



Biotech Daily

Thursday July 3, 2014

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: OSPREY UP 10.5%, ANTISENSE DOWN 7%**
- * **SIRTEX Q4 DOSE SALES UP 27% TO ABOUT 2,214 DOSES, \$33m**
- * **REVENUE UP, COMPUMEDICS EXPECTS RETURN TO PROFIT**
- * **CBIO EXECUTIVES APPEAL INVION \$1.3m COURT ORDER**
- * **ATCOR SALES FALL TAKES PROFIT TO LOSS**

MARKET REPORT

The Australian stock market was up 0.66 percent on Thursday July 3, 2014 with the S&P ASX 200 up 35.8 points to 5,491.2 points.

Fifteen of the Biotech Daily Top 40 stocks were up, 10 fell, 11 traded unchanged and four were untraded.

Osprey was the best, up 5.5 cents or 10.5 percent to 58 cents with 26,100 shares traded.

Avita climbed 4.8 percent; Atcor, Bionomics, Patrys, Sirtex and Starpharma were up more than three percent; Genetic Technologies, IDT, Impedimed, Pharmaxis and Prana rose more than two percent; Living Cell was up 1.85 percent; with Acrux, Benitec, CSL and Resmed up by less than one percent.

Antisense led the falls, down one cent or 7.4 percent to 12.5 cents with one million shares traded.

Circadian fell five percent; Admedus and Viralytics lost more than three percent; GI Dynamics, Oncosil, Prima and Uscom shed two percent or more; Phosphagenics was down 1.1 percent; with Cochlear and Mesoblast down by less than one percent.

SIRTEX MEDICAL

Sirtex says that dose sales of its SIR-Spheres for liver cancer increased 27.1 per cent for the three months to June 30, 2014 compared to the previous corresponding period.

Sirtex did not provide the number of dose sales but Lodge Partners analyst Marc Sinatra estimated that Sirtex sold 1,742 doses in the three months to June 30, 2013, implying the company sold 2,214 doses in the three months to June 30, 2014.

In its full year report for the 12 months to June 30, 2013, Sirtex said that 7,299 total dose sales provided \$84 million in revenue or an average of \$11,508 per dose (BD: Aug 15, 2013).

In its report for the six months to December 31, 2013, Sirtex said it sold 3,919 units returning revenue of \$58,581,000 or about \$14,948 per dose (BD: Feb 18, 2014).

The implied revenue from the 2,214 doses is about \$33.1 million for the three months.

Today, Sirtex said that dose sales in the three months to June 30, compared to the same period last year, grew in all regions with the Americas up 33.0 percent, Europe, Middle East and Africa up 16.7 percent and the Asia-Pacific increasing of 11.7 percent, providing 40 consecutive quarters of dose sales growth.

Sirtex chief executive officer Gilman Wong said that 10 years of consistent quarterly growth was "a significant milestone ... and we expect this trend will continue".

"Sirtex's focus is on achieving its 2020 vision with the aim to deliver an acceleration in growth in the medium to longer term," Mr Wong said.

Mr Wong said that the company would no longer report quarterly dose sales results, but rather would report on its 2020 plans.

Sirtex climbed 66 cents or 3.9 percent to \$17.64 with 492,324 shares traded.

COMPUMEDICS

Compumedics says that preliminary revenue for the 12 months to June 30, 2014 is \$30 million, about 10 percent than the year to June 30, 2013, returning the company to profit.

Last year, Compumedics reported a net loss after tax for the 12 months to June 30, 2013 of \$1.5 million on revenue of \$27.2 million (BD: Aug 30, 2013).

The company said it had shipped and invoiced about \$30 million in sales, with final results subject to audit later this month.

Compumedics said that it ended June 30, 2014 with sales orders of about \$5.6 million, "reflecting a strong run of new sales orders into the business through to the end of the financial year".

The company said the result reflected "the on-going positive outcomes from the ... continuing process of transforming and relocating key manufacturing activities to lower cost countries".

Compumedics was unchanged at 15 cents.

INVION (FORMERLY CBIO)

Invion says that the defendants in its case before the Supreme Court of Queensland relating to termination payments have lodged an appeal against the decision.

Invion said that former chairman Stephen Jones, former chief executive officer Jason Yeates and former chief financial officer James Greig lodged the appeal.

Last month the Supreme Court found that the defendants received termination payments in breach of the defendants fiduciary duties, contravened the Corporations Act 2001 and ordered that they repay the company \$1,306,283, including interest (BD: Jun 4, 23, 2014).

Invion was up 0.2 cents or 2.9 percent to 7.2 cents.

ATCOR MEDICAL

Atcor says that pharmaceutical contract delays have reduced expected Sphygmocor sales for the year to June 30, 2014, leading to a loss of up to \$2.6 million for the year.

Last year, Atcor declared a maiden net profit after tax for the 12 months to June 30, 2013 of \$2,734,023 on revenue up 41 percent to \$9,056,882 (BD: Aug 30, 2013).

Today, Atcor said that the pharmaceutical market was its largest market, about 60 percent of its business.

The company said it expected to report revenue for the 12 months to June 30, 2014 of about \$5.0 million and a net loss in the range of \$2.2 million to \$2.6 million, subject to audit and completion of accounts, with a cash balance at June 30 of about \$2.2 million.

Atcor said that the delays in completing pharmaceutical contracts were attributable to sector consolidation and re-organization, and extensions to current clinical trials slowing commencement of new study phases.

The company said it had a "strong pipeline of potential new business which is currently valued at \$US16 million" and it had not lost any pharmaceutical trial contracts to competitors.

Atcor said that excluding the pharmaceutical clinical trials business, sales in Asia Pacific, Europe and to clinical specialists in the Americas were growing.

The company said that sales to the US research market declined as a client's large one-off order for an US National Institutes of Health study in 2013 was not repeated.

Atcor chief executive officer Duncan Ross said that "while we are disappointed that pharmaceutical sector sales opportunities are taking more time than anticipated, we remain confident in the company's products and prospects".

"Atcor's gross margins remain above 80% and we continue to maintain tight financial discipline," Mr Ross said.

Atcor was up 0.3 cents or 3.1 percent to 9.9 cents.