

Apple To Launch iPhone with O2 in UK

■ Apple Launches iPhone in UK with O2

Apple (AAPL, \$138.41, NR) and O2 (TEE.DE, NR) announced this morning that O2 in the UK will exclusively launch the iPhone. The iPhone will be available beginning November 9, 2007 in Apple stores, on Apple's web site, and in O2 sales channels (including Carphone). O2, Telefonica O2's UK mobile unit, has about 17.8 million customers.

■ Activation via iTunes

Like the US launch, the iPhone will be activated via Apple's iTunes software. Additionally, UK iPhone users are able to access Apple's newly launched iTunes WiFi Music Store.

■ Pricing & Availability

The iPhone will be available in an 8GB model for 269 pounds (includes VAT). There will be three new value iPhone tariffs available from O2 starting at 35 pounds with unlimited data usage.

■ SNCR Well-Positioned to be Partner in Activation; CFO to Speak at Investor Conference Wednesday

Synchronoss was not mentioned in the release, but we believe the company is well-positioned to be the partner in activation, since it has already built an iTunes interface and the company has been working for some time to prepare for European deployments. Synchronoss' CFO will present at an investor conference on Wednesday. We expect an upbeat presentation, on iPhone and multiple other prospects.

■ Risks and Valuation

Reiterate our Buy rating. We believe the fundamentals are solid, as SNCR benefits from convergence, next generation services deployment, and the game-changing activation process the company enables. Our price target of \$40 is 29x our 2009 non-GAAP EPS estimate of \$1.40. This target implies a P/E-to-growth ratio of just 0.8x. Risks include customer concentration (AT&T (T, \$40.00, NR) is a significant customer), volatility around iPhone speculation and results, dependence on the early-stage VoIP market, and the potential for further consolidation among SNCR's customer base.

Contact

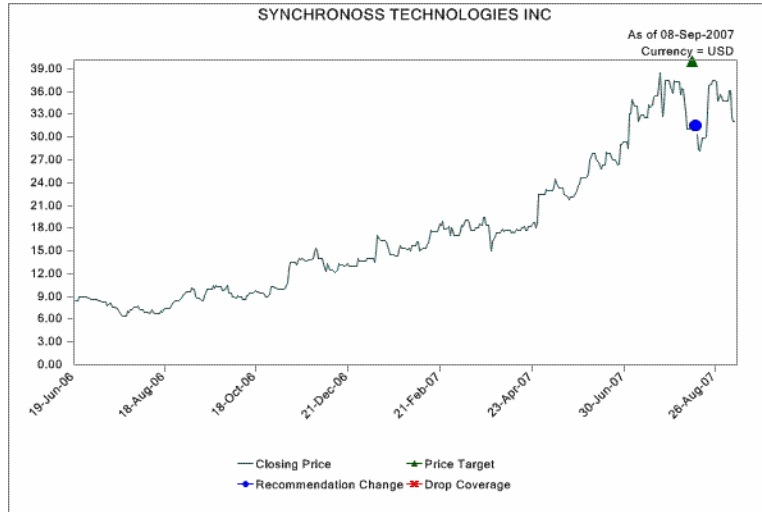
Rich Church

(212) 389-8051
rchurch@collinsstewartLLC.com

Gina Chen

(212) 389-8079
gchen@collinsstewartLLC.com

Disclaimers regarding the content of this report as well as full disclosure of Collins Stewart LLC's ratings and information on the firm's position(s) in securities mentioned herein appear on the final page of this report.



SYNCHRONOSS TECHNOLOGIES INC

Currency = USD

Date	Closing Price	Recommendation Change	Date	Closing Price	Price Target
13-Aug-2007	31.49	BUY	13-Aug-2007	31.49	40.00
13-Aug-2007	31.49	BUY/BUY			

Collins Stewart LLC Ratings

Collins Stewart LLC assigns research equity ratings of Buy, Market Perform or Under Perform for Buys, we will publish a 12-month price target for any stock with an estimated appreciation potential of 20% or more. For Under Performs, we also publish a 12-month price target for any stock with an estimated underperformance potential of 20% or more.

- Buy: 12 months, estimated 20% or more appreciation
- Market Perform: Performance in line with the market averages anticipated.
- Under Perform: 12 months, estimated underperformance of 20% or more

Disclaimers

This report is for informational purposes only, and the information herein is obtained from sources that we believe to be reliable, but its accuracy and completeness, and that of the opinions based thereon, are not guaranteed. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Further, this report is not intended as an offer or solicitation to buy or sell any securities or related instruments. The investments discussed or recommended in this report may not be suitable for the specific investment objectives, financial situation or needs of the reader, and should not be relied upon without consultation with an investment professional. Opinions expressed in this report are subject to change without notice. Collins Stewart LLC accepts no liability whatsoever for any loss or damage of any kind arising out of the use of any part, or all, of this report. This report is for distribution only under such circumstances as may be permitted by applicable law, and may not be reproduced or distributed in any form without the specific consent of Collins Stewart LLC. Redistribution of this, via the Internet or otherwise, report without permission is specifically prohibited, and Collins Stewart LLC accepts no liability for the actions of third parties in this regard.

From time to time, Collins Stewart LLC or its employees may have a long or short position in the securities of company (ies) discussed herein and, at any time, may make purchases and/or sales as principal or agent.

	% of CSTI Universe with this rating	% of rating tier for which CSTI provided IB services
Buy	63%	89%
Market Perform	35%	11%
Under Perform	2%	0%

The research analyst who is primarily responsible for the research contained in this research report and whose name is listed first on this report: (1) attests that all of the views expressed in this research report accurately reflect that research analyst's personal views about any and all of the securities and issuers that are the subject of this research report; and (2) attests that no part of that research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the research analyst in this research report.

All Collins Stewart LLC ("CSTI") employees, including research associates, receive compensation that is based in part upon the overall performance of the firm, including revenues generated by CSTI's investment banking department.

Footnotes for CSTI, a member of SIPC and NASD

- 1 - The research analyst or a member of his/her household has a financial interest in the securities of this company.
- 2 - The research analyst or a member of his/her household is an officer, director or advisory board member of this company.
- 3 - The research analyst or a member of his/her household received compensation in the past 12 months from this company.
- 4 - CSTI officers, other than research associates, serve as officers, directors or advisory board members of this company.
- 5 - CSTI makes a market in this company's securities. CSTI, in its market making capacity, sells to or buys from customers the securities of this company on a principal basis.
- 6 - CSTI has managed or co-managed a public offering and/or private placement of securities for this company in the past 12 months.
- 7 - CSTI has received compensation for investment banking services from this company in the past 12 months.
- 8 - CSTI expects to receive, or intends to seek, compensation for investment banking services from this company in the next three months.
- 9 - This company is, or during the past 12 months prior to distribution was, a client of CSTI.
- 10 - CSTI received compensation for products or services other than Investment Banking services from this company in the past 12 months.
- 11 - CSTI beneficially owns 1% or more of an equity security of this company.