ONBIOVC

TREND ANALYSIS

2009 Bioscience VC, M&A and IPO Overview

Key Findings:

- ✓ 352 bioscience venture funded financings raised $6.3 billion
- ✓ The bioscience public markets thawed, welcoming five new issues
- ✓ 25 biopharma M&A transx >$100M accounted for $221.5 billion

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www.onbiovc.com

Indicium Data
1630A 30th Street
Suite 370
Boulder, CO 80301
USA

t: +1 303 902 4413
e: info@onbiovc.com
twitter @OnBioVC

About OnBioVC

ONBIOVC

The 2009 OnBioVC Trend Analysis provides timely coverage and comprehensive analysis of global bioscience private and public capital investment and M&A activity.

This report parses out transactional activity via the tracking of private bioscience companies (including therapeutic, diagnostic, medical device, medical-IT and biofuel) and details bioscience venture investments over time and compares to prior period trends. OnBioVC, an Indicium Data Company, publishes reports quarterly, this report includes data for year-over-year and year-to-date periods. The venture deal data contained is sorted by aggregate dollars raised via round, region, state and sector, and contains additional information on the indications and technologies receiving investment along with detail on the company who has closed their financing round within the identified time period; this data is followed by an analysis of bioscience public offerings and biopharma M&A deals.

At OnBioVC.com provides a free and easy to search database where information queries may be indexed by therapeutic, diagnostic, device, medical-IT and biofuel company, technology, indication, financing-round, close date and geographic region — as well as details of the venture capital funds who are financing the deals. All data aggregated at OnBioVC.com is also available for delivery to your inbox via a free email or RSS subscription.

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For more information contact:

Michael Schwander

(303) 414-6122

Mike.Schwander@Lockton.com

http://Lockton.com

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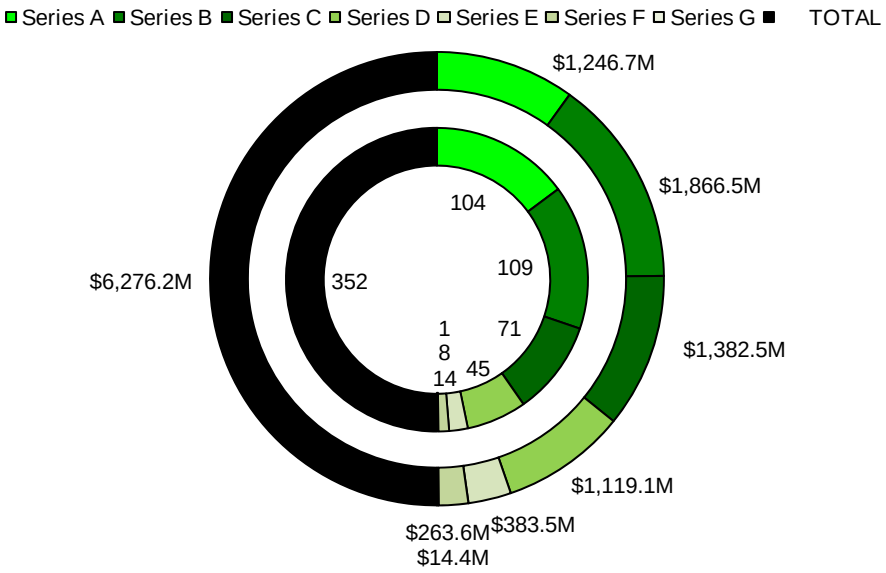
EXECUTIVE SUMMARY



2009 Summary Overview

The 2009 OnBioVC Trend Analysis tracked, in aggregate, 352 biopharma, diagnostic, device, medical-IT and biofuel venture financings totaling $6,276.2M. Compared to 2008 OnBioVC data — this investment activity represents an increase in the number of year-over-year financings by 18 (352 v. 334) and an increase in year-over-year invested capital of $175.5M ($6,276.2M v. $6,100.7M).

In an effort to determine if 2009 was an “up” or “down” year in terms of total bioscience capital invested, a quick back of the envelope analysis of the last ten years (2000 to 2009) of investment activity (*calculations thanks to data resources at PriceWaterhouse-Coopers, MoneyTree™ Report: Thompson Reuters and the National Venture Capital Association*) yields an annual bioscience investment average of $6,589M, a median of $6,171M and a geometric mean of $6,479M. [*How accurate is OnBioVC data relative to peers data resources? A 2009 variance analysis between OnBioVC data and the three mentioned sources yields a 2009 delta of ~3.1% or $194M ($6,276M v. $6,082M); OnBioVC inclusion of biofuels deals likely accounts for the attribution overage*].

Considering the challenging economic environment in 2009, the data indicates 2009 as a year where bioscience investment activity that was less than 5% shy of the average annual investments made throughout the previous decade.

COMPAY FOCI	# of Deals	% Total
Oncology	33	9.4%
Device (Diagnostic)	29	8.2%
Device (Cardiovascular)	19	5.4%
Antiinfective	12	3.4%
Cardiovascluar	10	2.8%
Antibody	9	2.6%
Inflammation	9	2.6%
Vaccine	9	2.6%
Device (Spine)	8	2.3%
Ophthalmology	8	2.3%
Telemedicine	9	2.6%
Antiviral	6	1.7%
Bioinformatics	6	1.7%
Biofuel	5	1.4%
CNS	5	1.4%
Device (Delivery)	7	2.0%
Device (Imaging)	5	1.4%
Pain	5	1.4%
Autoimmune	4	1.1%
Dermatology	4	1.1%
Device (Catheter)	4	1.1%
Device (Neuro)	4	1.1%
Device (Obesity)	4	1.1%
Device (Sleep Apnea)	4	1.1%
Imaging	4	1.1%
Stem Cell	4	1.1%
Alzheimer's	3	0.9%
Device (Ophthalmology)	3	0.9%
Device (Orthopedic)	3	0.9%
Device (Stent)	3	0.9%
Immunology	3	0.9%
Metabolism	3	0.9%
Renal	3	0.9%
Therapeutic Platform	3	0.9%
BioAg	2	0.6%
Biologics Mfg.	2	0.6%
Biomaterials	2	0.6%
Device (Breathing)	2	0.6%
Device (GI)	2	0.6%
Device (Sequencing)	2	0.6%
Device (Temp Mgmt)	2	0.6%
Diabetes	2	0.6%
Drug:Device Combo	3	0.9%
Epigenetics	2	0.6%
Neurology	2	0.6%
Orthopedic	2	0.6%
Sequencing	2	0.6%
Women's Health	2	0.6%
Other	73	20.7%
TOTAL	**352**	**100%**

Nearly one-in-ten of all venture deals closed in 2009 were in the oncology space representing a diverse therapeutic approach; from small molecules targeting the inhibition of receptor tyrosine kinase to HDAC to metallo-enzymes to PI3K and mTOR, as well as a variety of mAb's and therapeutic vaccines.

A near equivalent of activity is observed in the diagnostic space where 29 entities accounted for $245.4M raised, the largest deal coming from Emeryville, CA-based Tethys Biosciences who closed a $25M Series D led by CAPITAL AG and Wasatch Advisors and all current investors, including MDV-Mohr Davidow Ventures, Kleiner Perkins Caufield & Byers and Intel Capital. The Company is allocating the proceeds towards expanding commercialization of their PreDx™ Diabetes Risk Score product, a blood test to help clinicians identify those patients at highest risk of developing type 2 diabetes within the next five years.

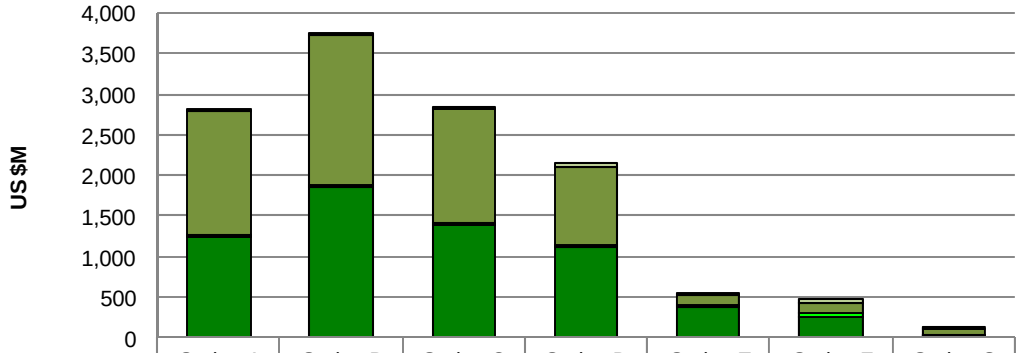
Following in a not to distant third were Cardiovascular devices where 19 deals accounted for greater than 5% of all venture dollars invested; add in an additional Cardiovascular therapeutic financings and total investment in the CV space accounted for $404.7M or 8.2% equaling the numbers of deals in the diagnostic space yet attracting nearly 2X the amount of capital ($245.4M).

An interesting trend to note is the attention being paid to Telemedicine, referred to as Medical-IT by OnBioVC, where 9 deals accounted for 2.6% of total investments and attracted $70.1M. The largest deal, a $12M Series C, going to Carlsbad, CA-based Medsphere, a provider of open source enterprise solutions for electronic healthcare records.

For 2009 financings were concentrated in mid-stage entities. Series B deals lead the way accounting for nearly $1,866M in capital raised with Series C deals running behind accounting for approximately $1,382M. The average size rounds for the B were virtually unchanged year-over-year ($17.1M v. $17.2M) while there was a modest year-over-year decline in the average size of the C round (19.5M v. $22.6M).

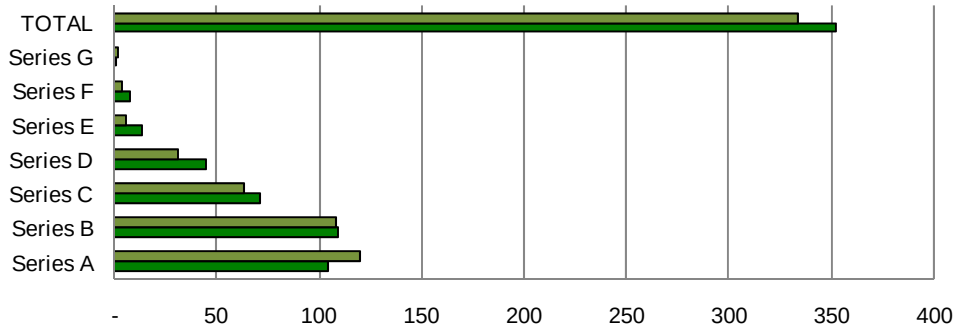
The single largest financing of the year was a Series A completed by Boulder, CO-based Clovis Oncology totaling $145M. The Company is focused on acquiring, developing and commercializing innovative anti-cancer agents, in all stages of clinical development, in the U.S., Europe and additional international markets. Participants in the deal included Domain Associates, New Enterprise Associates, Versant Ventures, Abingworth, Frazier Healthcare Ventures, ProQuest Investments and, Company Founders. The Company was founded by former executives of Pharmion Corporation, which was acquired by Celgene Corporation in 2008 for $2.9 billion. The Clovis executive team includes Patrick Mahaffy, President and Chief Executive Officer; Andrew Allen, M.D., Ph.D., Chief Medical Officer; Gillian Ivers-Read, Executive Vice President of Regulatory Affairs and Technical Operations; and Erle Mast, Chief Financial Officer. All served in the same roles at Pharmion, which was founded by Mr. Mahaffy in 2000.

Aggregate Dollars Raised per Round ($M)
2008 v. 2009



	Series A	Series B	Series C	Series D	Series E	Series F	Series G
2008 AVG ROUND	12.7	17.2	22.6	31.1	20.5	34.0	34.3
2008 TOT ROUND	1,528.9	1,852.9	1,426.6	965.1	122.7	136.0	68.5
2009 AVG ROUND	12.0	17.1	19.5	24.9	27.4	33.0	14.4
2009 TOT ROUND	1,246.7	1,866.5	1,382.5	1,119.1	383.5	263.6	14.4

Total Financings per Round 2008 v. 2009



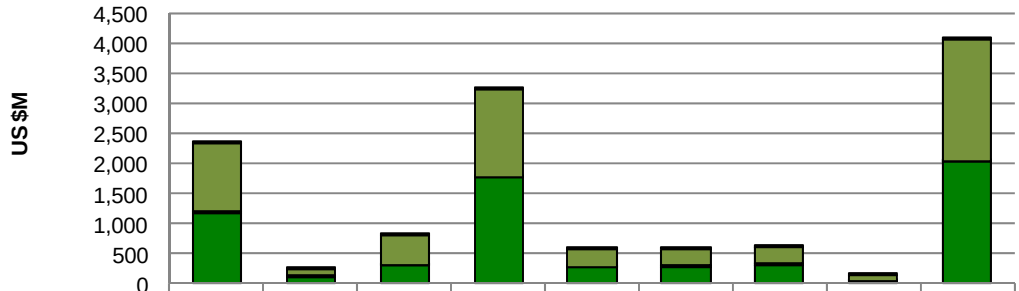
	Series A	Series B	Series C	Series D	Series E	Series F	Series G	TOTAL
2008 DEALS	120	108	63	31	6	4	2	334
2009 DEALS	104	109	71	45	14	8	1	352

2009 saw total financings out pace 2008 by a total of 18 (352 in 2009 v. 334 in 2008). An interesting trend to observe is the number of early stage investments, Series A, declined by approximately 15% while later stage investments increased (Series C ~13%, Series D ~45%, Series E ~2X and Series F ~2X).

The lone, rare Series G deal was completed by Brisbane, CA-based XDx Expression Diagnostics, a molecular diagnostics company focused on noninvasive gene expression tests for the monitoring of immune-mediated conditions. The round was led by Bristol-Myers Squibb Company, with additional participation from all active previous investors in XDx, including: Burrill Venture Capital; Duff, Ackerman & Goodrich; Integral Capital Partners; Intel Capital; Kleiner Perkins Caulfield & Byers; Sprout Group (whose healthcare technology investments are managed by New Leaf Venture Partners); and TPG Biotechnology. Proceeds from this financing totaling $14.4M are allocated to support commercial activities associated with the Company's AlloMap® Molecular Expression Testing and to advance ongoing and new research and development programs.

This trend of larger and later-stage investing represents a maturation in fund portfolio holdings and correlates to 10 year fund cycles with vintages of 200-2004.

Aggregate Dollars Raised per Region ($M)
2008 v. 2009

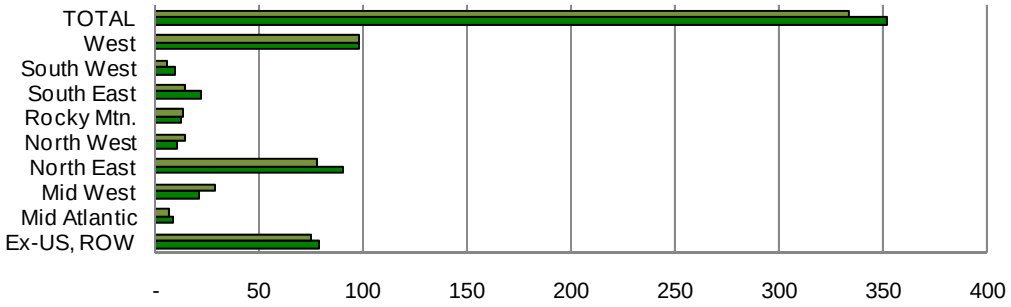


	Ex-US, ROW	Mid Atlantic	Mid West	North East	North West	Rocky Mtn.	South East	South West	West
2008 AVG ROUND	15.2	16.3	16.7	18.7	20.1	21.0	18.8	12.3	20.6
2008 TOT ROUND	1,138.9	114.1	483.8	1,458.4	281.3	272.5	263.8	74.0	2,014.0
2009 AVG ROUND	14.8	12.9	14.5	19.6	23.8	22.5	14.3	4.9	20.6
2009 TOT ROUND	1,172.1	116.1	305.5	1,763.7	261.5	270.5	314.2	49.3	2,023.3

Without any surprise the West region for 2009 continued its dominance in attracting bioscience capital investment. With California serving as home to not one but two centers of intellectual property innovation and creation, in San Francisco and San Diego, as well as home to the fund concentration found on Silicon Valley's Sand Hill Road or on Market St. in the Gaslamp; there is something to be said when a founder may be able to hold a Board of Directors meeting less than an hour away from the home office of their venture investors. No magic or secret sauce is required to build a bio cluster, when the people, IP and money overlap increased in investment activity transpires and good things tend to emerge. Similarly the concentration of intellectual capital and venture capital converge in the North East in Boston and Cambridge. Thus the North East and West continue to lead in number of deals as total capital attracted.

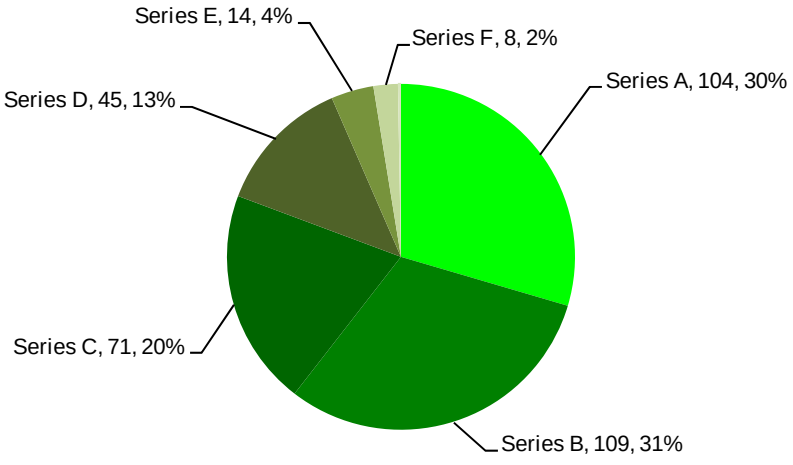
What is interesting to track are the dollars raised in the second tier regions (i.e. EX-West & North East). The International EX-US region led the way for this second group in 2009. EX-US 79 deals accounted for $1,172.1M and as such represented not only a diverse geographic group (UK, The Netherlands, Israel, South Korea, India, France and Switzerland) but also a diverse group of entities focused on metabolic bone disease, to oncology, inflammation, anti-infectives, autoimmune disease, vascular disorders and diagnostic devices.

Total Financings per Region 2008 v. 2009



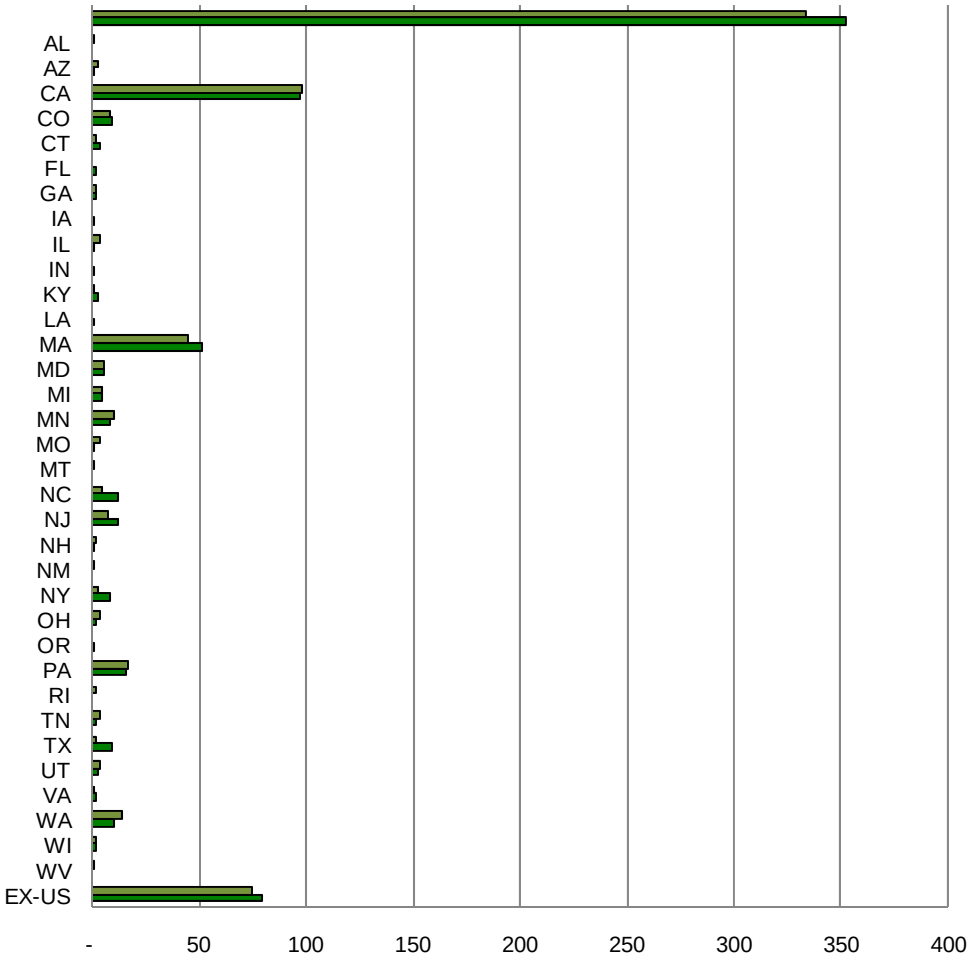
	Ex-US, ROW	Mid Atlantic	Mid West	North East	North West	Rocky Mtn.	South East	South West	West	TOTAL
2008 DEALS	75	7	29	78	14	13	14	6	98	334
2009 DEALS	79	9	21	90	11	12	22	10	98	352

2009 Biopharma Financing Round Frequencies



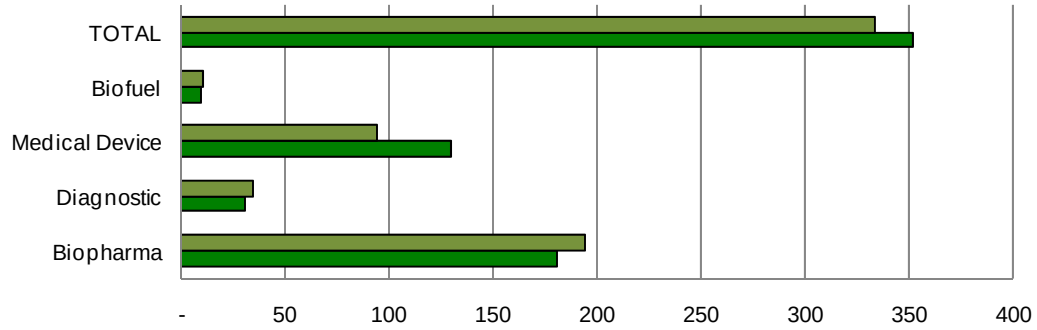
STATE	2009 DEALS	2009 TOT ROUND	2009 AVG ROUND	2008 DEALS	2008 TOT ROUND	2008 AVG ROUND
AL	-	-	-	1	12.0	12.0
AZ	1	10.3	10.3	3	44.5	14.8
CA	97	2,011.3	20.7	98	2,014.0	20.6
CO	9	249.7	27.7	8	189.0	23.6
CT	4	85.0	21.3	2	19.3	9.7
FL	2	14.0	7.0	-	-	-
GA	2	27.1	13.6	2	39.0	19.5
IA	1	7.5	7.5	-	-	-
IL	1	30.0	30.0	4	141.9	35.5
IN	1	26.0	26.0	-	-	-
KY	3	52.0	17.3	1	12.0	12.0
LA	1	5.0	5.0	-	-	-
MA	51	980.4	19.2	45	792.5	17.6
MD	6	65.6	10.9	6	90.1	15.0
MI	5	68.8	13.8	5	75.0	15.0
MN	8	136.4	17.1	10	182.8	18.3
MO	1	11.8	11.8	4	19.8	5.0
MT	-	-	-	1	28.0	28.0
NC	12	197.1	16.4	5	153.6	30.7
NH	1	8.2	8.2	2	41.7	20.9
NJ	12	377.5	31.5	7	212.5	30.4
NM	-	-	-	1	5.5	5.5
NY	8	114.4	14.3	3	47.1	15.7
OH	2	20.0	10.0	4	40.6	10.2
OR	1	3.0	3.0	-	-	-
PA	16	248.2	15.5	17	314.3	18.5
RI	-	-	-	2	31.0	15.5
TN	2	19.0	9.5	4	22.2	5.6
TX	9	39.0	4.3	2	24.0	12.0
UT	3	20.8	6.9	4	55.5	13.9
VA	2	12.5	6.3	1	25.0	25.0
WA	10	258.5	25.9	14	281.3	20.1
WI	2	5.0	2.5	2	23.7	11.9
WV	-	-	-	1	24.0	24.0
EX-US	79	1,172.1	14.8	75	1,138.9	15.2
	352	**6,276.2**	**17.8**	**334**	**6,100.7**	**18.3**

Total Financings per State
2008 v. 2009



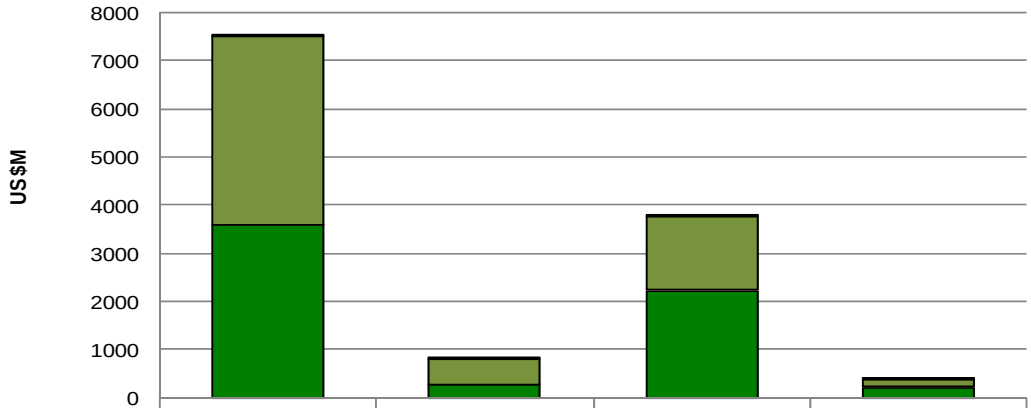
	EX-US	WV	WI	WA	VA	UT	TX	TN	RI	PA	OR	OH	NY	NM	NH	NJ	NC	MT	MO	MN	MI	MD	MA	LA	KY	IN	IL	IA	GA	FL	CT	CO	CA	AZ	AL	
2008 DEALS	7	1	2	1	1	4	2	4	2	1	-	4	3	1	2	7	5	1	4	1	5	6	4	-	1	-	4	-	2	-	2	8	9	3	1	3
2009 DEALS	7	-	2	1	2	3	9	2	-	1	1	2	8	-	1	1	1	-	1	8	5	6	5	1	3	1	1	1	2	2	4	9	9	1	-	3

Total Financings per Sector
2008 v. 2009



	Biopharma	Diagnostic	Medical Device	Biofuel	TOTAL
2008 DEALS	194	35	94	11	334
2009 DEALS	181	31	130	10	352

Aggregate Dollars Raised per Sector ($M)
2008 v. 2009



	Biopharma	Diagnostic	Medical Device	Biofuel
2008 AVG ROUND	20.2	15.2	16.2	11.7
2008 TOT ROUND	3,919.7	530.8	1,521.1	129.1
2009 AVG ROUND	19.8	8.7	17.0	21.3
2009 TOT ROUND	3,582.6	268.9	2,211.9	212.9

Pro Forma Exit Scenario Analysis

Value Multiple	% Likelihood	Exit Scenarios	$M Invested	Exit Value ($M)
0	43.7%	45	545.4	-
0 to 0.25	8.2%	9	102.3	25.6
0.25 to 0.5	6.8%	7	84.9	42.4
0.5 to 1	8.0%	8	99.8	99.8
1 to 1.5	3.1%	3	38.7	58.0
1.5 to 2	2.3%	2	28.7	57.4
2 to 3	4.1%	4	51.2	153.5
3 to 5	4.7%	5	58.7	293.3
5 to 10	8.6%	9	107.3	1,073.3
10 to 20	5.1%	5	63.6	1,273.0
20 to 50	3.8%	4	47.4	2,371.2
50 to 100	1.1%	1	13.7	1,372.8
> 100	0.5%	1	6.2	1,248.0
TOTAL	**100%**	**104**	**1,248.0**	**8,068.3**

Here is an interesting look at a pro forma exit scenario analysis for the 2009 Series A class of investments. The sophisticated folks at San Hill Econometrics and Professor of Finance Andrew Metrick at the Wharton School of the University of Pennsylvania derived the likelihood of an exit at a particular value multiple. Granted this array is sector agnostic, and not specifically tailored to bioscience investments. But just for fun, what might a potential return on the 104 Series A investments totaling $1,248M look like at the end of the line?

Certainly there a variety of holes associated with this effort, but if we can speak in generalities it may not be too fantastic a stretch to see that 45 of the 104 investments may end in failure, that is without the return of any capital. An additional 16 failures may return some capital to investors, for example with preference rights and the liquidation of certain assets such as lab and computer equipment or IP, some dollars may be recouped. This now totals 61 or 59% of companies out of the running for a positive return on invested capital. Add in the break-even scenarios where the fire sales go well enough to recover original invested capital and that brings the total misses to 69 or 66% of Series A investments unlikely to live to see another round of financing.

As demonstrated with this data set it is truly the handful of rare 10X+ liquidity opportunities that provide for the requisite returns to raise new funds and the enablement to continue to finance biomedical innovation.

COMPANY	ROUND	RAISE ($M)	STATE	SECTOR	I° INDICATION
SynCardia Systems	D	10.3	AZ	Device	Device (Cardiovascular)
DFine	D	35.0	CA	Device	Device (Spine)
Anaphore	A	25.0	CA	Biopharma	Atrimer
Intradigm	B	2.9	CA	Biopharma	Oncology
Concetric Medical	D	15.0	CA	Device	Device (Catheter)
Acclarent	D	26.0	CA	Device	Device (ENT)
BiPar Sciences	C	16.0	CA	Biopharma	Oncology
Singulex	D	19.0	CA	Diagnostic	Device (Diagnostic)
Crux Biomedical	B	8.0	CA	Device	Device (Cadiology)
Axikin Pharmaceuticals	A	3.0	CA	Biopharma	Inflammation
Arcxis Biotechnologies	B	5.0	CA	Diagnostic	Device (Diagnostic)
Eiger Biopharmaceuticals	A	7.1	CA	Biopharma	Stealth Mode
ReShape Medical	B	20.0	CA	Device	Device (Obesity)
Arcxis Biotechnologies	B	5.0	CA	Diagnostic	Device (Diagnostics)
Linkage Biosciences	A	2.0	CA	Diagnostic	Device (Diagnostics)
Mpex Pharmaceuticals	D	27.5	CA	Biopharma	Antibiotic
Alios BioPharma	A	8.4	CA	Biopharma	Antiviral
HX Diagnostics	A	3.1	CA	Diagnostic	Device (Diagnostics)
Kythera Biopharmaceuticals	C	10.0	CA	Biopharma	Aesthetics Dermatology
Sangart	F	50.0	CA	Biopharma	Hemoglobin
Relypsa	A	10.0	CA	Biopharma	Cardiology
Neuraltus Pharmaceuticals	A	17.0	CA	Biopharma	Dyskinesia
NeoVista, Inc	D	18.0	CA	Device	Ophthalmology
Ardian	C	47.0	CA	Device	Catheter
SFJ Pharmaceuticals	A	45.0	CA	Biopharma	Therapeutic Platform
Real Time Genomics	A	3.0	CA	Device	Sequencing
LensX Lasers	B	22.4	CA	Device	Ophthalmology
Ambrx	D	10.0	CA	Biopharma	Growth Deficiency
Traversa Therapeutics	B	5.0	CA	Biopharma	RNAi
Aerovance	C	38.0	CA	Biopharma	Asthma
Cell Biosciences	C	10.0	CA	Diagnostic	Device (Diagnostic)
iScience Interventional	D	20.5	CA	Device	Device (Catheter)
Visiogen	D	40.0	CA	Device	Opthalmology
PhotoThera	D	50.0	CA	Device	Device (Cardiovascular)
Autonomic Technologies	B	20.0	CA	Device	Device (Neuro)
Sadra Medical	C	30.0	CA	Device	Device (Cardiovascular)
Aaragon Pharmaceuticals	A	8.0	CA	Biopharma	Oncology
Anaphore	A	13.0	CA	Biopharma	Immunology
iRythm Technologies	C	6.5	CA	Device	Device (Cardiovascular)
Ophthonix	A	25.9	CA	Device	Device (Ophthalmology)
Versartis	A	11.0	CA	Biopharma	Diabetes
Estech	C	8.0	CA	Device	Device (Cardiovascular)
Apieron	D	5.9	CA	Device	Device (Asthma)
Transcend Medical	B	35.0	CA	Device	Device (Ophthalmology)
Spiracur	B	20.4	CA	Device	Device (Wound-healing)
Alios BioPharma	A	8.0	CA	Biopharma	Antiviral
Solazyme	C	57.0	CA	Biofuel	Microalgae
VytronUS	B	11.0	CA	Device	Device (Cardiovascular)
Hyperion Therapeutics	C	60.0	CA	Biopharma	GI

COMPANY	ROUND	RAISE ($M)	STATE	SECTOR	I° INDICATION
Helicon Therapeutics	F	50.0	CA	Biopharma	Alzheimer's
Limerick Biopharma	C	15.0	CA	Biopharma	Pain
Persidio Pharmaceuticals	B	27.0	CA	Biopharma	HIV
Helixis	B	5.5	CA	Device	Device (PCR)
Intellikine	B	51.0	CA	Biopharma	Oncology
SpineGuard	A	4.0	CA	Device	Device (Spine)
Oraya Therapeutics	C	42.0	CA	Biopharma	Opthalmology
Neotract	B	23.7	CA	Device	Device (Urology)
aTyr Pharma	C	12.0	CA	Biopharma	Inflammation
BeneChill	C	13.5	CA	Device	Device (Temp Mgmt)
Zosano Pharma	B	30.0	CA	Device	Device (Drug Deliver)
Relievant Med Systems	C	20.0	CA	Device	Device (Spine)
DNAnexus	A	1.5	CA	Biopharma	Bioinformatincs
ValenTx	B	20.3	CA	Device	Device (Obesity)
Complete Genomics	D	45.0	CA	Device	Device (Sequencing)
Barosense	D	27.0	CA	Device	Device (Obesity)
Amyris Biotechnologies	C	24.8	CA	Biofuel	Biofuels
Pacific Biosciences	E	68.0	CA	Device	Device (Sequencing)
Jennerex Biotherapeutics	C	5.1	CA	Biopharma	Oncology
3-V Biosciences	B	30.0	CA	Biopharma	Antiviral
XDx	G	14.4	CA	Diagnostic	Device (Diagnostic)
Adamas Pharmaceuticals	D	40.0	CA	Biopharma	Antiinfective
LS9	C	25.0	CA	Biofuel	Biofuel
Zogenix	B	36.0	CA	Device	Drug:Device
Gama Medica-Ideas	A	14.0	CA	Device	Device (Imaging)
NextBio	C	8.0	CA	Device	Bioinformatics
Juvaris Biotherapeutics*	B	12.5	CA	Biopharma	Vaccines
Alvine Pharmaceuticals	A	21.5	CA	Biopharma	Autoimmune
VitaPath Genetics	A	6.0	CA	Diagnostic	Device (Diagnostic)
Athena Feminine Technologies	A	2.0	CA	Device	Device (Incontinence)
Medsphere Systems	C	12.0	CA	Device	Telemedicine
Celladon	C	21.8	CA	Biopharma	Cardiovascluar
Nodality	C	3.5	CA	Diagnostic	Device (Dx)
Vertos Medical	D	15.5	CA	Device	Device (Spine)
Marval Biosciences	B	2.5	CA	Biopharma	Imaging
Accumetrics	E	16.6	CA	Diagnostic	Device (Dx)
Direct Flow Medical	C	40.0	CA	Device	Device (CV)
Receptos	A	25.0	CA	Biopharma	Autoimmune
TriVascular	B	30.0	CA	Device	Device (Stent)
Fate Therapeutics	B	30.0	CA	Biopharma	Stem Cell
Altair Therapeutics	B	17.0	CA	Biopharma	Respiratory
Tethys Bioscience	D	25.0	CA	Diagnostic	Device (Dx)
Spinal Modulation	C	27.4	CA	Device	Device (Spine)
EmSense	C	9.0	CA	Device	Device (Neuro)
Afferent Pharmaceuticals	A	23.0	CA	Biopharma	Pain
Pfenex	A	24.0	CA	Biopharma	Biologics Mfg.
Zogenix	B	20.0	CA	Device	Drug:Device Combo
ReVance Therapeutics	D	25.6	CA	Biopharma	Dermatology
CalciMedica	C	5.0	CA	Biopharma	Autoimmune

COMPANY	ROUND	RAISE ($M)	STATE	SECTOR	I° INDICATION
MD-IT	B	11.0	CO	Device	Telemedicine
OPX Biotechnologies	C	12.1	CO	Biofuel	Biofuel
BiOptix Diagnostics	A	3.0	CO	Diagnostic	Device (Diagnostic)
ZeaChem[1]	B	34.0	CO	Biofuel	Ethanol
CeraPedics	B	15.0	CO	Biopharma	Osteobiologic
OPX Biotechnologies	B	17.5	CO	Biofuel	Biofuel
Clovis Oncology	A	145.0	CO	Biopharma	Oncology
miRagen Therapeutics	A	4.0	CO	Biopharma	miRNA
Medivance	E	8.1	CO	Device	Device (Temp Mgmt)
Koltan Pharmaceuticals	A	35.0	CT	Biopharma	Oncology
Rib-X Pharmaceuticals	D	25.0	CT	Biopharma	Antiinfective
Marinus Pharmaceuticals	B	20.0	CT	Biopharma	CNS
Kolltan Pharmaceuticals	A	5.0	CT	Biopharma	Oncology
Synosia Therapeutics	B	28.7	EX	Biopharma	Neurology
Chiasma	B	11.0	EX	Device	Device (Deliver)
InterMed Discovery	B	9.9	EX	Biopharma	CRO
7TM Pharma	E	15.0	EX	Biopharma	Metabolism
CT Atlantic	A	8.9	EX	Biopharma	Oncology
Cardio3Biosciences	B	9.3	EX	Biopharma	Cardiology
Lytix Biopharma	D	10.4	EX	Biopharma	Antiinfective
DBV Technologies	B	7.7	EX	Device	Device (Deliver)
TaiGen Biotechnology	C	37.0	EX	Biopharma	Antiinfective
DNA Therapeutics	A	2.8	EX	Biopharma	siDNA
AC Immune	C	34.6	EX	Biopharma	Antibody
Symphogen	E	42.3	EX	Biopharma	Antibody
ActoGeniX	B	17.1	EX	Biopharma	Metabolism
Opsona Therapeutics	B	22.9	EX	Biopharma	Inflammation
Heptares Therapeutics	A	29.9	EX	Biopharma	G-Protein
Kenta Biotech	B	10.0	EX	Biopharma	Antiinfectives
GlycoVaxyn	B	22.0	EX	Biopharma	Vaccine
Nexstim	C	7.9	EX	Device	Imaging
GenoLogics	C	4.0	EX	Device	Sequencing
CorAssist Cardiovascular	B	5.3	EX	Device	Cardiology
KeyNeurotek Pharmaceuticals	C	10.9	EX	Biopharma	CNS
ProtAffin	B	18.6	EX	Biopharma	Oncology
Alethia Biotherapeutics	B	2.2	EX	Biopharma	Oncology
Opsona Therapeutics	B	4.6	EX	Biopharma	Autoimmune
NovImmune	C	54.8	EX	Biopharma	Inflammation
HCL CleanTech	A	5.5	EX	Biofuel	Lignocellulosic Biomass
LifeBond	B	8.0	EX	Device	Biomaterials
Lumavita	A	5.5	EX	Biopharma	Women's Health
Zymeworks	C	3.5	EX	Device	Bioinformatics
Inimex Pharmaceuticals	B	22.0	EX	Biopharma	Immunology
Capella,	C	17.3	EX	Device	Device (Cardiovascular)
Stentys	D	4.2	EX	Device	Device (Cardiovascular)
Gyros	C	10.4	EX	Device	Device (Protein Assay)
Vivacta	C	4.5	EX	Diagnostic	Device (Dx)
Novast Pharmaceuticals	C	25.0	EX	Biopharma	Generics
Symetis	B	21.2	EX	Device	Device (Cardiology)

COMPANY	ROUND	RAISE ($M)	STATE	SECTOR	I° INDICATION
Allostera Pharma	C	15.4	EX	Biopharma	Psoriatic arthritis
Novacta Biosystems	B	21.6	EX	Biopharma	Antibiotics
BiancaMed	B	8.7	EX	Device	Device (Sleep Apnea)
Signostics	A	4.0	EX	Device	Device (Ultrasound)
Probe Scientific	A	1.6	EX	Device	Device (Fluid Assay)
ProFibrix	B	11.0	EX	Biopharma	homeostasis
NiTi Surgical Solutions	F	18.5	EX	Device	Device (Closure)
Enobia Pharma	C	50.0	EX	Biopharma	Hypophosphatasia
Quanta Fluid Solutions	A	14.3	EX	Device	Device (Renal)
Cytoo	B	4.7	EX	Device	Device (Cell Assay)
Agendia	E	23.0	EX	Diagnostic	Device (Diagnostic)
PharmAbcine	A	6.0	EX	Biopharma	Oncology
Virtual Ports	A	2.6	EX	Device	device (Endoscopy)
arGen-X	A	13.8	EX	Biopharma	Oncology
HealthHiway	A	4.0	EX	Device	Telemedicine
Endosense	B	36.0	EX	Device	Device (Catheter)
Lein Applied Diagnostics	A	1.6	EX	Diagnostic	Device (Dx)
Nabriva Therapeutics	B	22.0	EX	Biopharma	Antibacterial
Activaero	A	15.9	EX	Device	Device (Breathing)
Evolva	B	27.5	EX	Biopharma	Renal
BioCeramic Therapeutics	B	1.9	EX	Biopharma	Biomaterials
PharmaDiagnostics	B	3.7	EX	Diagnostic	Device (Dx)
Crescendo Biologics	A	7.3	EX	Biopharma	Antibody
BMEYE	B	8.6	EX	Device	Device (Hemodynamics)
MTM Laboratories	C	10.0	EX	Diagnostic	Device (Dx)
ActiViews	B	5.0	EX	Device	Device (Imaging)
Elara Pharmaceuticals	A	3.6	EX	Biopharma	Oncology
Kreatech Diagnostics	B	2.7	EX	Diagnostic	Device (Dx)
Oxagen	C	25.9	EX	Biopharma	Inflammation
SantoSolve	C	5.5	EX	Biopharma	Pain
Xigen	B	20.0	EX	Biopharma	Inflammation
Cellerix	C	37.7	EX	Biopharma	Stem Cell
Promethera Biosciences	A	7.3	EX	Biopharma	Stem Cell
CEVEC Pharmaceuticals	B	5.4	EX	Biopharma	Biologics Mfg.
Probiodrug	B	54.0	EX	Biopharma	Alzheimer's
PDC Biotech	A	5.5	EX	Biopharma	Women's Health
Molecular Partners	B	45.0	EX	Biopharma	Ophthalmology
Evolva	B	15.3	EX	Biopharma	Cardiovascular
Circassia	C	25.0	EX	Biopharma	Vaccine
Sinocom Pharmaceutical	A	15.0	EX	Biopharma	TCM
Morvus Technology	A	3.3	EX	Biopharma	Oncology
AmVac	A	2.8	EX	Biopharma	Vaccine
arGEN-X	A	4.5	EX	Biopharma	Oncology
Applied Genetic Technologues	C	11.8	FL	Biopharma	Emphysema
Quantum Immunologics	A	2.2	FL	Biopharma	Oncology
CardioMEMS	F	22.1	GA	Device	Cardiovascular
Alimera Sciences	C	5.0	GA	Biopharma	Ophthalmology
NewLink Genetics	D	7.5	IA	Biopharma	Oncology
Sagent Pharmaceuticals	A	30.0	IL	Biopharma	Injectable

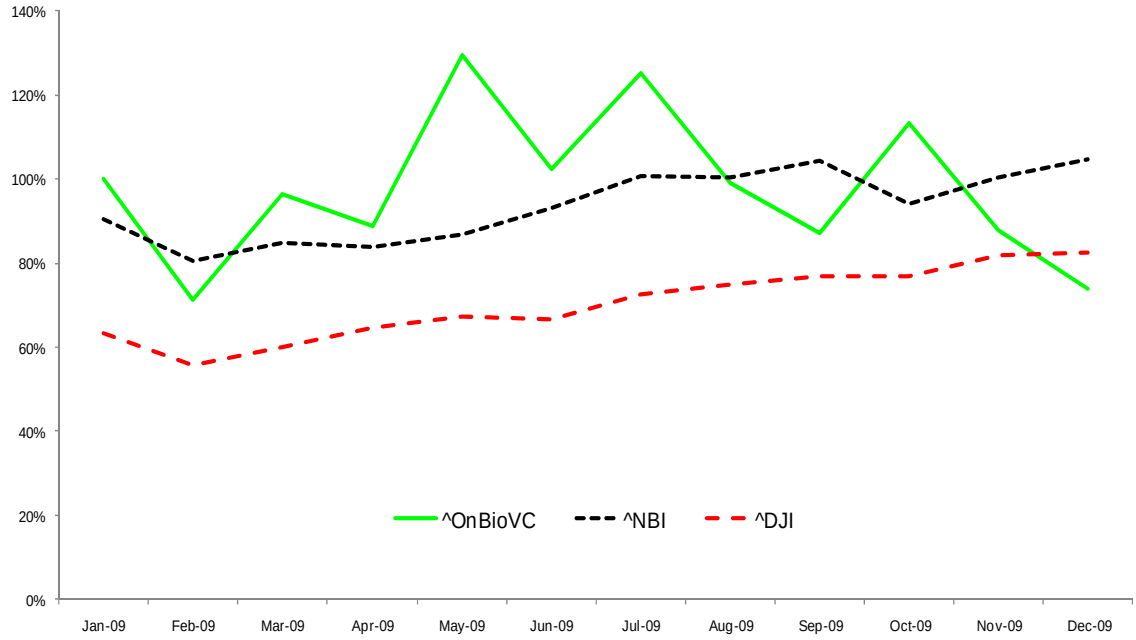
COMPANY	ROUND	RAISE ($M)	STATE	SECTOR	I° INDICATION
Endocyte	C	26.0	IN	Biopharma	Oncology
Ikano Therapeutics	B	9.0	KY	Biopharma	Pain
Xanodyne Pharmaceuticals	D	38.0	KY	Biopharma	Pain
Union Springs Pharmaceuticals	B	5.0	KY	Biopharma	Antimicrobial
Esperance Pharmaceuticals	A	5.0	LA	Biopharma	Oncology
Forma Therapeutics	A	25.0	MA	Biopharma	Oncology
Satori Pharmaceuticals	B	22.0	MA	Biopharma	Neurology
Hydra Biosciences	D	22.0	MA	Biopharma	Inflammation
Orthopaedic Synergy	A	4.8	MA	Device	Device (Orthopedic)
GI Dynamics	C	15.0	MA	Device	Device (Obesity)
Genocea Biosciences	A	23.0	MA	Biopharma	Vaccine
Selecta Biosciences	B	15.1	MA	Biopharma	Immunology
Stemgent	A	14.0	MA	Biopharma	Stem Cell
Proteon Therapeutics	B	38.0	MA	Biopharma	Renal
Surface Logix	E	15.0	MA	Biopharma	Cardiology
Claros Diagnostics	B	4.0	MA	Diagnostic	Device (Diagnostic)
NKT Therapeutics	A	8.0	MA	Biopharma	Antibody
TargAnox	A	5.1	MA	Biopharma	Oxidative Stress
BioVex	F	40.0	MA	Biopharma	Vaccine
Ze-gen[1]	B	20.0	MA	Biofuel	Synthesis gas
Synageva BioPharma	F	33.0	MA	Biopharma	Therapeutic Platform
Parasol Therapeutics	A	3.3	MA	Diagnostic	Device (Diagnostic)
Tokai Pharmaceuticals	D	22.0	MA	Biopharma	Oncology
Elixir Pharmaceuticals	D	12.0	MA	Biopharma	Metabolism
Proteon Therapeutics	B	12.0	MA	Biopharma	Renal
Aileron Therapeutics	D	40.0	MA	Biopharma	Oncology
I-Therapeutix	C	15.0	MA	Device	Device (Ophthalmology)
Taris Biomedical	A	15.0	MA	Biopharma	Drug:Device Combo
Interlace Medical	C	20.0	MA	Device	Device (OB/GYN)
Medventive	C	7.3	MA	Device	TeleMedicine
Cerulean Pharma	B	10.0	MA	Biopharma	Oncology
Avila Therapeutics	B	30.0	MA	Biopharma	Antiviral
ConforMIS	D	50.0	MA	Device	Device (Orthopedic)
Rapid Micro Biosystems	A	18.6	MA	Device	Device (Contam Detect)
Nano Bio	B	10.0	MA	Biopharma	Antiinfective
iWalk	B	20.0	MA	Device	Device (Prosthetics)
Gloucester Pharmaceuticals	D	29.0	MA	Biopharma	Oncology
AdvanDx	C	8.0	MA	Diagnostic	Device (Diagnostic)
Constellation Pharmaceuticals	B	17.2	MA	Biopharma	Oncology
Acetylon Pharmaceuticals	A	7.2	MA	Biopharma	Oncology
Humedica	A	30.0	MA	Device	Bioinformatics
PrimeraDx	C	20.0	MA	Diagnostic	Device (Diagnostic)
Seaside Therapeutics	A	30.0	MA	Biopharma	Autism
Daktari Diagnostics	A	2.7	MA	Diagnostic	Device (Diagnostic)
Virdante Pharmaceuticals	A	30.0	MA	Biopharma	Antibody
CorNova	B	2.5	MA	Device	Device (Stent)
GlycoMimetics	C	38.0	MA	Biopharma	Inflammation
Syngeva BioPharma	D	12.0	MA	Biopharma	Antibody
Flexion Therapeutics	A	33.0	MA	Biopharma	Specialty Pharma

COMPANY	ROUND	RAISE ($M)	STATE	SECTOR	I° INDICATION
Epizyme	B	32.0	MA	Biopharma	Epigentics
Ligon Discovery	A	1.0	MA	Device	Device (HTS)
BioVex	F	30.0	MA	Biopharma	Oncology
Pulmatrix	B	30.2	MA	Biopharma	Antiinfective
On-Q-Ity	A	5.0	MA	Diagnostic	Device (Dx)
Epizyme	B	8.0	MA	Biopharma	Epigenetics
Forma Therapeutics	B	25.5	MA	Biopharma	Oncology
GetWellNetwork	C	10.0	MD	Device	Telemedicine
Zephyr Technology	B	2.0	MD	Device	Telemedicine
Profectus BioSciences	C	19.0	MD	Biopharma	Antiviral
Sleep Solutions	F	20.0	MD	Diagnostic	Device (Sleep Apnea)
Arginetix	B	4.6	MD	Biopharma	Cardiovascluar
Zyngenia	A	10.0	MD	Biopharma	Anitbody
NanoBio Corp	B	12.0	MI	Biopharma	Anitinfective
Lycera	A	36.0	MI	Biopharma	RA
Metabolic Solutions Development	B	9.3	MI	Biopharma	Diabetes
GloStream	B	7.5	MI	Device	Healthcare-IT
Accuri Cytometers	D	4.0	MI	Device	Device (Flow Cytometry)
Atritech	E	30.0	MN	Device	Cardiology
Anulex Technologies	D	10.2	MN	Device	Device (Spine)
Orasi Medical	B	3.5	MN	Diagnostic	Device (Neuro)
CoAxia	D	21.5	MN	Device	Device (Cardiovascular)
Anulex Technologies	D	10.2	MN	Device	Device (Spine)
Inspire Medical Systems	B	17.0	MN	Device	Device (Sleep Apnea)
Entellus Medical	D	30.0	MN	Device	Device (Sinusitis)
Apnex Medical	B	14.0	MN	Device	Device (Sleep Apnea)
Divergence	C	11.8	MO	Biopharma	Bioagriculture
Diagnosoft	B	4.0	NC	Device	Device (Imaging)
Piedmont Pharmaceuticals	C	5.0	NC	Biopharma	Veterinary
nContact Surgical	D	15.0	NC	Device	Device (Cardiovascular)
Cempra Pharmaceuticals	C	46.0	NC	Biopharma	Antibacterial
CeNeRx BioPharma	C	4.0	NC	Biopharma	CNS
Viament Pharmaceuticals	B	18.0	NC	Biopharma	Metallo-enzyme Inhibitor
Liquidia	C	7.0	NC	Biopharma	Drug Delivery
Chimerix	E	16.0	NC	Biopharma	Antiviral
Micell Technologies	B	15.0	NC	Device	Device (Stent)
Metabolon	C	6.0	NC	Diagnostic	Device (Dx)
Centice	C	6.1	NC	Device	Bioinformatics
TransEnterix	B	55.0	NC	Device	Device (Laparoscopic)
Adimab	D	8.2	NH	Biopharma	Antibody
InSet Technologies	B	25.0	NJ	Device	Device (Pump)
Chiral Quest	B	13.0	NJ	Biopharma	CMO
Sopherion Therapeutics	C	55.0	NJ	Biopharma	Oncology
CircuLite	C	23.5	NJ	Device	Cardiology
Orthocon	B	25.0	NJ	Device	Device (Delivery)
VaxInnate	D	30.0	NJ	Biopharma	Vaccine
DNP Green Technology	A	12.0	NJ	Biofuel	BioAg
Tarsa Therapeutics	A	24.0	NJ	Biopharma	Osteoporosis
Lux Biosciences	B	50.0	NJ	Biopharma	Ophthalmology

COMPANY	ROUND	RAISE ($M)	STATE	SECTOR	I° INDICATION
PTC Therapeutics	E	50.0	NJ	Biopharma	CF
Regado Biosciences	D	40.0	NJ	Biopharma	Aptamer
Ophthotech	B	30.0	NJ	Biopharma	Ophthalmology
Vivaldi Biosciences	A	18.9	NY	Biopharma	Vaccines
Phreesia	C	11.6	NY	Device	Telemedicine
Palyon Medical	A	21.0	NY	Device	Device (Delivery)
MetaCure	B	20.0	NY	Device	Device (Diabetes)
Core Dynamics	B	17.9	NY	Device	Sample Storage
Paradigm Spine	E	6.5	NY	Device	Device (Spine)
Curemark	A	6.5	NY	Biopharma	CNS
Therasis	A	12.0	NY	Biopharma	Computational Bio
CerviLenz	A	4.0	OH	Device	Device (OBY)
Akebia Therapeutics	A	16.0	OH	Biopharma	Anemia
MolecularMD	A	3.0	OR	Diagnostic	Device (Diagnostic)
Garnet Biotherapeutics	A	10.4	PA	Biopharma	Dermatology
Foundation Radiology	A	10.0	PA	Device	Imaging
Small Bone Innovations	D	73.0	PA	Device	Orthopedic
Avid Radiopharmaceuticals	D	34.5	PA	Device	Imaging
Embrella Cardiovascular	B	5.1	PA	Device	Device (Cardiovascular)
Small Bone Innovations	D	35.0	PA	Biopharma	Orthopedic
Cognition Therapeutics	A	1.2	PA	Biopharma	Alzheimer's
Cardiorobtics	A	11.6	PA	Device	Device (Cardiology)
Inspired Technologies	B	5.4	PA	Device	Device (Delivery)
Embrella Cardiovascular	B	1.6	PA	Device	Device (Cardiology)
Neuronetics	D	30.0	PA	Device	Device (Neuromidulation)
Quinnova Pharmaceuticals	B	17.4	PA	Biopharma	Dermatology
ALung Technologies	A	2.5	PA	Device	Device (Breathing)
Molecular Detection	C	3.3	PA	Diagnostic	Device (Dx)
ThermalTherapeutic Systems	A	2.5	PA	Device	Device (Perfusion)
MobileMD	A	4.7	PA	Device	Telemedicine
Active Implants	C	10.0	TN	Device	Device (Orthopedics)
ABT Molecular Imaging	A	9.0	TN	Device	Device (Imaging)
Molecular Templates	A	2.5	TX	Biopharma	Therapeutic Platform
Glycos Biotechnologies	A	5.0	TX	Biofuel	Biofuel
Savara Pharmaceuticals	A	1.0	TX	Device	Drug delivery
eCardio Diagnostic*	B	10.0	TX	Device	Device (Cardiology)
Vidacare	D	7.6	TX	Device	Devices (Intraosseous)
Terapio	A	5.0	TX	Biopharma	Radiodermatitis
Ortho Kinematics	A	2.0	TX	Diagnostic	Device (Dx)
Bellicum Pharmaceuticals	A	4.5	TX	Biopharma	Vax
Savara Pharmaceuticals	A	1.4	TX	Biopharma	Delivery
Control Medical Technology	A	3.0	UT	Device	Device (Aspiration)
Catheter Connections	A	1.3	UT	Device	Device (Catheter)
Coherex Medical	B	16.5	UT	Device	Device (Cardiology)
Intrexon	C	10.0	VA	Biopharma	Oncology
Keraderm	A	2.5	VA	Device	Device (PhotoTherapy)
Qwell Pharmaceuticala	A	7.0	WA	Biopharma	Oncology
Pathway Medical Technologies	D	42.5	WA	Device	Device (Vascular)
Xori*	A	3.0	WA	Biopharma	Antibody

COMPANY	ROUND	RAISE ($M)	STATE	SECTOR	I° INDICATION
MediQuest Therapeutics	B	23.0	WA	Biopharma	Inflammation
Calistoga Pharmaceuticals	B	30.0	WA	Biopharma	Oncology
NanoString Technologies	C	30.0	WA	Device	Bioinformatics
Calypso Medical Technologies	E	50.0	WA	Device	Device (Imaging)
Integrated Diagnostics	A	30.0	WA	Diagnostic	Device (Dx)
EndoGastric Solutions	E	21.5	WA	Device	Device (GI)
EndoGastric Solutions	E	21.5	WA	Device	Device (GI)
Mithridion	B	2.9	WI	Biopharma	CNS
ProCertus Biopharma	A	2.1	WI	Biopharma	Alopecia

ONBIOVC-INDEX™ vs. NASDAQ Biotech Index vs. Dow Jones Industrial Average



Comparing Apples to Bowling-balls:

The OnBioVC-Index™ tracks private bioscience venture investment activity on a relative basis and benchmarks this activity versus the performance of the public markets by charting against the Nasdaq Biotech Index and the broader Dow Jones Industrial Average.

Data Sources: 1) Indicium Data 2) S&P Index Services 3) BNET Pharma 4) Zack's 5) Yahoo! Finance 6) Fierce Pharma

THE CBSA ADVANTAGE

Colorado BioScience ASSOCIATION

The BioScience Industry in Colorado

Colorado's bioscience industry is poised to become one of the most exciting and advanced clusters in the country. The State is currently home to a thriving industry, comprised of over 400 biotechnology, medical device, pharmaceutical, health care providers, research institutions and those businesses that provide critical services and products to bioscience companies.

Opportunities for Growth in the Biosciences Industry

The pipeline of new technologies and new companies emerging from Colorado's research institutions is strong; the number of Colorado bioscience related companies and their employees are growing faster than the national average. At the center of this exciting growth is the Colorado Bioscience Association (CBSA), shaping the policies and developing the programs to help Colorado's companies grow and prosper.

Become a Part of this World Class Bioscience Cluster. Join the CBSA. For More Information Visit: www.CoBioScience.com

OnBioIPO

Trend Analysis

IPO Watch

COMPANY	TICKER	STATUS	DATE	RAISE ($M)	OFFER PRICE	31-Dec-09 PRICE
Mead Johnson Nutrition	MJN	OUT	11-Feb-09	720.0	$ 24.00	$ 43.70
Cumberland Pharma	CPIX	OUT	11-Aug-09	85.0	$ 17.00	$ 13.59
Talecris	TLCR	OUT	1-Oct-09	950.0	$ 19.00	$ 22.27
Omeros	OMER	OUT	8-Oct-09	68.0	$ 10.00	$ 7.02
AGA Medical Holdings	AGAM	OUT	21-Oct-09	199.0	$ 14.50	$ 14.77
Anthera Pharma	*ANTH*	FILED	TBD	TBD	$10 to $12	N/A
Aldagen	*ALDH*	FILED	TBD	TBD	TBD	N/A
Trius Therapeutics	*TSRX*	FILED	TBD	TBD	TBD	N/A

The public bioscience markets spent 2009, as defined by the performance of the NASDAQ Biotech Index, on a growth trajectory. Such growth has in part functioned to aid in the calculated and methodical thawing of the bio IPO market. What appears to be transpiring with the resurgence in public market bioscience issues is, commercial-stage entities that are revenue generating, not necessarily cash flow positive, seem to be well positioned for a warm reception on Wall St. Those therapeutic enterprises who are intending to IPO are best suited if their clinical program is deep into Phase III, or more favorably positioned are those with a submitted IND and possible PDUFA date. The general sentiment is that the Street will not be rewarding who are far off from the market, this is a marked shift relative to prior periods of bioscience IPO activity when institutional capital was willing to bet on the come.

In August 2009, TN-based Cumberland Pharmaceuticals (NASDAQ: CPIX) went public raising $85M @ $17 per share and was essentially the first IPO in about two years sans the Bristol-Meyers Squibb (NASDAQ: BMY) spin-off of the Mead Johnson Nutrition (NYSE: MJN) unit. Since its debut Cumberland has more or less maintained its strength and avoided a major sell-off. Cumberland successfully launched their fever and pain drug Caldolor®, an injectable form of ibuprofen intended for patients who are hospitalized and cannot take oral drugs.

Now with Cumberland a public entity and certainly enjoying the time, effort and expense of remaining a public going-concern here comes the flood of filings behind them. Well OK, perhaps just a trickle, but the trickle may be the preface to the flood.

Filing paperwork next with the SEC was Seattle-based biotech Omeros, a clinical-stage company whose most advanced product candidate is OMS103HP, designed to improve postoperative joint function and reduce pain following arthroscopic anterior cruciate

IPO Watch (*cont'd.*)

ligament reconstruction surgery. Currently in Phase III an NDA filing is expected to be submitted to FDA in 2H10. The planned offering would be underwritten by Deutsche Bank Securities, Wedbush Pacific Growth Life Sciences, Leerink Swann, and Needham & Company, according to the filing. Omeros did make it out in October under the ticker NASDAQ: OMER. As predicted, a pre-NDA stage entity may be challenged to maintain is strength, this trend was observed with the new OMER float ending the year off some 30% of its original offering price.

Talecris Biotherapeutics (NASDAQ: TLCR) made a thunderous debut with their Initial Public Offering on the Nasdaq, offering 50,000,000 shares at $19 and raising $950M in the process. The third life science offering of the year powered through the remainder of its opening day, ringing the closing bell at $21.15, or a market cap of ~$1.06B.

According to the Biopharma Investment Review IPO Watch List the five companies to get out this year have raised in aggregate ~$2.02B, what is of particular interest is, generally speaking, how the new issues have responded once up and trading by at the very least maintaining or bettering their opening valuation (observe 2H09 chart).

What is of particular interest in the case of Talecris is the story behind the story – or more specifically, the early investors who were handsomely rewarded by the street on opening day. Just to put this tale into context Talecris is a robust entity, 2008 financials indicate revenue of $1.4B and a net income of $66M and thus account for the makings of a completely legitimate offering from a (potential) going-concern perspective. Back in 2005 private equity (then) behemoth Cerberus Capital Management and Ampersand Ventures acquired from Bayer (XETRA: BAY.DE) their Talecris (then NPS Biotherapeutics) franchise for $590M, as part of a reorg effort. In the interim Cerberus placed some massive bets on Chrylser, who ultimately filed for bankruptcy protection and GMAC, who found themselves in need of a government bailout to the tune of $5B. Needless to say Cerberus was taking their lumps and the limited partners were clamoring for a return of their capital therefore, a liquidity opportunity for Talecris was paramount; the first shot came via a planned IPO circa 2007 but as the public markets then turned to ice the filing was killed; strike one. The next effort came back in August of 2008 when a potential monster $3.1B deal for Talecris was placed on the table by Australian blood plasma company CSL, this deal however fell apart primarily due to antitrust concerns. So then in 3Q09 third-times-a-charm and Talecris finally gets out, in a still challenging environment.

What does this IPO mean to Cerberus? Well, various sources have reported that the fund

IPO Watch (*cont'd.*)

owned 74% of Talecris prior to the IPO and retained approximately 38% post IPO, based on day 1's closing price that values their piece of the action in the ballpark of $400M but don't feel too bad for Cerberus as it appears as though over $800M in Talecris dividends were distributed in 2005-06. So all in maybe a return of $1.2B at perhaps 2.5-3X was recognized. It is being widely reported that Cerberus was all in for less than $100M and therefore returns of 20-25X are being touted – we can't quite get our heads wrapped around that math and the distributions from a percent ownership perspective. If you know better, and that is probably most folks, will you please provide some insight?

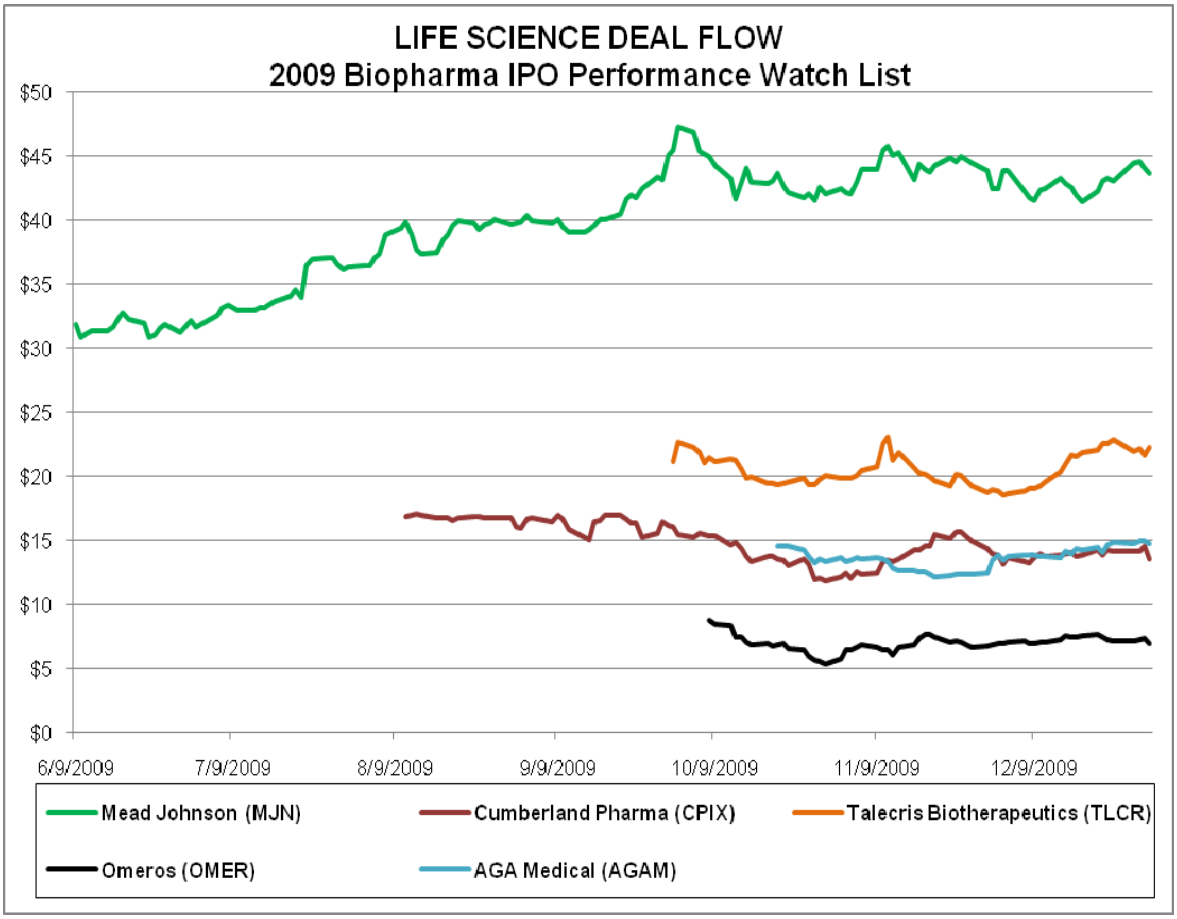
With 2009 marking the re-introduction of the bioscience IPO, the window has been sufficiently opened to enable those entities, who have commercialization opportunities within their sights the opportunity to test the public markets. As 2009 drew to a close there were three additional entities with their appropriate filings submitted to the SEC, these include Anthera Pharmaceuticals, Aldagen and Trius Therapeutics.

Anthera Pharmaceuticals has also been added to the Biopharma Investment Review IPO Watch List. Hayward, CA-based Anthera Pharmaceuticals is a privately-held company committed to developing and commercializing clinical pharmaceutical products that address unmet medical needs of patients with life-threatening, chronic and acute inflammatory diseases and autoimmune disorders. The Company has acquired from Eli Lilly (NYSE: LLY) and Shionogi & Co. worldwide rights (excluding Japan) to a series ofclinical and pre-clinical compounds that inhibit the enzymatic activity of members of the phospholipase family – a group of enzymes responsible for the release of arachidonic acid and subsequent production of leukotrienes, prostacyclins and other mediators of inflammation. These highly potent compounds inhibit novel, upstream steps in the inflammation cascade and have the potential to address a variety of diseases.

Aldagen is a biopharmaceutical company developing proprietary regenerative cell therapies that target significant unmet medical needs. Aldagen is currently conducting a pivotal Phase III clinical trial of ALD-101 for improving umbilical cord blood transplants used to treat inherited metabolic diseases in pediatric patients. The Company is also preparing to commence a pivotal Phase III clinical trial of ALD-301 in treating critical limb ischemia and is developing ALD-201 for the treatment of ischemic heart failure. Aldagen is pursuing the development of additional product candidates based on the company's proprietary technology for isolating adult stem cells that express high levels of ALDH, including products to improve cord blood transplants used to treat leukemias, for the treatment of inherited metabolic diseases and for the treatment of ischemic stroke.

IPO Watch (*cont'd.*)

Trius Therapeutics is a biopharmaceutical company focused on the discovery, development and commercialization of innovative antibiotics for serious, life-threatening infections such as MRSA and has recently reported positive Phase II results of torezolid, their investigational antibiotic for the treatment of severe complicated skin and skin structure infections**.**



ONBIOM&A

TREND ANALYSIS

M&A Watch

2009 proved to be a unique year for biopharma; while cost-cutting efforts, workforce realignments and restructurings where the order of the day, a robust volume of M&A transactions were simultaneously closed, totaling in excess of a whopping $220 billion. OnBioM&A tracked only deals in excess of $100M. In general, such 'small' deals transpired as a function of the reduction in access to capital throughout the economic trough, therefore mergers and reverse IPOs enabled, for some, a circuitous access route to capital in order to provide the requisite resources to continue upon the journey towards product approval. Among the large M&A deals, four in particular skew the data, accounting for $184 billion or 83% of the total transaction load. Of the remaining deals north of $100M, 21 deals averaged approximately $1.76 billion. This volume of activity certainly marked 2009 as a year of consolidation. In terms of a ballpark for deal valuation, companies paid approximately 3.0X 2008 sales and 10.2X 2008 EBIT.

CLOSE	ACQUIRER	VALUE ($M)	TARGET
Jan-09	Pfizer	$ 68,000	Wyeth
Jan-09	Endo Pharmaceuticals	$ 637	Indevus Pharmaceuticals
Mar-09	Roche	$ 46,800	Genentech
Mar-09	Merck	$ 41,100	Schering-Plough
Mar-09	Gilead	$ 1,400	CV Therapeutics
Mar-09	Sanofi-aventis	$ 2,600	Zentiva
May-09	Johnson & Johnson	$ 1,000	Cougar Biotech
Jul-09	Sanofi-aventis	$ 4,000	Merial
Jul-09	GlaxoSmithKline	$ 3,600	Stiefel Laboratories
Jul-09	Bristol-Myers Squibb	$ 2,400	Medarex
Jul-09	Agilent Technologies	$ 1,500	Varian
Jul-09	Johnson & Johnson	$ 1,385	Elan Corporation
Jul-09	LabCorp	$ 106	Monogram Biosciences
Aug-09	Warner Chilcott	$ 3,100	Proctor & Gamble Pharma
Sep-09	Abbott Laboratories	$ 6,600	Solvay Pharmaceuticals
Sep-09	Dainippon Sumitomo Pharma	$ 2,600	Sepracor
Sep-09	Danaher Corporation	$ 1,100	MDS unit
Sep-09	LEO Pharma	$ 1,000	Warner Chilcott
Sep-09	Alcon Laboratories	$ 589	ESBATech
Nov-09	Biovitrum	$ 493	Swedish Orphan
Dec-09	Novartis	$ 28,100	Alcon
Dec-09	Sanofi-aventis	$ 1,900	Chattem
Dec-09	AstraZeneca	$ 505	Novexel
Dec-09	Novartis	$ 620	Cothera
Dec-09	Cubist Pharmaceuticals	$ 403	Calixa Therapeutics
TOTAL		**$ 221,538**	

M&A Watch (*cont'd.*)

Pfizer $ 68,000M Wyeth

NEW YORK & MADISON, N.J.--(BUSINESS WIRE)--Pfizer (NYSE: PFE) and Wyeth (NYSE: WYE) today announced that they have entered into a definitive merger agreement under which Pfizer will acquire Wyeth in a cash-and-stock transaction currently valued at $50.19 per share, or a total of approximately $68 billion. The Boards of Directors of both companies have approved the combination. The combined company will create one of the most diversified companies in the global health care industry. Operating through patient-centric businesses that match the speed and agility of small, focused enterprises with the benefits of a global organization's scale and resources, the company will respond more quickly and effectively to meet changing health care needs. The combined company will have product offerings in numerous growing therapeutic areas, a strong product pipeline, leading scientific and manufacturing capabilities, and a premier global footprint in health care. With its broad and diversified global product portfolio and reduced dependence on small molecules, the new company will be positioned for improved, consistent, and stable top-line and EPS growth and sustainable shareholder value in the short and long term. It is expected that no drug will account for more than 10 percent of the combined company's revenue in 2012.

Financial Highlights
Under the terms of the transaction, each outstanding share of Wyeth common stock will be converted into the right to receive $33 in cash and 0.985 of a share of Pfizer common stock, subject to the terms of the merger agreement. Based on the closing price of Pfizer stock as of January 23, 2009, the stock component is valued at $17.19 per share. The transaction provides immediate value to Wyeth shareholders through the cash component, as well as continued participation in the future prospects expected to result from the combination through their ownership of approximately 16 percent of Pfizer's shares. The deal is expected to be accretive to Pfizer's adjusted diluted earnings per share in the second full year after closing(1). The transaction is anticipated to yield cost savings of approximately $4 billion to be fully realized by the third year after closing. Savings are expected in selling, informational and administrative functions, research and development, and manufacturing. The transaction will be financed through a combination of cash, debt and stock. A consortium of banks has provided commitments for a total of $22.5 billion in debt. In connection with the proposed transaction between Pfizer and Wyeth, the Board of Directors of Pfizer has determined that, effective with the dividend to be paid in the second quarter of 2009, it will reduce Pfizer's quarterly dividend per share to $0.16, which continues to be competitive with other industry participants. Pfizer believes the transaction offers significant opportunities to enhance long-term shareholder value

M&A Watch (*cont'd.*)

Endo Pharmaceuticals $ 637M Indevus Pharmaceuticals

CHADDS FORD, Pa. and LEXINGTON, Mass., Jan. 5 /PRNewswire-FirstCall/ -- Endo Pharmaceuticals (Nasdaq: ENDP) and Indevus Pharmaceuticals, Inc. (Nasdaq: IDEV) announced today that they have entered into a merger agreement under which Endo will commence a tender offer to acquire 100 percent of the outstanding shares of Indevus for approximately $370 million, or $4.50 per Indevus share, in cash, and up to an additional approximately $267 million, or $3.00 per Indevus share, in cash payable in the future upon achievement of certain regulatory and sales milestones. The transaction has been approved by the boards of directors of both companies.

David Holveck, president and chief executive officer of Endo, stated, "This merger reflects our desire to expand our business beyond pain management into complementary medical areas where we can be innovative and competitive. We believe this expansion of our product line has significant growth potential because of the therapeutic value of the Indevus product portfolio, the unique expertise of both companies, and the demographic, health care and reimbursement trends that favor the consideration of new products to address unmet needs in urology and endocrinology. Endo expects that the transaction will be dilutive to the company's earnings in 2009 and is targeted to become accretive to Endo's earnings in 2010. Endo expects to achieve up to $40 million in cost savings and will provide more complete financial guidance during its fourth quarter and full-year earnings conference call in February.

Novel Products and Drug-Delivery Technology
Endo currently markets proprietary and generic products for the treatment and management of pain. Indevus currently markets products to treat overactive bladder, prostate cancer and central precocious puberty and is pursuing regulatory approval of drugs to treat hypogonadism and bladder cancer.

Transaction Summary
Endo will effect the acquisition through a tender offer by BTB Purchaser Inc., a wholly owned subsidiary of Endo, for all outstanding shares of Indevus common stock in which Indevus stockholders will receive for each share of Indevus common stock tendered $4.50 in cash up front, plus up to an additional $3.00 per share in cash payable, consisting of up to $2.00 per share linked to certain milestones for NEBIDO, and $1.00 per share payable upon approval of the octreotide implant. The tender offer will expire at midnight New York time on the 45th day following and including the commencement date, unless extended in accordance with the terms of the merger agreement and the applicable rules and regulations of the Securities and Exchange Commission. The tender offer, if successful, will be followed by a second-step merger in which any shares of Indevus not tendered into the offer will be converted into the right to receive the same per share consideration paid to Indevus shareholders in the tender offer.

M&A Watch (*cont'd.*)

Roche $ 46,800M Genentech

Roche (SWX: ROG.VX; RO.S) and Genentech (NYSE: DNA) announced today that they signed a merger agreement under which Roche will acquire the outstanding publicly held interest in Genentech for US$95.00 per share in cash, or a total payment of approximately US$46.8 billion to equity holders of Genentech other than Roche. The special committee of Genentech's Board of Directors has approved the agreement and recommends that Genentech shareholders tender their shares in Roche's tender offer.

Dr. Charles Sanders, Chairman of the Special Committee of Genentech's Board of Directors, said: "We believe this is a fair offer for Genentech shareholders, and the Committee is pleased to come to a successful conclusion of this process. We look forward to working with Roche to complete the transaction as expeditiously as possible." The combined company will be the seventh largest U.S. pharmaceuticals company in terms of market share. It will generate approximately US$17 billion in annual revenues and will employ around 17,500 employees in the U.S. pharmaceuticals business alone, including a combined sales force of approximately 3,000 people.

Financial Information
Roche expects the combination to generate annual pre-tax cost synergies of approximately US$750 to $850 million. Synergies will be largely driven by reducing complexity and eliminating duplicative functions and processes in areas like late stage development, manufacturing, corporate administration and support functions. Savings resulting from this combination will enable the new company to increase and better focus its investment in innovation. The transaction is expected to be accretive to Roche's earnings per share in the first year after closing. The combined company will generate substantial free cash flow that will enable it to rapidly reduce acquisition-related debt, invest in further product launches and retain strategic flexibility.

M&A Watch (*cont'd.*)

Merck $ 41,100M Schering-Plough

WHITEHOUSE STATION, N.J. and KENILWORTH, N.J., March 9, 2009 - Merck & Co., Inc. (NYSE: MRK) and Schering-Plough Corporation (NYSE: SGP) today announced that their Boards of Directors have unanimously approved a definitive merger agreement under which Merck and Schering-Plough will combine, under the name Merck, in a stock and cash transaction. Under the terms of the agreement, Schering-Plough shareholders will receive 0.5767 shares and $10.50 in cash for each share of Schering-Plough. Each Merck share will automatically become a share of the combined company. Merck Chairman, President and Chief Executive Officer Richard T. Clark will lead the combined company.

Based on the closing price of Merck stock on March 6, 2009, the consideration to be received by Schering-Plough shareholders is valued at $23.61 per share, or $41.1 billion in the aggregate. This price represents a premium to Schering-Plough shareholders of approximately 34 percent based on the closing price of Schering-Plough stock on March 6, 2009. The consideration also represents a premium of approximately 44 percent based on the average closing price of the two stocks over the last 30 trading days.

Financial Benefits of the Transaction

Strong Financial Profile: The combined 2008 revenues[3] of the two companies totaled $47 billion. Post-transaction, the combined company will have a strong balance sheet with a cash and investments balance of approximately $8 billion. Merck believes it will maintain its current credit ratings. In addition, the combined company's broad product portfolio is expected to generate robust cash flow. Commitment to Maintain Merck Dividend: Merck's Board of Directors is committed to maintaining the dividend at the current level following the closing of the transaction. Merck currently pays an annual dividend of $1.52 per share, which, on an as-converted basis, represents a three fold increase for Schering-Plough shareholders. In addition, the combined company will continue Merck's share repurchase program after the closing of the transaction. Substantial Cost Savings: Merck expects to achieve substantial cost savings of approximately $3.5 billion annually beyond 2011. These cost savings are expected to come from all areas across the combined company and from the full integration of the Merck/Schering-Plough Pharmaceuticals cholesterol joint venture. These cost savings are in addition to the previously announced ongoing cost reduction initiatives at both companies. Accretive to Earnings: The transaction is anticipated to be modestly accretive to non-GAAP EPS[1] in the first full year following completion and significantly accretive thereafter.

M&A Watch (*cont'd.*)

Gilead $ 1,400M CV Therapeutics

FOSTER CITY, Calif. & PALO ALTO, Calif.--(BUSINESS WIRE)--Mar. 12, 2009-- Gilead Sciences, Inc. (Nasdaq:GILD) and CV Therapeutics, Inc. (Nasdaq:CVTX) today announced the signing of a definitive agreement pursuant to which Gilead will acquire CV Therapeutics for $20.00 per share in cash through a tender offer and second step merger. CV Therapeutics' Board of Directors has unanimously approved the transaction and has agreed to recommend to its stockholders that they tender their shares pursuant to the tender offer. CV Therapeutics will become a wholly-owned subsidiary of Gilead. The transaction is valued at approximately $1.4 billion and is expected to be dilutive to Gilead's earnings in 2009, neutral to accretive in 2010 and accretive in 2011 and beyond.

Terms of the Transaction
The closing of the tender offer is subject to various conditions, including the tender of at least a majority of the outstanding shares of CV Therapeutics common stock in the tender offer and the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act. The transaction is not conditional on financing. Gilead intends to finance the transaction through available cash on hand. The tender offer is expected to close during the second quarter of 2009. Following completion of the tender offer, Gilead will acquire all remaining shares of CV Therapeutics through a second step merger at a price of $20.00 per share. Merrill Lynch & Co. is acting as the exclusive financial advisor to Gilead in the transaction. Barclays Capital and Goldman, Sachs & Co. are acting as financial advisors to CV Therapeutics. Cooley Godward Kronish LLP is serving as legal counsel to Gilead and Latham & Watkins LLP is serving as legal counsel to CV Therapeutics.

M&A Watch (*cont'd.*)

Sanofi-Aventis $ 2,600M Zentiva

Paris, France - February 25, 2009 - Sanofi-aventis announced today that all conditions to the Offer made by its subsidiary sanofi-aventis Europe have been successfully fulfilled. Sanofi-aventis welcomes the successful results of this offer. Zentiva constitutes an exceptional opportunity to accelerate the expansion of the Group's presence in emerging markets. Sanofi-aventis intends for Zentiva to become a platform for further growth in the Central and Eastern European (CEE) markets, Turkey and Russia. Following the acquisition of Zentiva, the sanofi-aventis Group will be the eleventh global generic player on the basis of pro forma 2008 sales.

Chris Viehbacher, CEO of sanofi-aventis said : "This operation is a typical example of the kind of acquisition that I want our company to make, as part of our efforts to diversify and strengthen our business in areas where there are attractive growth opportunities. I am very enthusiastic about this opportunity, which is another step towards our ambition to become a global healthcare leader."

Sanofi-aventis Europe received qualifying acceptances of the Offer in relation to 27,388,049 ordinary shares (including shares held in the form of global depositary shares) of Zentiva, corresponding to 70% of the outstanding share capital and voting rights of Zentiva. The Offer's minimum tender condition of 10,339,203 shares has therefore been fulfilled. Following settlement, and including the shares already held by sanofi-aventis Europe prior to the Offer, sanofi-aventis Europe expects to hold around 94% of the outstanding share capital and voting rights of Zentiva. On the basis of the previously announced competition law clearances from the competent authorities of the European Union, Turkey, Russia and Ukraine and in the absence of any corporate decision in violation of Article 4 (v) of the Offer Memorandum, sanofi-aventis Europe has determined that all other offer conditions have also been satisfied.As a result of the satisfaction of all the conditions of the Offer, the agreements on the purchase of ordinary shares and global depositary shares of Zentiva entered into through the tendering shareholders' acceptances of the Offer have become effective. The settlement of the Offer will occur on March 11, 2009. Shareholders are reminded that for shares and global depositary shares to be validly transferred, the requirements set down in Section 10 of the Offer memorandum must be followed. The Offer Memorandum can be found on a dedicated page of the website www.sanofi-aventis.com. Shareholders are therefore strongly advised to contact the financial intermediary with whom their securities are deposited without delay, and ensure that the required steps are taken on their behalf.

M&A Watch (*cont'd.*)

Johnson & Johnson $ 1,000M Cougar Biotech

NEW BRUNSWICK, N.J., and LOS ANGELES, May 21 /PRNewswire-FirstCall/ -- Johnson & Johnson (NYSE: JNJ) and Cougar Biotechnology, Inc. (Nasdaq: CGRB), a development stage biopharmaceutical company with a specific focus on oncology, today announced a definitive agreement whereby Cougar Biotechnology will be acquired for approximately $1.0 billion in a cash tender offer.

Cougar Biotechnology, which has compounds in development for the treatment of prostate cancer, as well as breast cancer and multiple myeloma, will work with Ortho Biotech Oncology Research & Development, a unit of Centocor Research & Development, Inc., a Johnson & Johnson company.

Under the terms of the agreement, Johnson & Johnson will initiate a tender offer, through a new wholly-owned subsidiary, to purchase all outstanding shares of Cougar Biotechnology at $43 per share. The tender offer is conditioned on the tender of a majority of the outstanding shares of Cougar Biotechnology's common stock. The closing is conditioned on clearance under the Hart-Scott-Rodino Antitrust Improvements Act and other customary closing conditions. The $970 million estimated net value of the transaction is based on Cougar Biotechnology's 20.8 million shares outstanding, net of estimated cash on hand at closing. The boards of directors of both Johnson & Johnson and Cougar Biotechnology have approved the transaction.

M&A Watch (*cont'd.*)

Sanofi-Aventis $ 4,000M Merial

PARIS, FRANCE, WHITEHOUSE STATION, N.J. and KENILWORTH, N.J., July 30, 2009 - Sanofi -aventis (EURONEXT: SAN and NYSE: SNY) and Merck & Co., Inc. (NYSE: MRK) today announced that the companies have signed a definitive agreement under which Merck will sell its 50 percent interest in the companies' current animal health joint venture, Merial Limited (Merial), to sanofi-aventis for $4 billion (US) in cash. Formed in 1997, Merial is a leading animal health company that is a 50/50 joint venture between Merck and sanofi-aventis. Following the close of the transaction, sanofi-aventis will own 100 percent of Merial.

In addition to the Merial agreement, Merck, sanofi-aventis and Schering-Plough announced the signing of a call option agreement. Under the terms of the call option agreement, following the closing of the Merck/Schering-Plough merger, sanofi-aventis would have an option to combine the Intervet/Schering-Plough Animal Health business with Merial to form an animal health joint venture that would be owned equally by the new Merck and sanofi-aventis.

As part of the call option agreement, the value of Merial has been fixed at $8 billion (US). The minimum total value received by the new Merck and its affiliates by contributing Intervet/Schering-Plough to the combined entity would be $9.25 billion (US), consisting of a floor valuation of Intervet/Schering-Plough of $8.5 billion (US) (subject to potential upward revision based on a valuation exercise by the two parties) and an additional payment of $750 million (US). Based on the valuation exercise of Intervet/Schering-Plough and customary transaction adjustments, if Merial and Intervet/Schering-Plough are combined, a true-up payment would be paid to establish a 50/50 joint venture with equal ownership between the new Merck and sanofi-aventis. Any formation of a new animal health joint venture with sanofi-aventis is subject to customary closing conditions including antitrust review in the United States and Europe.Between September 30, 2009 and the closing of the merger between Merck and Schering-Plough, the agreements provide Merck with certain rights to terminate the option for a fee of $400 million or $600 million (US).

M&A Watch (*cont'd.*)

GlaxoSmithKline $ 3,600M Stiefel Laboratories

GlaxoSmithKline plc (GSK) and Stiefel Laboratories announced that they have signed an agreement to create a new world-leading specialist dermatology business. Under the terms of the agreement GSK will acquire the total share capital of Stiefel for a cash consideration of $2.9 billion. GSK also expects to assume $0.4 billion of net debt upon closing. A potential further $0.3 billion cash payment is contingent on future performance. GSK's existing prescription dermatological products will be combined with Stiefel's and the new specialist global business will operate under the Stiefel identity within the GSK Group.The new business will have a broad portfolio of dermatology products including Stiefel's leading brands: *Duac*, for acne, *Olux E* for dermatitis and *Soriatane* for the treatment of severe psoriasis. GSK's key dermatology brands include: *Bactroban, Cutivate* and recently launched *Altabax*.

Combined pro forma revenues for the calendar year ended 2008 were approximately $1.5 billion, representing an 8% share of the global prescription dermatology market. Sales of Stiefel's products for the calendar year ended 2008 were approximately $900 million. Sales of GSK's prescription dermatology products were approximately $550 million. The new business will have a robust development pipeline, with Stiefel currently having more than 15 projects in late-stage development across a wide variety of dermatological conditions, such as acne, dermatoses and fungal infection. The new business also has access to significant innovative and proprietary formulation technologies.

Cost synergies for the new business are expected primarily from combining manufacturing and administrative functions. The companies expect to deliver annual pre-tax cost savings of up to $240 million by 2012 with integration costs of approximately $325 million over the next 3 years. These integration costs will be reported within the middle column of GSK's income statement together with other ongoing major restructuring costs. Excluding integration costs, the transaction is expected to result in minor earnings per share (EPS) dilution for GSK in 2009 (less than 1%) and to be 1-2% accretive to EPS in 2010. The transaction has been approved by the Stiefel stockholders. Closing of the transaction is conditional upon certain matters including receiving certain regulatory clearances and no material adverse change occurring in respect of Stiefel's business prior to closing. The transaction is expected to close in the third quarter of 2009.

M&A Watch (*cont'd.*)

Bristol-Myers Squibb $ 2,400M Medarex

Bristol-Myers Squibb Company and Medarex, announced that the companies have signed a definitive merger agreement providing for the acquisition of Medarex by Bristol-Myers Squibb, for $16.00 per share in cash. The transaction, with an aggregate purchase price of approximately $2.4 billion, has been unanimously approved by the boards of directors of both companies. Medarex's projected $300 million in net cash and marketable securities at closing would be an asset acquired by Bristol-Myers Squibb resulting in an implied purchase price of approximately $2.1 billion.

Bristol-Myers Squibb gains the following as a result of the acquisition: Medarex's UltiMAb Human Antibody Development System®, which produces high affinity, fully human antibodies for use in a broad range of therapeutic areas, including immunology and oncology. This validated technology platform has produced compounds which are now currently marketed therapies (SIMPONI™, STELARA™ and ILARIS®). Medarex's next-generation Antibody-Drug Conjugate (ADC) technology, which is a novel and proprietary platform that could open new fields in oncology drug development. Rights to seven antibodies in clinical trials under Medarex's sole sponsorship and three other antibodies being co-developed with other partners. Rights to pre-clinical assets in various stages of development by Medarex -- in particular, monoclonal antibodies focused in oncology and immunology. Full ownership and rights to ipilimumab, which, if approved, could be an important contributor to Bristol-Myers Squibb's future growth. The companies have collaborated on the development of ipilimumab, a novel immunotherapy currently in Phase III development for the treatment of metastatic melanoma. The companies also have an ongoing Phase II study in lung cancer as well as Phase III studies in adjuvant melanoma and hormone-refractory prostate cancer.

Royalties based on percentage of sales for SIMPONI™, STELARA™ and ILARIS®.

Under the terms of the definitive merger agreement, BMS will commence a cash tender offer on or about July 27, 2009 to purchase all of the outstanding shares of a cash tender offer on or about July 27, 2009 to purchase all of the outstanding shares of Medarex common stock for $16.00 per share in cash. The closing of the tender offer is subject to customary terms and conditions, including the tender of a number of shares that, together with the number of shares already owned by Bristol-Myers Squibb, constitutes at least a majority of Medarex's outstanding shares of common stock (on a fully diluted basis) and expiration or termination of the waiting period under the Hart Scott Rodino Antitrust Improvement Act. The agreement also provides for the parties to effect, subject to customary conditions, a merger to be completed following the completion of the tender offer which would result in all shares not tendered in the tender offer being converted into the right to received $16.00 per share in cash. The merger agreement contains a provision under which Medarex has agreed not to solicit any competing offers for the company. Bristol-Myers Squibb will finance the acquisition from its existing cash resources.

M&A Watch (*cont'd.*)

Agilent Technologies $ 1,500 Varian

Agilent Technologies and Varian announced that they have signed a definitive agreement for the acquisition by Agilent of Varian, a leading worldwide supplier of scientific instrumentation and associated consumables for life science and applied market applications. Agilent will pay $52 cash per share of common stock for Varian in a transaction that represents a premium of approximately 35% to Varian's closing price on July 24, 2009. Both Agilent's and Varian's Board of Directors have unanimously approved the all-cash offer.

The acquisition broadens Agilent's applications and solutions offerings in Life Sciences, Environmental, and Energy and Materials. It also expands Agilent's product portfolio into atomic and molecular spectroscopy; establishes a leading position in NMR, imaging and vacuum technologies; and strengthens its consumables portfolio.

Once the acquisition has been completed, Adrian Dillon, Agilent's executive vice president and chief financial officer, will assume responsibility for combining Varian with Agilent's Bio-Analytical Measurement segment consistent with Agilent's operating model. The transaction is expected to generate $75 million in annual cost synergies and achieve Agilent's 20% return on invested capital (ROIC) target within four to five years. The transaction is subject to approval by the shareholders of Varian and will be completed after achieving customary closing conditions and regulatory approvals, which Agilent expects before calendar year-end. The transaction is not subject to any financing conditions.

M&A Watch (*cont'd.*)

Johnson & Johnson $ 1,385M Elan Corporation

Johnson & Johnson and Elan announced that JANSSEN Alzheimer Immunotherapy, a newly formed subsidiary of Johnson & Johnson, has completed the acquisition of substantially all of the assets and rights of Elan related to its Alzheimer's Immunotherapy Program (AIP). In addition, Johnson & Johnson, through its affiliate, Janssen Pharmaceutical, has invested $885 million in exchange for newly issued American Depositary Receipts of Elan, representing 18.4% of Elan's outstanding ordinary shares.

The AIP represented Elan's interest in a collaboration with Wyeth Pharmaceuticals to research, develop and commercialize selective products for the treatment and/or prevention of neurodegenerative conditions, including Alzheimer's Disease. JANSSEN Alzheimer Immunotherapy will now assume Elan's activities with Wyeth under the AIP and continue development activities for bapineuzumab, a potential first-in-class treatment being evaluated for slowing the progression of Alzheimer's Disease.

The AIP includes multiple compounds being evaluated for slowing the progression of Alzheimer's Disease. The lead compound (bapineuzumab), administered intravenously once every three months, is currently in Phase 3 clinical trials. A subcutaneous formulation, administered once a week, is currently in Phase 2 trials. In addition, a vaccine for Alzheimer's Disease (ACC-001) is also in Phase 2 trials.

JANSSEN Alzheimer Immunotherapy is researching, developing and commercializing selective products for the treatment and/or prevention of Alzheimer's Disease. This includes bapineuzumab, a potential first-in-class treatment that is being evaluated for slowing the progression of Alzheimer's Disease. JANSSEN Alzheimer Immunotherapy will strive to provide innovative, high quality, safe and effective treatments and continually seek new opportunities to offer solutions for unmet health care needs. JANSSEN Alzheimer Immunotherapy is based in Dublin and has R&D facilities in South San Francisco.

M&A Watch (*cont'd.*)

LabCorp $ 106M Monogram Biosciences

Laboratory Corporation of America ® Holdings (LabCorp ®) (NYSE: LH) and Monogram Biosciences, Inc. (NASDAQ: MGRM) today announced that they have entered into a definitive agreement and plan of merger under which LabCorp will acquire all of the outstanding shares of Monogram in a cash tender offer for $4.55 per share for an implied total equity value of approximately $106.7 million, or a total enterprise value of approximately $155 million at March 31, 2009, including net indebtedness.

Under the terms of the agreement and plan of merger, LabCorp's acquisition subsidiary, Mastiff Acquisition Corp., will commence a tender offer to purchase all outstanding shares of Monogram Biosciences, Inc. for $4.55 per share in cash, without interest. Following the completion of the tender offer, LabCorp expects to merge Mastiff Acquisition Corp. and Monogram resulting in any shares not purchased in the tender offer being converted into the right to receive the same cash price per share as paid in the tender offer. The tender offer and the merger are subject to customary closing conditions set forth in the agreement and plan of merger, including the acquisition in the tender offer of a majority of Monogram's outstanding shares on a fully diluted basis (excluding out of the money options) and the expiration or early termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. The closing of the acquisition is expected in the third quarter of 2009.

M&A Watch (*cont'd.*)

Warner Chilcott $ 3,100M Proctor & Gamble Pharma

On August 24, 2009, Warner Chilcott plc and The Procter & Gamble Company entered into a definitive purchase agreement pursuant to which Warner Chilcott will acquire the worldwide prescription pharmaceutical business of P&G for $3.1 billion in cash, subject to possible adjustment as described below.

The transaction has been approved by the respective boards of directors of Warner Chilcott and P&G, and the transaction is expected to close in the fourth quarter of 2009The termination fee is the sole and exclusive remedy of P&G against Warner Chilcott with respect to the failure to close for a financing failure. As described more fully in Article II of the Purchase Agreement, the purchase price is subject to possible adjustment based on (i) closing working capital of the Pharmaceutical Business and (ii) certain payments due after closing under a collaboration agreement of the Pharmaceuticals Business with respect to pre-closing periods. In addition, if the closing occurs after October 31, 2009, the purchase price will be reduced by an amount equal to the net cash flow for the business for the period from October 31, 2009 through the closing. Warner Chilcott and P&G have each made customary representations, warranties and covenants in the Purchase Agreement. These include, among other things, P&G's agreement to operate the Pharmaceuticals Business in the ordinary course of business until closing, Warner Chiclott's agreement to use its reasonable best efforts to obtain the proceeds of the financing and customary indemnification obligations. Warner Chilcott and P&G have agreed to enter into related transaction agreements at the closing, including a transition services agreement and a collaboration matters agreement. The foregoing description of the Purchase Agreement and the transactions contemplated thereby does not purport to be complete and is qualified in its entirety by reference to the Purchase Agreement.

On August 24, 2009, Warner Chilcott entered into a commitment letter pursuant to which (a) Bank of America, N.A., Credit Suisse, Barclays Bank PLC, Citibank, N.A., JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc. and certain of their respective affiliates have committed to provide senior secured credit facilities in an aggregate amount of $2.75 billion comprised of (i) $2.50 billion in aggregate term loan facilities and (ii) a $250.0 million revolving credit facility and (b) JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Banc of America Bridge LLC, Barclays Bank PLC, Citibank, N.A., Credit Suisse and certain of their respective affiliates have committed to provide a senior unsecured bridge facility in an aggregate amount of up to $1.4 billion. The commitment to provide the Credit Facilities is subject to various conditions, including the absence of a Closing Date Material Adverse Effect on the combined company, the negotiation of definitive documentation, minimum EBITDA (as defined) of the Pharmaceutical Business for the four most-recent fiscal quarters ended not less than 45 days prior to the Closing Date of $710 million, pro forma compliance with the financial covenants to be contained in such Credit Facilities and other customary closing conditions more fully set forth in the Commitment Letter.

M&A Watch (*cont'd.*)

Abbott Laboratories $ 6,600M Solvay Pharmaceuticals

Abbott announced a definitive agreement with the Solvay Group for Abbott to acquire Solvay's pharmaceuticals business for EUR 4.5 billion ($6.6 billion) in cash, providing Abbott with a large and complementary portfolio of pharmaceutical products and a significant presence in key global emerging markets. The acquisition also includes full global rights to the fenofibrate franchise. Currently Abbott has U.S. rights to fenofibrate and pays royalties to Solvay.

Belgium-based Solvay Pharmaceuticals will add more than $3 billion in annual sales, the majority outside the U.S. Solvay has significant presence and infrastructure in key high-growth emerging markets, including Eastern Europe and Asia. Emerging markets are growing faster and increasing in importance due to demographics, rising incomes and expanded treatment of chronic disease.The acquisition will also add approximately $500 million to Abbott's annual pharmaceutical R&D investment, providing Abbott with the opportunity to further accelerate near and long-term pharmaceutical growth.

Solvay's pharmaceutical portfolio complements Abbott's presence and expertise in specialty markets such as cardiovascular disease, neuroscience and gastroenterology. Solvay has treatments for Parkinson's disease, Ménière's disease (abnormality of the inner ear), vertigo, and irritable bowel syndrome. Solvay also offers products to treat men's and women's hormonal health, and exocrine pancreatic insufficiency (inability to properly digest food), which is associated with several underlying conditions including cystic fibrosis and chronic pancreatitis.

The acquisition also includes Solvay's vaccines business, which will provide Abbott entry into the expanding global vaccines market. Solvay has a small molecular diagnostics unit that will become part of Abbott's diagnostics organization upon the transaction close.

The transaction will be approximately $0.10 accretive to ongoing earnings per share in 2010, accelerating to more than $0.20 by 2012, increasing thereafter, all before one-time transaction-related items, which will be provided at a later date. These one-time transaction-related items are expected to occur between 2010 and 2012. The transaction also includes payments of up to EUR 300 million if certain sales milestones are met between 2011 and 2013. Abbott plans to fund the transaction with cash currently on the balance sheet. This transaction is subject to customary closing conditions and regulatory approvals and is expected to close in the first quarter of 2010. As a result, the deal will have no impact on 2009 ongoing earnings per share. The boards of directors of both companies have approved the proposed acquisition.

M&A Watch (*cont'd.*)

Dainippon Sumitomo Pharma $ 2,600M Sepracor

Dainippon Sumitomo Pharma agreed to acquire the specialty pharmaceutical company Sepracor for $2.6 billion. Sepracor had 2008 revenues of approximately $1.3 billion. Sepracor's currently marketed products in the United States include: Lunesta (eszopiclone) for treating insomnia in adults; Xopenex (levalbuterol hydrogen chloride) inhalation solution and Xopenex HFA (levalbuterol tartrate) for treating bronchospasm; Brovana (arformoterol tartrate) inhalation solution for treating bronchoconstriction in patients with chronic obstructive pulmonary disease; Omnaris (ciclesonide) nasal spray for treating allergic rhinitis; and Alvesco (ciclesonide) HFA inhalation aerosol for the maintenance treatment of asthma. In addition, Sepracor's commercial organization in the US, the company's wholly owned subsidiary Sepracor Pharmaceuticals, markets in Canada several additional products for treating cardiovascular issues, the central nervous system (CNS), pain, and infectious diseases.

DSP also is interested in using Sepracor's expertise to develop and commercialize lurasidone, DSP's internally developed drug candidate for treating schizophrenia, which is in Phase III clinical development, as well as other pipeline products. Some promising pipeline candidates from Sepracor include Stedesa (eslicarbazepine acetate) for treating epilepsy and other potential indications, Omnaris HFA, a nasal aerosol formulation of ciclesonide, and other early- and mid-stage CNS and respiratory assets.

Upon completion of the acquisition, Sepracor will become a wholly owned subsidiary of Dainippon Sumitomo Pharma America Holdings, a wholly owned US subsidiary of DSP, and will continue its operations in Marlborough, Massachusetts, and Canada. Sepracor will retain its name, branding, and intellectual-property rights and continue to operate as Sepracor. DSP will commence a tender offer no later than Sept. 15, 2009 to purchase all of the outstanding shares of Sepracor common stock for $23.00 per share in cash. The companies expect the tender offer to close in the fourth quarter of 2009.

DSP was formed from the 2005 merger of Sumitomo Pharmaceuticals and Dainippon Pharmaceuticals. DSP's pending acquisition of Sepracor is another example of recent acquisitions by Japanese pharmaceutical companies of drug companies outside of Japan. These deals include: Takeda Pharmaceutical's (Osaka, Japan) $8.8-billion acquisition of Millennium Pharmaceuticals in 2008; Eisai's $3.9-billion acquisition of MGI Pharma in 2008; and Daiichi Sankyo's (Tokyo) purchase of a controlling stake in Ranbaxy Laboratories (Gurgaon, Haryana, India) in 2008.

M&A Watch (*cont'd.*)

Danaher Corporation $ 1,100M MDS

Danaher Corporation announced that it has signed a definitive agreement with MDS to acquire the Analytical Technologies division of MDS, which includes a 50% ownership position in Applied Biosystems/MDS Sciex joint venture ("AB SCIEX"), a mass spectrometry business, and a 100% ownership position in the former Molecular Devices Corporation, a bioresearch and analytical instrumentation company. In a separate, but related transaction, Danaher also announced that it has signed a definitive agreement with Life Technologies Corporation to acquire the remaining 50% ownership position in AB SCIEX. After completion of both transactions, Danaher will own outright AB SCIEX and Molecular Devices. The aggregate purchase price for the combined transactions is $1.1 billion, including debt assumed and net of cash acquired.

AB SCIEX is a leading designer and manufacturer of mass spectrometers, highly sensitive and sophisticated instruments used by researchers and clinicians to identify and quantify specific molecules in complex samples. AB SCIEX sells into the research, applied and clinical markets. Typical applications include proteomics research, drug development, food and environmental safety testing and diagnostics testing. Customers include academic and research institutions, pharmaceutical development labs primarily supporting clinical trials, testing and reference labs and hospitals. Molecular Devices supplies high-performance bio-analytical instrumentation systems and consumables that accelerate and improve research productivity and effectiveness in life science research and drug discovery.

The acquired businesses will operate within Danaher's Medical Technologies segment, joining Danaher's Leica, Radiometer, Sybron, and KaVo businesses, and will expand the segment's annual revenues by more than $650 million. The acquired businesses will increase Danaher's life sciences and diagnostics annual revenues to more than $2 billion. Danaher's Medical Technologies brands are some of the most highly recognized in each of their respective product segments.

The transaction with MDS Inc. is subject to approval of the MDS shareholders. Both transactions are subject to regulatory approval and customary closing conditions, including the absence of material adverse change with respect to the acquired businesses. Danaher expects the transactions to close in the fourth quarter of 2009.

M&A Watch (*cont'd.*)

LEO Pharma $ 1,000M Warner Chilcott

Warner Chilcott and LEO Pharma announced today that, in exchange for a one-time cash payment of $1.0 billion to Warner Chilcott, LEO Pharma is re-acquiring Warner Chilcott's exclusive product licensing rights in the United States to its topical psoriasis treatments Taclonex(R), Taclonex Scalp(R), Dovonex(R) as well as rights to all products in LEO's development pipeline, and acquiring all inventories of the products. Under the terms of the agreement, Warner Chilcott has agreed to continue distribution and promotion of Taclonex(R), Taclonex Scalp(R) and Dovonex(R) for LEO Pharma until December 31, 2009 and to perform certain transition services for LEO Pharma for up to one year.

The repurchase of the product rights and inventories for $1.0 billion, which is expected to close today, will result in a one-time gain for Warner Chilcott of approximately $450 million after-tax, or approximately $1.79 per share based on 251.3 million shares outstanding. Net cash proceeds, after taxes triggered by the gain, are expected to be approximately $980 million. Warner Chilcott is using a portion of the cash generated by the sale to repay and terminate its existing senior secured credit facilities ($480 million of which was outstanding on September 23, 2009). In addition, the proceeds will reduce the amount of financing necessary in connection with Warner Chilcott's pending acquisition of Procter & Gamble Pharmaceuticals.

M&A Watch (*cont'd.*)

Alcon Laboratories $ 589M ESBATech

Alcon announced that it has entered into a definitive agreement to acquire ESBATech AG, a Swiss biotechnology company. Alcon will pay ESBATech shareholders $150 million in cash at closing, plus contingent payments of up to $439 million based upon the achievement of future research and development milestones that would be expected to create value for Alcon. ESBATech is a clinical-stage biotechnology company that has been developing a pipeline of proprietary single-chain antibody fragment therapeutics for topical and local delivery for safe and convenient therapy. ESBATech has advanced its antibody fragment technology to preclinical and clinical stages in the eye for various diseases. The company has several stable and soluble single -chain antibody fragments in development, with its most advanced product candidate progressed into Phase I and II studies relating to the treatment of inflammatory ocular diseases.

The agreement to acquire ESBATech includes all rights to its technology for therapeutic application to the eye, including age-related macular degeneration, diabetic macular edema, glaucoma, dry eye and uveitis. Substantially all of the employees of ESBATech will join Alcon upon the finalization of the acquisition. The rights to the technology and products for application outside of ophthalmology will be retained by the previous shareholders of ESBATech and spun off into a separate new company, Delenex Therapeutics AG. As confirmation of the strategy to enhance the Alcon research platform, this biologics capability acquisition comes on the heels of Alcon's recent announcement of an agreement with AstraZeneca that pairs Alcon's ophthalmic research capability with AstraZeneca's rich drug libraries in a collaborative effort to treat eye diseases. The ESBATech acquisition expands Alcon's research capability outside of small molecules to the promising field of proteins, antibodies and other large molecules.

M&A Watch (*cont'd.*)

Biovitrium $ 493M Swedish Orphan

Biovitrum is purchasing Swedish Orphan for SEK 3.5 billion (about $501.59 million) up front on a cash- and debt-free basis. With a combined product portfolio of some 60 orphan/niche specialty products, the new entity aims to achieve sales of over SEK 5 billion (roughly $716.30 million) in 2015, with an EBIT margin of over 30% based on its current portfolio and pipeline. The acquisition of Swedish Orphan comes less than a week after Biovitrum confirmed selling its wholly owned drug discovery subsidiary, Cambridge Biotechnology (CBT), and a number of its own drug development programs to Proximagen Neuroscience.

Biovitrum believes that Swedish Orphan will add successful business development, distribution, marketing, and regulatory support to its own product development and manufacturing expertise. "The two companies fit like a glove," comments Martin Nicklasson, Biovitrum CEO. "By joining forces with Swedish Orphan, Biovitrum takes another important step in the transformation set out in the strategy adopted two years ago." Swedish Orphan's product portfolio includes two proprietary drugs, Multiferon® and Orfadin™, along with a diverse in-licensing portfolio of another 50 products. Therapeutic areas include oncology, metabolic disorders, hematology, infectious diseases, urology/nephrology, and emergency medicines.

M&A Watch (*cont'd.*)

Novartis $ 28,100M Alcon

January 4, 2010 - Novartis intends to gain full ownership of Alcon Inc. (NYSE: ACL) by first completing the April 2008 agreement with Nestlé S.A. to acquire a 77% majority stake in a global leader in eye care and subsequently entering into an all-share direct merger with Alcon for the remaining 23% minority stake.Novartis believes this merger, which will be implemented under the Swiss Merger Act, is in the interest of all stakeholders and will provide the needed clarity on Alcon's future.Alcon will strengthen the Group's portfolio focused on healthcare and provide greater access to the fast-growing global eye care sector, which is driven by an aging population, innovation and emerging markets.

Financial impact of proposed transactions to Novartis
Costs for full acquisition of Alcon, including the initial 25% stake purchased in mid-2008, are estimated at USD 49.7 billion. The transaction to acquire Nestlé's remaining 52% majority stake for USD 28.1 billion is planned to be funded with available cash resources and up to USD 16 billion of external short- and long-term debt funding. For the merger, Novartis will ask its shareholders to approve the issuance of 98 million new shares, which together with 107 million shares already held in treasury will be used to finance the acquisition of the Alcon minority shares at an implied cost of USD 11.2 billion. As of November 30, 2009, Novartis had 2,285 million fully diluted shares outstanding.

The Board of Directors has decided to use equity as a consideration to Alcon's minority shareholders to enable Novartis to maintain its strong credit rating, preserving its firm financial foundation and providing flexibility for future growth. In the first year after closing, these transactions to increase the Group's stake in Alcon from 25% to 100% are expected to be approximately 9% dilutive to fully diluted earnings per share, but approximately 1% accretive to core[2] earnings per share. The transactions are not expected to have an effect on the Group's credit ratings. Moodys rates the Group as Aa2 for long-term maturities and P-1 for short-term maturities and Standard & Poors has a rating of AA- and A-1+, for long-term and short-term maturities, respectively. Fitch has a long-term rating of AA and a short-term rating of F1+. These agencies have maintained a "stable" outlook.

M&A Watch (*cont'd.*)

Sanofi-Aventis $ 1,900M Chattem

PARIS and CHATTANOOGA, Tenn., Dec 21, 2009 /PRNewswire-FirstCall via COMTEX/ -- Sanofi -aventis (EURONEXT: SAN and NYSE: SNY) and Chattem, Inc. (Nasdaq: CHTT) announced today that they have entered into a definitive agreement under which sanofi-aventis is to acquire 100 percent of the outstanding shares of Chattem in a cash tender offer for $93.50 per share, or approximately $1.9 billion. The transaction will create the world's fifth-largest consumer healthcare company measured by product revenues by combining Chattem's position as a leading U.S. consumer healthcare company with sanofi-aventis' strong international presence in the sector.

Over-the-counter ("OTC") and consumer brands are core growth platforms identified in sanofi-aventis' broader strategy for achieving sustainable growth. Although the Group will generate around 1.4 billion euros worldwide in OTC sales in 2009, it has thus far not been directly present in the United States. Chattem is approximately 130 years old and is a leading manufacturer and marketer of branded consumer healthcare products, toiletries and dietary supplements across niche market segments in the United States. Chattem has regularly demonstrated its ability to sustain regular growth, both in terms of sales and profit, through the development of its own brands and the successful integration of acquired products. Chattem's well known brands include Gold Bond(R), Icy Hot(R), ACT(R), Cortizone-10(R), Selsun Blue(R) and Unisom(R).

Under the terms of the agreement, sanofi-aventis will commence a tender offer for all outstanding shares of Chattem at $93.50 per share in cash. The offer price represents a 34 percent premium above the closing price of Chattem's shares on December 18, 2009 and a 44 percent premium above the average closing price of Chattem's shares during the 6 months preceding the announcement of the transaction. The tender offer is conditioned on the tender of a majority of Chattem's shares calculated on a diluted basis, as well as the receipt of certain regulatory approvals and other customary closing conditions. Following the successful completion of the tender offer, a wholly owned subsidiary of sanofi-aventis will merge with Chattem and the outstanding Chattem shares not tendered in the tender offer will be converted into the right to receive the same $ 93.50 per share in cash paid in the tender offer. The tender offer will commence in January 2010 and the companies anticipate the transaction will close in the first quarter of 2010. Chattem's Board of Directors has unanimously approved the transaction.

M&A Watch (*cont'd.*)

AstraZeneca $ 505M Novexel

PARIS, December 23 /PRNewswire/ -- Novexel, a speciality pharmaceutical company focused on the discovery and development of novel antibiotics designed to overcome the significant global problem of microbial drug resistance, announces today that its shareholders have signed a definitive agreement whereby Novexel shall be acquired by AstraZeneca for a total cash consideration of up to $505 million, including contingent payments and the net cash position of the company at closing. The transaction is expected to close in the first quarter of 2010, subject to certain customary conditions, including the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvement Act of 1976.

Under the terms of the agreement, AstraZeneca will acquire 100 percent of Novexel's shares for $350 million in cash payable upon completion and will pay up to an additional $75 million to Novexel shareholders if specified development milestones are reached. AstraZeneca will also transfer to Novexel shareholders an amount equivalent to the cash balance of Novexel at closing. The cash balance of Novexel at closing is expected to be approximately $80 million. This transaction will provide AstraZeneca with an attractive portfolio of clinical and preclinical compounds which are designed to address infections caused by drug-resistant bacteria in the hospital.

M&A Watch (*cont'd.*)

Novartis $ 620M Cothera

Basel, December 23, 2009 - Novartis will gain exclusive worldwide rights to relaxin, a recombinant version of a naturally occurring human peptide, through the acquisition of the privately held US biopharmaceutical company Corthera Inc. Relaxin is currently in Phase III clinical trials as a potential treatment option for patients with acute decompensated heart failure (ADHF). Novartis will assume full responsibility for the development and commercialization of relaxin, with regulatory submissions in the US and Europe planned for 2013. The US Food and Drug Administration (FDA) has granted Fast Track designation to relaxin as part of its program to expedite the review of new drugs intended to treat serious or life-threatening conditions that can potentially address unmet medical needs.

Terms of Agreement
Under the terms of the transaction, Novartis will acquire all of the outstanding shares of Corthera s stock for USD 120 million. In addition, Corthera s current shareholders will be eligible to receive additional payments of up to USD 500 million that are contingent upon clinical milestones, regulatory approval of relaxin and the achievement of commercialization targets. This transaction, which is subject to customary regulatory approvals, is expected to be completed in the first quarter of 2010.

M&A Watch (*cont'd.*)

Cubist Pharmaceuticals $ 403M Calixa Therapeutics

LEXINGTON, Mass. - (Business Wire) Cubist Pharmaceuticals, Inc. (NASDAQ: CBST) a leading acute care therapeutics company, announced today the signing of a definitive agreement under which Cubist has agreed to acquire privately held Calixa Therapeutics Inc., a biopharmaceutical company focused on the development of novel antibiotics that address the expanding problem of multi-drug resistant Gram-negative pathogens. The Boards of Directors of each company have unanimously approved the agreement. Subject to obtaining requisite consents and other conditions, the acquisition is expected to close in the fourth quarter of 2009.

Pursuant to the terms of the agreement, on closing, Cubist would pay to the Calixa stockholders $92.5 million in cash, subject to certain adjustments, and Calixa would become a wholly-owned subsidiary of Cubist. Cubist also would be required to make potential payments to the Calixa stockholders of up to $310 million upon achieving certain development, regulatory, and commercial milestones related to products which incorporate CXA-101. No financing would be necessary to complete the acquisition of Calixa or to fund the development of Calixa's product candidates.