primarily to keep its actual base.

NETMOVIES

Ideiasnet highlighted that has recently begun marketing campaigns for Netmovies.

Company is expected to attract 35,000 subscribers until this year-end.

Moreover, company pointed out that will launch video on-demand service in second year-half of 2008. Given technological limitations in Brazil as well fact that it implies adopting a new habit and culture of consumption, Ideiasnet does not believe in high adhesion to these services, at least initially.

CAPITAL INCREASE

Company signaled that recent capital increase in value of R$ 100.5mm should be destined primarily to acquisition of new complementary companies to portfolio of Ideiasnet and investments in marketing of some companies of Ideiasventures.

SHAREHOLDING OPERATIONS

Of companies that comprise portfolio of Ideiasnet, Officer and Padtec are most likely to divestment through IPO. Company emphasized, however, that such movement will depend on market conditions, and it is very difficult to foresee timing of this operation.

OUR OPINION: We believe that in short-term horizon there are some relevant triggers for Ideiasnet's shares, among which we point out possibility of Padtec being included in Telefonica's short list, besides possibility of acquisition of complementary companies to Ideiasnet's portfolio, using resources from recent capital increase.

On top of that, in long term we see positive prospects for Ideiasnet's result, stemming especially from (i) maintenance of high growth in Officer's and Softcorp's revenue, backed by prospect of positive performance of PC market; (ii) elevated growth rates of Padtec resulting of new technologies and tendency to offer converging services; (iii) prospects of elevation in consolidated EBITDA margin, due to possibility of expansion in Officer's, Softcorp's and Spring Wireless' profitability and (iv) maturity in next years of several companies of IdeiasVentures, which might contribute with more robust numbers, or even serve as platform for shareholding operations, such as spin offs or sale to investors, as private equity funds.

We reiterate our OUTPERFORM recommendation for Ideiasnet's shares, with target price of R$ 13.27 per share, representing 110.6% upside over closing price on July 08 2008.

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Outperform	Stock's Return expected to outperform in 5% Ibovespa's projected return.
Marketperform	Stock's Expected Return is between -5% and +5% of Ibovespa's projected return
Underperform	Stock's Return expected to underperform in more than 5% Ibovespa's projected return

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