

The TSG-SLSI has fallen 10.3% in 2009, which has been comparable to the OMX Nordic 40's fall of 11.2%. Seventy-two percent of the TSG-SLS index companies have increased their revenue by an average of 22.6% during 2008 over the same period in 2007. The diversified healthcare companies have outperformed as a group v. other sub categories of companies on the SLS index.

## INDEX PERFORMANCE\*

Since Inception (1/1/'07) : **-34.7%**

24 Month : **-33.7%**

12 Month : **-31.6%**

6 Month : **-14.4%**

YTD : **-10.3%**

\*Data as of 3/27/2009

## INDEX COMPONENTS

- 25 public companies
- All companies are primarily focused on the Life Sciences with 11 in the pharmaceutical category, 6 in diversified healthcare & therapeutics and 8 medical devices & tools.

- Index includes companies headquartered in Scandinavia; 12 in Sweden, 8 in Denmark, 3 in Finland, 1 in Norway & 1 in Iceland.

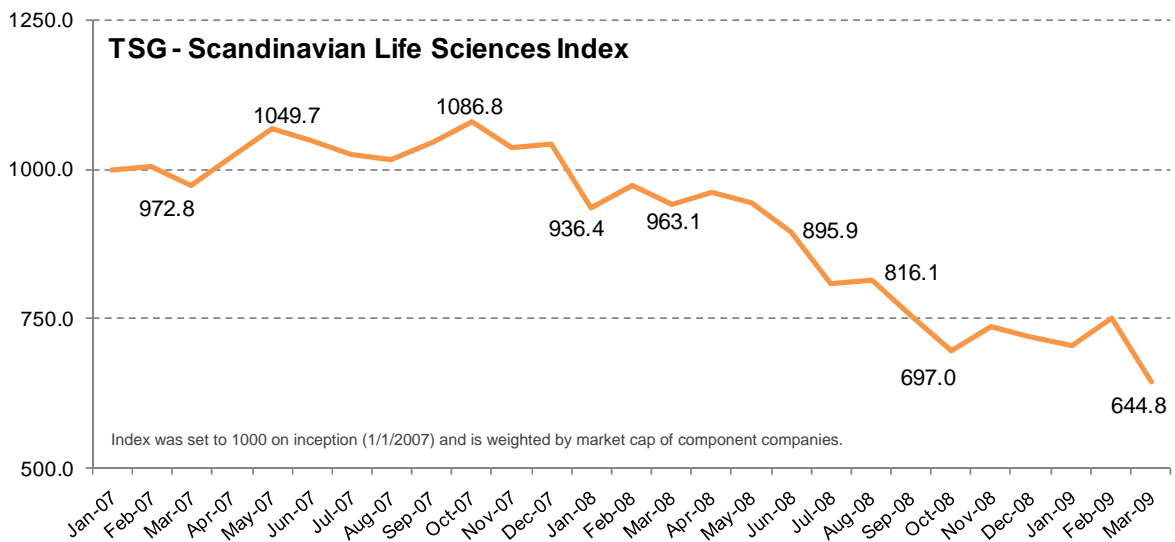
- Companies range in market value (capitalization) from \$26Bn to \$100 Mn USD

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- The Scandinavian Life Sciences Index has continued its slide through 2009, however the increments it has fallen have begun to decrease (it has only fallen 10.3% in 2009). The share performance has been mixed throughout the index with 10 companies rising by more than 5%, 3 companies remaining steady, and 12 companies falling by more than 5%. The key growth driver of the companies on the rise has been the development of their pipelines and anticipated transaction activity.
- In January, Stockholm-based Elekta announced approval from the Chinese state FDA to sell its linear accelerator, the Elekta Compact, in China. The oncology and neurosurgery-focused company's nine-month net sales (June 2008 to March 2009) rose 20% compared to last year, due in part to its innovative operating lease agreements for hospital equipment.
- Danish biopharma group Lundbeck missed its 2008 guidance, reporting a 13% drop in full-year operating profit. Lundbeck, whose lead drugs Ciprex and Lexapro both go off-patent between 2012 and 2014, has pinned future hopes on its acquisition of Ovation Pharmaceuticals, which was finalized on March 19th for \$900M, as well as pipeline antidepressant Lu AA21004.
- In February, Danish human antibody specialist Genmab confirmed that the European Medicines Agency (EMA) has begun review of Arzerra, the company's advanced stage blood cancer therapy. EMA's acceptance of Genmab's application would trigger a \$10M milestone payment from partner GlaxoSmithKline. GSK and Genmab also submitted Arzerra for FDA approval in January.
- Danish allergy immunotherapy company ALK-Abelló released its year 2008 financial results in February. For 2009, ALK expects continued double-digit growth in allergy vaccine sales, the company's core business, and has entered into an ongoing collaboration with Novozymes to develop a recombinant therapy for cat allergy.
- Components of the TSG Scandinavian Life Sciences Index have changed with Ambu A/S, Karo Bio AB & Diamyd Medical AB replacing Orexo AB, LifeCycle Pharma A/S & Exiqon A/S. The SLSI is comprised of the top 25 Life Sciences companies in Scandinavia and these updates have been made to reflect changes in the market value of these companies.

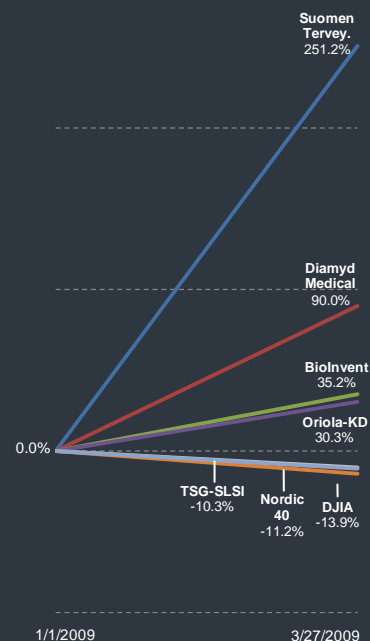
Four companies have achieved abnormally high returns during the first three months of 2009.

Company (2009 YTD Returns)

Key Criteria for Gains

- Terveystalo +251.2% - **ACQUISITION** -- Acquired by Bridgepoint, but will continue to float on the OMX Nordic Exchange until all outstanding shares are purchased. Shares jumped when €2.00 was offered per share on January 16 of this year.
- Diamyd +90.0% - **LICENSING MILESTONE** - Reported that it has acquired an exclusive license for Endomorphin technology that may be used for the treatment of pain, including neuropathic pain that occurs in diabetes.
- BioInvent +35.2% - **CLINICAL DATA ON EFFICACIOUSNESS** - Presented preclinical data demonstrating anti-tumour activity of its therapeutic cancer antibody BI-505 targeting ICAM-1. It demonstrated that the compound is more efficacious in comparison to bortezomib.
- Oriola-KD +30.3% - **FINANCIAL PERFORMANCE** - Increased revenues 15% to \$2.2Bn, while also increasing its gross margin from 10.5% to 13.5% for 2008.

**SELECT YTD 2009  
SHARE RETURNS**



Company	Valuation Ratios		Key Financials		Share Performance			
	P/S	P/E	Mkt. Cap	Rev. (ttm)	YTD	6 Mo.	12 Mo.	24 Mo.
Novo Nordisk A/S	3.18	15.01	\$25,599.34	\$8,053.86	-11.3%	-7.1%	-17.7%	4.5%
H. Lundbeck A/S	1.74	12.98	\$3,463.58	\$1,994.65	-12.5%	-4.0%	-32.7%	-42.1%
Coloplast A/S	1.71	21.54	\$2,582.51	\$1,510.95	-8.5%	-14.0%	-36.7%	-43.2%
William Demant A/S	2.48	19.53	\$2,355.73	\$950.08	0.1%	-6.9%	-51.2%	-64.0%
Getinge AB	0.95	11.74	\$2,201.69	\$2,326.84	-15.2%	-43.8%	-57.2%	-57.9%
Meda AB	1.43	16.00	\$1,842.84	\$1,288.87	-7.0%	-26.6%	-23.2%	-56.2%
Genmab A/S	12.92	N/A	\$1,702.37	\$131.74	2.2%	-30.8%	-22.1%	-38.0%
Orion Oyj	1.32	6.89	\$1,236.12	\$935.99	-16.2%	-15.4%	-60.0%	-68.6%
Elekta AB	1.21	17.09	\$868.78	\$718.63	1.7%	-32.7%	-45.3%	-55.6%
Pronova BioPharma	3.91	14.77	\$749.21	\$191.79	-30.6%	-16.5%	-6.2%	N/A
ALK-Abelló A/S	1.56	29.26	\$491.63	\$315.42	-43.8%	-46.6%	-61.8%	-77.4%
Q-Med AB	2.18	82.91	\$329.97	\$151.53	9.0%	-11.1%	-48.8%	-81.4%
Biovitrum AB	2.30	N/A	\$317.26	\$137.71	17.0%	-14.3%	-41.8%	-63.4%
Active Biotech AB	38.31	N/A	\$247.47	\$6.46	24.8%	-7.9%	-43.1%	-60.0%
Oriola-KD	0.10	5.95	\$214.84	\$2,081.91	30.3%	-15.3%	-66.3%	-69.4%
Suomen Terveystalo	0.77	N/A	\$209.36	\$273.22	251.2%	72.4%	35.5%	N/A
Össur hf.	0.58	7.08	\$201.63	\$350.00	-19.2%	-14.1%	-66.3%	-74.3%
NeuroSearch AB	16.39	N/A	\$193.45	\$11.80	-50.5%	-70.8%	-73.0%	-58.6%
Sectra AB	1.59	18.79	\$157.83	\$99.50	5.5%	-20.6%	-57.0%	-65.1%
Bavarian Nordic A/S	2.67	N/A	\$147.85	\$55.36	-21.6%	-24.5%	-64.9%	-78.4%
Ambu A/S	1.01	15.54	\$143.70	\$142.44	17.6%	9.6%	1.3%	-21.2%
BioInvent Intl. AB	4.57	70.97	\$139.11	\$30.44	35.2%	-8.6%	-34.6%	-3.2%
Karo Bio AB	98.39	N/A	\$126.92	\$1.29	11.8%	19.1%	82.8%	-44.5%
Diamyd Medical AB	928.77	N/A	\$115.17	\$0.12	90.2%	51.2%	8.5%	N/A
Medivir AB	9.55	N/A	\$112.10	\$11.74	-5.2%	-13.6%	-37.8%	-0.9%
<b>Index Averages</b>	<b>3.52</b>	<b>19.80</b>			<b>10.2%</b>	<b>-11.7%</b>	<b>-32.8%</b>	<b>-53.2%</b>

Valuation Averages do not include highs, lows or negatives

Category	P/S	P/E	Total Mkt. Cap	YTD	6 Mo.	12 Mo.	24 Mo.
BioPharma	10.26	15.39	\$9,042.16	-3.3%	-18.0%	-27.0%	-44.5%
Diversified HC	1.71	10.95	\$27,866.46	50.1%	6.5%	-27.0%	-52.7%
Devices & Tools	1.44	17.37	\$8,841.84	-1.1%	-16.7%	-45.1%	-57.8%

**KEY TAKEAWAYS**

**ÖSSUR**

- Press report was released that Össur had received a possible takeover bid by an unknown party.
- The management at the company made a statement that they had engaged recently in discussions with potential buyers of a block of the Company's stock, and that there was no such transaction pending.

**WILLIAM DEMANT**

- In a March 11th interview with Reuters, Oticon Medical division head Jes Olsen predicted growth of bone-anchored hearing systems to continue at above 20% annually "for a significant number of years into the future."
- The division of William Demant Holding has positioned itself as a competitor to market leader Cochlear in the bone-anchored hearing systems market.

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Össur hf.



**Company overview**

- Össur hf. is a global orthopaedics company, specializing in the development, manufacturing and sales of prosthetics, bracing and support and compression therapy products.
- The main production of the Company is conducted at Össur hf. in Iceland, Gibaud Group (La Tour Finance) in St. Etienne, Trevoux in France and at Össur Americas in California USA. Part of the production is outsourced to Asia.

**Products/Services/Offerings**

- Its products include liners, sockets, locks and sleeves, prosthetic knees, prosthetic feet and shock absorbers, and prosthetic adapters.
- The company also offers braces and supports solutions for spine, clavicle, back, rib, shoulder, arm, elbow, wrist, hand, knee, ankle, foot, and casting and splinting.

**Selected financials**

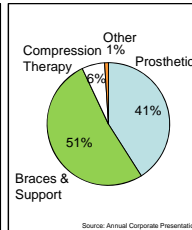
FYE Dec. 31, \$M				
	2005A	2006A	2007A	2008A
Sales	\$161	\$252	\$336	\$350
% growth	48%	57%	33%	4%
Gross % margin	59%	59%	56%	59%
EBIT % margin	13%	11%	12%	16%

Source: Company 10-K and website

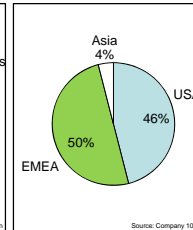
**Company statistics**

Location	Reykjavik
Employees	1,587
Ownership	Public (ÖSSR)
EV	\$390.9Mn
Mkt Cap	\$238.7Mn
Cash	\$30.9Mn

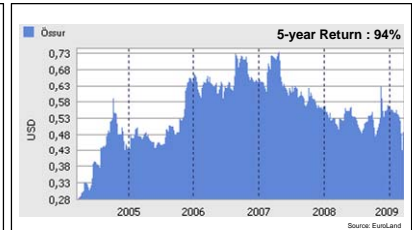
**FY07 revenue mix Sales by (sub) segment**



**FY07 revenue mix Sales by (sub) segment**



**5-year share price performance**



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William Demant Holding



**Company overview**

- William Demant Holding A/S develops, manufactures, and sells products and equipment designed to aid the hearing and communication of individuals worldwide. It offers hearing aids, diagnostic instruments, and personal communication systems.
- The company has joint venture with Sennheiser electronic GmbH & Co. KG for the development, manufacture, and market of hands free communication solutions primarily headsets for professional users and for home use.
- William Demant Holding sells its products through a network of distributors, original equipment manufacturers, retailers, and telecommunication companies.

**Products/Services/Offerings**

- The company's products include hearing aids and fitting systems; audiometers, audiometric equipment with focus on diagnostic and clinical products; wireless sound systems and assistive listening devices, such as instance alarm systems, teleloop amplifiers, and amplifier phones.

**Selected financials**

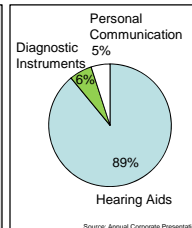
FYE Dec. 31, \$M				
	2005A	2006A	2007A	2008A
Sales	\$826	\$929	\$1,003	\$982
% growth		12%	8%	-2%
Gross % margin	69%	70%	72%	69%
EBIT % margin	24%	25%	26%	19%

Source: Company 10-K and website

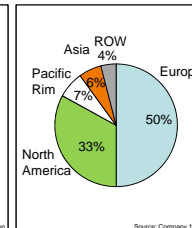
**Company statistics**

Location	Denmark
Employees	5,542
Ownership	Public (WDH)
EV	\$2,492.6Mn
Mkt Cap	\$2,423.9Mn
Cash	\$25.9Mn

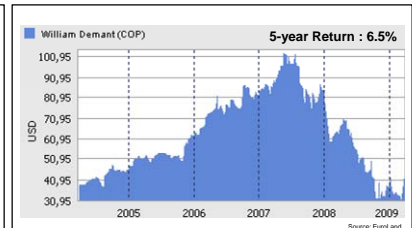
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**5-year share price performance**



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