

LEERINK SWANN MORNING ROUNDS

Today's Highlights

October 15, 2013

Featured Research: ACOR, ALNY, AMRN, ATHN

Initiations: None | **Rating Changes:** None | **Price Target Changes:** None | **Estimate Changes:** None
| **MEDACorp:** ACOR, ALNY

Reference Tools:

[Catalyst Tracker](#) | [Calendar of Events](#) | [HC Conferences](#) | [Earnings Rundown](#) | [Abbreviations & Acronyms](#) | [2013 Leerink Swann Events](#)

Leerink Swann Events - Please contact your Leerink Swann representative for details

10/15: MEDACorp Rapid Response Call: Prospects for AMRN's Vascepa Advisory Committee Meeting for Mixed Dyslipidemia ("ANCHOR" Indication), Boston, 10:00AM EDT

10/15: Corporate Access: Inmed Incorporated: INSM, Los Angeles

10/16: Corporate Access: Inmed Incorporated: INSM, San Francisco

10/16: MEDACorp Pulse Call: ALNY Week: ALN-TTR-02, Boston, 12:15PM EDT

10/17: Corporate Access: Alnylam Pharmaceuticals, Inc.: ALNY, San Francisco

10/17: MEDACorp Pulse Call: ALNY Week: ALN-AT3, Boston, 2:00PM EDT

10/18: MEDACorp Pulse Call: ALNY Week: ALN-CC5, Boston, 11:00AM EDT

10/21: Investor Tours / Site Visits: Johnson & Johnson Site Visit - October 21, 2013: JNJ, New Jersey

10/21: MEDACorp Event: New Developments in Cancer Therapeutics and Prostate Cancer, Boston

10/22: Corporate Access: OncoMed Pharmaceuticals Inc: OMED, New York

10/23: Corporate Access: OncoMed Pharmaceuticals Inc: OMED, New York

10/24: Corporate Access: OncoMed Pharmaceuticals Inc: OMED, Boston

10/24: Corporate Access: Waters Corporation (WAT): WAT, Boston

Today's Healthcare Events

Medical Meetings: American College of Gastroenterology; American Association of Blood Banks; American Society of Anesthesiologists; American Society for Reproductive Medicine; American Neurological Association, ACOR; American College of Clinical Pharmacy; College of American Pathologists; American College of Emergency Physicians

Earnings Releases Before the Open: JNJ

Today's Research

Acorda Therapeutics (ACOR) | Marko Kozul, M.D.

MEDACorp KOL's Views on Ampyra PSD Path Forward; Reit. OP & \$45 PT

Outperform | **Market Cap:** \$1,365.0M | **Price:** \$32.50 | **Price Target:** \$45.00 | **Methodology:** DCF analysis

- **Bottom line:** We expected more data at the American Neurological Association (ANA) meeting from the Ampyra Phase II Post Stroke Deficit (PSD) trial despite MEDACorp KOLs suggesting the ideal forum for potentially important data would be neurology meetings in 1H14. Nonetheless, last night we reviewed available ANA data with a MEDACorp key opinion leader (KOL). He believes the ANA presentation with few additional details vs. the top-line data was primarily aimed at providing physicians with a formal early dataset to digest as the clinical development program continues. He was impressed that, on average, patients out >4 years from their stroke demonstrated benefit from treatment. The KOL also characterized what he believes could be ACOR's negotiation strategy with the FDA and what additional analyses could be coming in 1H14. We would take advantage of yesterday's stock pullback and we reiterate our OP rating and \$45 price target (PT).
- Ampyra PSD Phase II POC presentation at ANA provided new data showing benefit out to an average of >4 years.
- Beyond time since stroke insult, the KOL anticipates 1H14 presentation of the data could provide additional important analyses.

- The KOL suggests ACOR could be trying to negotiate a cross-over Phase II-III design wherein a 6MWT primary endpoint could serve as a QoL backup by demonstrating endurance.

Alnylam Pharmaceuticals, Inc. (ALNY) | Marko Kozul, M.D.

ALNY Week Day-1 KOL TTR-sc Takeaways; Reit. OP & \$80 PT

Outperform | **Market Cap:** \$3,120.1M | **Price:** \$59.43 | **Price Target:** \$80.00 | **Methodology:** DCF analysis

- **Bottom Line:** Yesterday, we kicked off a week of MEDACorp KOL Pulse Calls aimed at providing a deeper understanding of ALNY's maturing and emerging clinical orphan disease focused pipeline. Our initial call focused on TTR-sc and its clinical development path ahead. The KOL was bullish regarding ALNY's RNAi approach to impacting TTR amyloid related cardiomyopathy. He believes the upcoming TTR-sc Phase II Familial Amyloidotic Cardiomyopathy (FAC) trial starting ~YE13 should be considered truly exploratory. For the TTR-sc Phase III starting ~YE14, he advocates using this trial to pursue approvals both in the smaller FAC and larger Systemic Senile Amyloidosis (SSA) settings. Given our current model is based on potential revenues derived only from approval and use in ~40K FAC patients, a potential concurrent approval in SSA could provide significant further upside. We reiterate our Outperform rating and \$80 price target (PT).
- The KOL was very encouraged by available TTR-sc Phase I data.
- The Phase II TTR-sc trial planned to start ~YE13 in 12 FAC patients should truly be considered exploratory, according to the KOL.
- The KOL believes the subsequent Phase III TTR-sc trial planned to start ~YE14 should be a "TTR-amyloid cardiac" study and enroll SSA in addition to FAC patients.

Amarin Corporation PLC (AMRN) | Joseph P. Schwartz

Potential Readthroughs from Previous Voting History for Vascepa AdCom Members

Outperform | **Market Cap:** \$753.0M | **Price:** \$5.01 | **Price Target:** \$18.00 | **Methodology:** DCF analysis

- **Bottom Line:** Our analysis of the past three years' voting history for panelists who will be weighing in on the approvability of Vascepa this Wednesday confirms our latest view that the vote could be at least narrowly in favor of Vascepa label expansion to include the mixed dyslipidemia ("ANCHOR") indication. Please see within for more details. We reiterate our Outperform rating and \$18 price target.
- Seven of the ten members of the Vascepa Advisory Committee who have participated in past FDA panels voted in favor of the drugs they were considering 79% of the time.
- Half of the panelists' past votes were in favor of drugs that received an otherwise negative vote overall.
- AdCom votes at the Endocrinology Division of the FDA have been positive at all of the last 11 panels over the last two years.
- We believe the Endocrine Division of the FDA may be using this opportunity to debate the larger issue of outcomes study requirements, as was done for the diabetes drugs.
- Join us today at 10am EDT for an Analyst Pulse call with a MEDACorp KOL about the major issues expected to confront AMRN on Wednesday.

athenahealth, Inc. (ATHN) | David Larsen, CFA

ATHN 3Q:13 Preview – Cautious on Stock Leading up to 2014 Guidance

Market Perform | **Market Cap:** \$3,988.3M | **Price:** \$109.87 | **Price Target:** \$120.00 | **Methodology:** ~4.8x '15E rev. / share of \$24.78

- **Bottom Line:** ATHN reports 3Q:13 results on Thursday 10/17, AMC. Our recent [checks at MGMA](#) suggest ATHN continues to gain traction with Enterprise accounts, and we are incrementally more positive around the 3Q:13 bookings prospects. We are positively inclined toward the company, but we remain cautious on the stock leading up to the issuance of 2014 guidance in December. We believe 2014 consensus expectations are high (calling for 39% EPS growth y/y) and any cautionary comments made around 2014 growth expectations on the 3Q call could weigh on the stock in the near term. Maintain Market Perform and price target of \$120.

- 3Q:13 expectations reasonable.
- athenaClinicals helped win back lost customer.
- 2014 guidance still a concern.

Research Previews

October 14-18

Leerink Swann ALNY Week

Wednesday 10/16, 12:15PM EDT MEDACorp Pulse Call

ALN-TTR-02 (Familial Amyloidotic Polyneuropathy)

Thursday 10/17, 9:00AM PDT

ALNY Group Breakfast, San Francisco

Thursday 10/17, 2:00PM EDT MEDACorp Pulse Call

ALN-AT3 (Hemophilia)

Friday 10/18, 11:00AM EDT MEDACorp Pulse Call

ALN-CC5 (Complement-Mediated Diseases)

October 15 – Earnings – Before the Open

JNJ – OP – Danielle Antalfy

Close: \$89.80, **Mkt Cap:** \$193,049M

- 3QE Leerink EPS/Rev: \$1.31 / \$17,280.0M
- 3QE Street EPS/Rev: \$1.32 / \$17,452.8M.
- We expect another strong quarter in Pharma – boosted by continued new product momentum, specifically Invokana, Zytiga, and Xarelto – to more than offset MD&D weakness and potentially drive outperformance.
- 2013E Leerink EPS/Rev: \$5.45 / \$70,591.0M
- 2013E Street EPS/Rev: \$5.46 / \$70,720.1M
- **CC:** 8:30am EDT; **Dial-in:** 855-533-6235, **Access Code:** 62211632

October 16

AMRN (OP) – Joe Schwartz

Close: \$5.01, **Mkt Cap:** \$1,216M

- On 10/16 the FDA AdCom will review the label expansion for AMRN's Vascepa, which is already approved for severe hypertriglyceridemia. A panel is likely necessary because the mixed dyslipidemia market is so much larger (1 in 5 Americans). The PDUFA date is 12/20. **Next up:** 10/15: MEDACorp Rapid Response Call: Prospects for AMRN's Vascepa Advisory Committee Meeting for Mixed Dyslipidemia ("ANCHOR" Indication); 10/16: AMRN 7PM EDT CC on the AdCom. Dial in: 877-407-8033.

October 16

MNK (MP) – Jason Gerberry

Close: \$44.28, **Mkt Cap:** \$256M

- Following F3Q results and mgmt's commentary on future spending, we updated our MNK estimates, made no changes to FY15E-18E revenues, and in out-years we expect lower MNK's recurring expenses starting in 2016E.
- MNK conference call on 10/16 to provide F2014 guidance.
- We will be focused on the near-term OpEx impact of post-spin MNK corporate build-out, restructuring and sales force expansion.

· **CC:** 10/16, 8:30am EDT; Dial-in: 800-688-4072

October 16 – Earnings – Before the Open

ABT – MP – Danielle Antalfy

Close: \$34.00, **Mkt Cap:** \$103,272M

- 3QE Leerink EPS/Rev: \$0.51 / \$5,429.0M
- 3QE Street EPS/Rev: \$0.52 / \$5,413.9M.
- The Nutritionals volume growth story in China likely remains unchanged longer term with consumer confidence likely restored over time despite the Fonterra recall, the inability to take price increases may impact ABT's LT sales growth reacceleration and margin expansion in the business.
- With the anniversary of MDT's Resolute launch behind us, the US drug eluting stent (DES) stent seems relatively stable with ABT's share in about ~40% range.
- ABT expects sales growth reacceleration in 2H and beyond driving by improving execution & strong emerging mkt growth (i.e., India and Brazil).
- 2013E Leerink EPS/Rev: \$1.99 / \$22,114.0M
- 2013E Street EPS/Rev: \$2.00 / \$22,075.5M
- **CC:** 9:00am EDT; **Dial-in:** 773 799 3472, **Access Code:** Abbott Earnings

STJ – OP – Danielle Antalfy

Close: \$56.03, **Mkt Cap:** \$10,487M

- 3QE Leerink EPS/Rev: \$0.89 / \$1,317.0M
- 3QE Street EPS/Rev: \$0.89 / \$1,320.3M.
- STJ will be the first ICD manufacturer to report.
- We project a 3.5% decline its OUS ICD sales vs 3.2% for the OUS market broadly. In the US we forecast low single digit ICD sales decline in line with the US market. And its US share dropping to 28.3%, down 290 bps sequentially.
- Mgmt should provide updates on the NT launch of the MRI-safe pacemaker in Japan and the low cost value segment ICD platform (approval in Europe in 2H13E) as well as the timing of the FDA Panel for the Amplatzer in patent foramen ovale closure.
- 2013E Leerink EPS/Rev: \$3.72 / \$5,438.0M
- 2013E Street EPS/Rev: \$3.72 / \$5,447.6M
- **CC:** 8:00am EDT; **Dial-in:** 866-393-8590, **Access Code:** 73168077

October 17 – Earnings – Before the Open

BAX – OP – Danielle Antalfy

Close: \$66.48, **Mkt Cap:** \$36,411M

- 3QE Leerink EPS/Rev: \$1.18 / \$3,791.0M
- 3QE Street EPS/Rev: \$1.19 / \$3,814.4M.
- The Q may see some impact from the Gambro acquisition and we expect an update on the integration plan with details on potential synergies.
- BAX should reinforce our view of stable plasma protein market dynamics with mid to high single digit volume growth & flat pricing.
- Call should have updates on Ph II data for recombinant Von Willebrand drug (4QE), US HyQ approval, EU home hemodialysis timelines and US approval plan.
- 2013E Leerink EPS/Rev: \$4.66 / \$15,228.0M
- 2013E Street EPS/Rev: \$4.67 / \$15,231.8M
- **CC:** 8:30am EDT; **Dial-in:** 866-802-4322, **Access Code:** --

October 17 – Earnings – After the Close

ATHN – MP – Dave Larsen

Close: \$109.87, Mkt Cap: \$3,988M

- 3QE Leerink EPS/Rev: \$0.32 / \$154.9M
- 3QE Street EPS/Rev: \$0.31 / \$154.8M.
- Our recent checks at MGMA suggest ATHN continues to gain traction with Enterprise accounts, and we are incrementally more positive around the 3Q:13 bookings prospects.
- We look for 1,639 athenaCollector doc adds in 3Q which may be somewhat conservative, representing a sequential step down from 2,199 in 2Q:13 and also down 19%E y/y from 3Q:12.
- We believe 2014 consensus expectations are high (calling for 39% EPS growth y/y) and any cautionary comments made around 2014 growth expectations on the 3Q call could weigh on the stock in the near term.
- 2013E Leerink EPS/Rev: \$1.05 / \$594.1M
- 2013E Street EPS/Rev: \$1.03 / \$594.3M
- **CC:** 8:00am EDT 10/18; **Dial-in:** 877-853-5645, **Access Code:** 59924458

ISRG – MP – Rich Newitter

Close: \$401.68, Mkt Cap: \$19,713M

- 3QE Leerink EPS/Rev: \$3.32 / \$525.0M
- 3QE Street EPS/Rev: \$3.40 / \$526.7M.
- It is unclear if St EPS estimates include share buybacks from the 7/29 accelerated buyback plan.
- Critical to ISRG in our view will be that system placements don't miss consensus (115-118E) and y/y benign hysterectomy trends didn't slow from 2Q.
- We will be listening for progress on new products and geographies during the call such as the stapler launch, system placements in Japan and updates on a nexgen system.
- 2013E Leerink EPS/Rev: \$15.65 / \$2,305.6M
- 2013E Street EPS/Rev: \$15.77 / \$2,302.2M
- **CC:** 4:30pm EDT; **Dial-in:** 800-230-1092, **Access Code:** --

SYK – OP – Rich Newitter

Close: \$70.81, Mkt Cap: \$20,832M

- 3QE Leerink EPS/Rev: \$0.99 / \$2,166.0M
- 3QE Street EPS/Rev: \$0.99 / \$2,148.8M.
- We expect reiterated '13 guidance (organic sales growth +3-5% and EPS of \$4.20-4.26) from the Sept analyst meeting to remain intact.
- We expect SYK will post another Q of share gains in US hips.
- We think our estimates reflect a bit of a headwind from the trialing of SNN, JNJ, and ZMH's new knee systems.
- In our view, the MedSurg business is poised to accelerate in 2H as SYK cycles through easier comps.
- Q&A will likely focus on the upcoming MAKO acquisition and its premium price, the strategic rationale, potential synergies, and integration plans for the MAKO platform.
- We also anticipate questions on the outlook for hospital capex spending given the Washington stalemate.
- 2013E Leerink EPS/Rev: \$4.23 / \$9,022.0M
- 2013E Street EPS/Rev: \$4.23 / \$8,983.2M
- **CC:** 4:30pm EDT; **Dial-in:** 866- 436-9172, **Access Code:** 34454643

October 21 – Earnings – After the Close

ILMN – OP – Dan Leonard

Close: \$81.20, Mkt Cap: \$6,786M

- 3QE Leerink EPS/Rev: \$0.38 / \$338.0M
- 3QE Street EPS/Rev: \$0.40 / \$343.0M.
- We'll be watching closely the sustainability of HiSeq strength and the sustainability of application expansion, since 45% of HiSeq sales in 2Q were to clinical/commercial customers.

- We'll also look for commentary on the integration of Verinata, as well as early sales traction under ILMN ownership, and thoughts on the competitive landscape for NIPT testing.
- We'll look for additional color that better informs as to the stimulus measures in Japan and whether sequestration has a lag effect in the U.S.
- 2013E Leerink EPS/Rev: \$1.71 / \$1,384.4M
- 2013E Street EPS/Rev: \$1.72 / \$1,384.0M
- **CC:** 5:00pm EDT; **Dial-in:** 888-680-0869, **Access Code:** 91263308

October 22 – Earnings – Before the Open

SIAL – MP – Dan Leonard

Close: \$83.47, Mkt Cap: \$8,830M

- 3QE Leerink EPS/Rev: \$0.98 / \$663.0M
- 3QE Street EPS/Rev: \$1.00 / \$661.3M.
- We'll look for signs of price stability in the LED business.
- We'll look for updated commentary on academic spending and the pricing environment and the persistency of pharma/biotech improvement.
- We'll look for an update on the company's capital deployment priorities given recent interest in large deals and greater appetite for risk.
- 2013E Leerink EPS/Rev: \$4.04 / \$2,697.0M
- 2013E Street EPS/Rev: \$4.07 / \$2,692.5M
- **CC:** 11:00am EDT; **Dial-in:** 877-266-0483, **Access Code:** 45733925

WAT – MP – Dan Leonard

Close: \$104.18, Mkt Cap: \$7,526M

- 3QE Leerink EPS/Rev: \$1.23 / \$463.0M
- 3QE Street EPS/Rev: \$1.23 / \$464.6M.
- We anticipate a discussion of CEO Berthiaume's succession plan and the expected timing around the process.
- We'll look for the conversion of late stimulus orders in Japan and backlog in thermal analysis, and the environment of India, where expectations have been tapered.
- We'll monitor product and end market trends for liquid chromatography (LC).
- 2013E Leerink EPS/Rev: \$5.05 / \$1,882.3M
- 2013E Street EPS/Rev: \$5.05 / \$1,884.4M
- **CC:** 8:30am EDT; **Dial-in:** 517-623-4512, **Access Code:** Waters

TMO – OP – Dan Leonard

Close: \$92.66, Mkt Cap: \$22,798M

- 3QE Leerink EPS/Rev: \$1.26 / \$3,155.0M
- 3QE Street EPS/Rev: \$1.28 / \$3,176.1M.
- We expect an update on the LIFE acquisition and how discussions are progressing with regulators, notably the Federal Trade Commission (FTC).
- We'll look for persistency in liquid chromatography (LC) trends and also an update on the company's new mass spec instruments.
- We'll also look for an update on how various end markets are tracking versus plan, with a specific focus on industrial and Japan, from a geographic perspective, where we expect a large order in 3Q.
- 2013E Leerink EPS/Rev: \$5.31 / \$12,888.9M
- 2013E Street EPS/Rev: \$5.35 / \$12,916.2M
- **CC:** 8:30am EDT; **Dial-in:** 877-312-9206, **Access Code:** --

October 22 – Earnings – After the Close

BCR – MP – Rich Newitter

Close: \$120.29, **Mkt Cap:** \$7,985M

- 3QE Leerink EPS/Rev: \$1.38 / \$744.0M
- 3QE Street EPS/Rev: \$1.40 / \$738.7M.
- We expect BCR to deliver 3Q results roughly in line with our \$744M (+3% y/y) sales and \$1.38 EPS estimates (consensus is at ~\$739M and \$1.40).
- Updated 2013 guidance is likely to incorporate some dilution from recent transactions and another Gore timing delay, which is not currently reflected in annual estimates.
- 2013E Leerink EPS/Rev: \$5.95 / \$3,024.0M
- 2013E Street EPS/Rev: \$5.92 / \$3,031.2M
- **CC:** 5:00pm EDT; **Dial-in:** NA, **Access Code:** NA

Previous Notes

October 14

[Medical Devices-Orthopedics/US Hip/Knee Survey - 3Q Trends Stable; Insight on New Knees & SYK/MAKO Combo](#), Richard Newitter

[CERN/Cerner Conference Highlights - Population Health Opportunity Is Real/Outperform](#), David Larsen

[GILD/Liver Transplant Opportunity Could Bolster Near-Term Sofosbuvir Sales/Outperform](#), Howard Liang, Ph.D.

[UNIS/Management Meeting Highlights Confidence in Incremental Contract Signings Ahead/Outperform](#), Danielle Antalffy

[XLRN/Innovative Science, Large Markets, Mgmt & Catalysts Drive an OP Rating & \\$33PT/Outperform](#), Marko Kozul, M.D.

[Healthcare/Catalyst Tracker Update - 10.14.13](#), Leerink Swann Equity Research

SERIES REPORTS

Rare Disease Day, Joe Schwartz

[Biotechnology/Reimbursement Panel Highlights Payor Concerns but Change Still Not Imminent](#)

[Biotechnology/Regulatory Panel Highlights Implicit Flexibility in Orphan Drug Review Process](#)

[Biotechnology/Rare Disease Day Recap: Fireside Chats Highlight Key Catalysts Ahead](#)

[Biotechnology/MEDACorp Orphan Drug Payor Survey Highlights Mostly Status Quo Going Forward](#)

Deep Dive Analyses

[NPSP/Deep Dive on Natpara for hypoPTH: NPSP is a Top Pick for 2H13/Outperform](#), Joseph Schwartz

[DYAX/Deep Dive on DX2930: Value Warranted for Novel HAE Monoclonal Antibody/Outperform](#), Joseph Schwartz

[SHPG/Deep Dive on Ph. III Pipe; Feedback on Lifitegrast Surprisingly Constructive/Outperform](#), Jason Gerberry

[VPHM/Deep Dive on Maribavir: Revamped Program Warrants Attention/Outperform](#), Joseph P. Schwartz

Recent Surveys

[FLDM/Survey Mixed but Stem Cell Play Supports Higher Price Target/Market Perform](#), Dan Leonard

[FRX/Linzess Survey Supports Our >\\$1B Linzess Estimate for F2019/Outperform](#), Seamus Fernandez

[Healthcare IT & Distribution/Ambulatory Survey Shows Integration with Hospital is Key for Large Practices](#), Dave Larsen

[IRWD/Linzess Survey: Physician Optimism Tempered by Perception of Modest Efficacy/Market Perform](#), Jason Gerberry

[US Hip/Knee Survey – 3Q Trends Stable; Insight on New Knees & SYK/MAKO Combo](#), Richard Newitter

[NPSP/Natpara Survey Exceeds Our Expectations; Increasing PT on Greater hypoPTH Share/Outperform](#), Joe Schwartz

[SLXP/Upgrading to OP; IBS Survey + Prospects for Favorable Xifaxan Label/Outperform](#), Jason Gerberry

White Papers

[Biopharma/Future of Orphan Drugs: Neuro Nirvana](#), Joseph P. Schwartz - Biotechnology
[Biopharma/Future of Hepatitis C Treatment](#), Howard Liang, Ph.D. - Biotechnology
[Medical Devices-Cardiology/Future of Atrial Fibrillation](#), Danielle Antalffy - Medical Devices

Upcoming Healthcare Events

Regulatory Events

10/16: FDA AdCom: Endocrinologic and Metabolic Drugs—AMRN, Vascepa High Triglycerides with Mixed Dyslipidemia
10/17-18: FDA AdCom: Anti-infective Drugs
10/21: AMAG Feraheme PDUFA (iron deficiency anemia)
10/21: CBST Entereg PDUFA (Radical Cystectomy)

Medical Meetings

10/11-16: American College of Gastroenterology
10/12-15: American Association of Blood Banks
10/12-16: American Society of Anesthesiologists
10/12-17: American Society for Reproductive Medicine
10/13-15: American Neurological Association, ACOR
10/13-16: American College of Clinical Pharmacy
10/13-16: College of American Pathologists
10/14-17: American College of Emergency Physicians
10/16-19: International Society for Tech. in Antroplasty
10/16-19: American Urogynecologic Society
10/17-19: North American Cystic Fibrosis
10/19-23: International Conference On Molecular Targets
10/20-23: Canadian Association of Paediatric Health Centers
10/22-26: American Society for Human Genetics

Corporate Events

10/16: MNK Conference Call 8:30am EDT: to provide 2014 guidance; Dial-in: 800-688-0836
10/16: AMRN Conference Call re: FDA AdCom on ANCHOR sNDA for expanded Vascepa use, 7pm EDT, Dial in: 877-407-8033
10/17: SRPT CC for Duchenne Muscular Dystrophy Community, Noon, EDT, Dial in: 888-895-5479, PC: 35883585

Disclosures Appendix

Analyst Certification

Each analyst certifies that the views expressed in this report accurately reflect their views and that no part of their compensation was, is, or will be directly related to the specific recommendation or views contained in this report.

| Distribution of Ratings/Investment Banking Services (IB) as of 09/30/13 | | | | |
|---|-------|---------|-----------------------|---------|
| Rating | Count | Percent | IB Serv./Past 12 Mos. | |
| | | | Count | Percent |
| BUY [OP] | 111 | 64.90 | 27 | 24.00 |
| HOLD [MP] | 60 | 35.10 | 0 | 0.00 |
| SELL [UP] | 0 | 0.00 | 0 | 0.00 |

Explanation of Ratings

Outperform (Buy): We expect this stock to outperform its benchmark over the next 12 months.

Market Perform (Hold/Neutral): We expect this stock to perform in line with its benchmark over the next 12 months.

Underperform (Sell): We expect this stock to underperform its benchmark over the next 12 months. The degree of outperformance or underperformance required to warrant an Outperform or an Underperform rating should be commensurate with the risk profile of the company.

For the purposes of these definitions the relevant benchmark will be the S&P 600® Health Care Index for issuers with a market capitalization of less than \$2 billion and the S&P 500® Health Care Index for issuers with a market capitalization over \$2 billion.

Important Disclosures

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