



# Biotech Daily

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*Special Edition*

2010: BDI-20 UP 34%, ASX200 DOWN 2.6%

MESOBLAST UP 518%, TISSUE THERAPIES UP 355%

The 12 months to December 31, 2010 was clearly another excellent year for biotech companies with the Biotech Daily Top 20 Index (BDI-20) up 33.9 percent and the broader BDI-40 up 29.4 percent, compared to the S&P ASX200 sliding 2.6 percent.

The BDI-40 (which does not include the Big Caps of Cochlear, CSL and Resmed) was up 15.3 percent for the month of December, compared to the ASX200 gaining 3.5 percent, with the \$107 million fall by Heartware more than compensated by Mesoblast more than doubling (115.7%) from \$547 million to a market capitalization of \$1,180.

Mesoblast ended the year up 517.8 percent above its December 31, 2009 market capitalization, the equal fourth largest company with Heartware - after CSL, Resmed and Cochlear. But it was not alone in doubling its market capitalization in just one month.

Sunshine Heart more than doubled its value in December climbing 111.8 percent from \$17 million to \$36 million, 80 percent above its value at December 31, 2009. Tissue Therapies was up 42.9 percent for December 2010, but 354.5 percent for the year.

A total of 23 Top 40 companies were up in December, with nine falling and eight unchanged.

Optiscan was up 100 percent to \$10 million in December, followed by Compumedics up 82.4 percent, Prima (54.9%), QRX (37.5%), Phylogica (28.6%), Clinuvel (23.5%), Phosphagenics (14.1%) and Pharmaxis (10.5%).

While Heartware fell the greatest amount in December 2010, down \$107 million to \$1,180 million the fall was just 8.3 percent and the company ended the year up 144.3 percent.

The deepest December fall was LBT Innovation's 33.3 percent slide from \$9 million to \$6 million, down 50 percent for the year, followed by Uscom down 29.4 percent to \$12 million, Cellmid (28.6%), Living Cell (11.6%) and Prana (11.8%).

Collectively, the three Big Caps were up 3.4 percent in December and 8.4 percent for the year, with Cochlear up 17.1 percent for the year, Resmed up 17.7 percent and CSL up 4.5 percent.

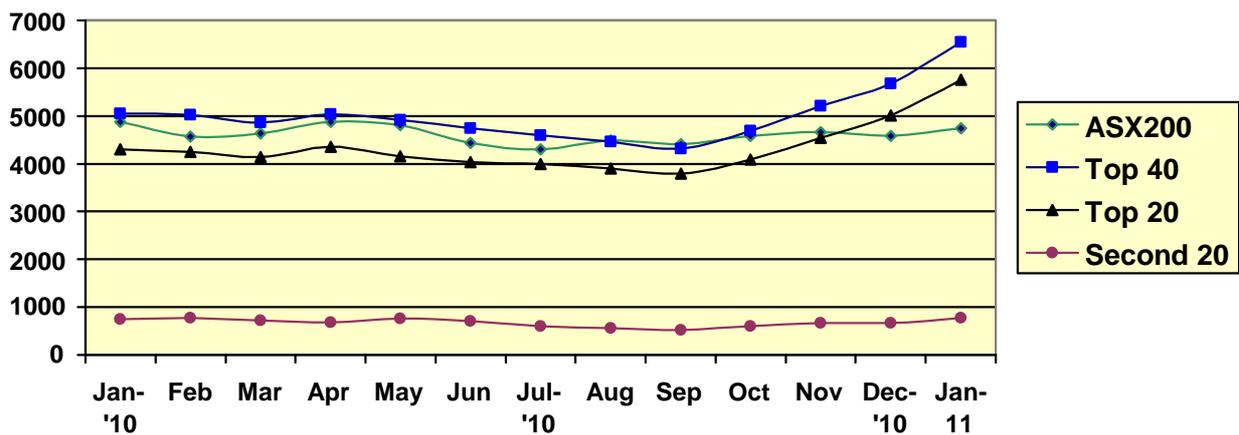
Just outside the Top 40, Reva Medical's initial public offer was impressive raising \$85 million to take it to a market capitalization of \$378 million, while Mayne Pharma has continued to grow steadily. The most impressive has been Anteo's almost inexplicable jump from \$3 million to \$57 million. Anteo has signed two major contracts for its Mix&Go diagnostic beads (BD: Jul 14, 2010). Ellex nearly doubled its market capitalization in 2010, with a series of announcements on its laser products and third party distribution deals.

Biotech companies raised \$263.1 million in December and more than \$535 million in the 12 months to December 31, 2010, not including institutional raisings.

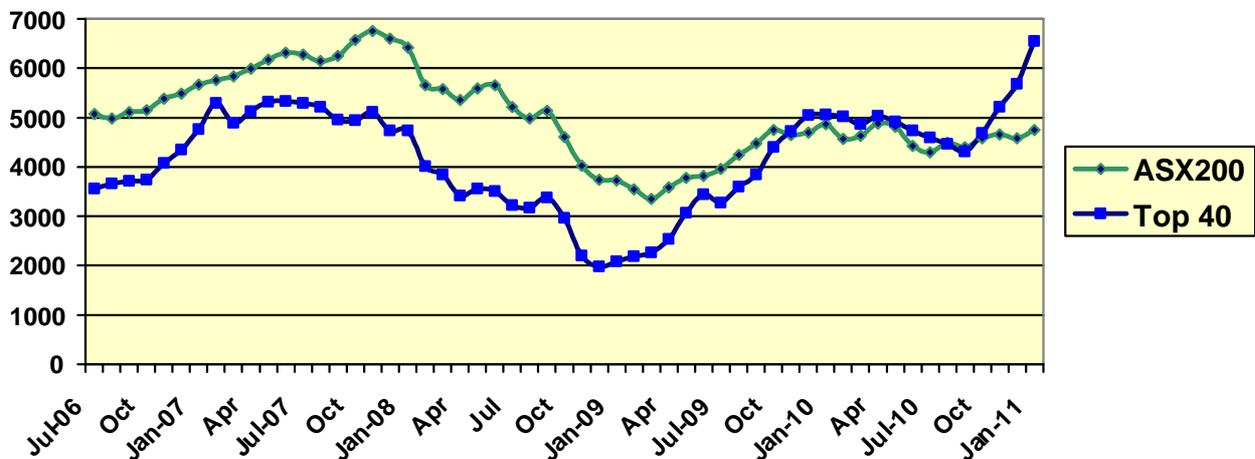
The only changes to the indices for the time being are the promotion to the Top 20 of Phylogica, recognizing its two deals worth a potential \$200 million and the demotion to the Second 20 of Antisense, which has not been able to make significant progress since the handing back of its ATL1102 for multiple sclerosis from Israel's Teva pharmaceuticals.

Below are two charts, the first showing the past year and the second a longer term 54-month comparison of the ASX200 and the BDI-40.

Biotech Daily Top 40 (\$m) v S&P ASX 200 2009



BDI-40 v ASX200 Jul 1, 2006 to Dec 31, 2010



## BIOTECH DAILY'S TOP 40 WITH MARKET CAPITALIZATION

Company \$Am	Jan-10	Dec-10	Jan-11
Cochlear	3,892	4,434	4,557
CSL	18,970	19,130	19,817
Resmed	4,492	5,125	5,291
<b>Top 20</b>			
AcruX	350	552	588
Alchemia	116	120	121
Bionomics	119	105	99
Biota	431	179	179
Cellestis	314	240	240
Chemgenex	279	128	129
Clinuvel	82	51	63
Genera	44	25	28
Heartware	483	1,287	1,180
Impedimed	85	111	122
Living Cell	60	43	38
Mesoblast	191	547	1,180
Nanosonics	144	191	198
Phylogica	32	14	18
Pharmaxis	596	610	674
Sirtex	421	308	337
Starpharma	165	184	202
Sunshine Heart	20	17	36
Tissue Therapies	22	63	100
Universal Biosensors	291	238	241
<b>Second 20</b>			
Advanced Surgical	11	12	12
Antisense	32	5	6
Benitec	14	12	12
Cathrx	44	37	40
Cellmid	11	14	10
Circadian	32	29	26
Compumedics	29	17	31
Genetic Technologies	16	13	13
Immuron	23	21	21
LBT Innovations	12	9	6
Optiscan	11	5	10
Patrys	23	23	23
Phosphagenics	50	78	89
Prana	35	34	30
Prima	96	82	127
Psivida	78	101	102
QRX Pharma	80	128	176
Uscom	29	17	12
Viralytics	13	19	18
Virax	8	5	5

\* Biotech Daily editor, David Langsam, owns shares in Alchemia, Bionomics, Biota, Chemgenex, Impedimed, Neuren, Optiscan and Sunshine Heart, as well as non-biotechnology stocks. These holdings are liable to change at any time.

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