

## Dermira, Inc.

## DERM - BUY - Post 4Q14 Pipeline Still On Track and Many Unmet Needs for Company to Pursue

March 25, 2015

- **Conclusion:** We believe 4Q14 results support our BUY rating for DERM shares because pipeline advancements remain on track and management noted that there are many unmet needs DERM could pursue to expand its product portfolio. The company's first priority is to commercialize its existing pipeline, but DERM would opportunistically consider good strategic assets to bring into the company. Therefore, we continue to think stock price appreciation will be driven by upwards earnings revisions because: 1) We expect total company sales to reach ~\$500MM by 2021, from DERM's portfolio of 3 late-stage assets; and 2) These drugs address large unmet needs in the \$21B dermatology market. Also, DERM is an attractive company in a consolidating industry (supports our valuation), in our view.
- **Positive takeaways:** 1) Positive DRM04 Phase 2b results for hyperhidrosis; Phase 3 program expected to begin in 2H15. 2) Presented Phase 2a DRM01 (acne) data at the American Academy of Dermatology (AAD) Annual Meeting, was received positively. 3) Ended quarter with \$164MM in cash and cash equivalents. And 4) Earned \$7.3MM milestone with the dosing of the first patient in the Phase 3 trials for Cimzia for patients with moderate-to-severe plaque psoriasis.
- DERM reported 4Q14 EPS of \$(0.29), \$0.31 higher than consensus and \$0.41 better than our estimate. Our Variance Analysis table has details. Since DERM is a development-stage company, we think pipeline advancements are more important than quarterly earnings. Management provided '15 operating expense guidance of \$80MM to \$85MM (we estimated \$80MM, consensus was at \$76MM). We have increased our '15 operating expense estimate from \$80MM to \$85MM and decreased our '15 revenues from \$12MM to \$0 (timing of milestone). These two changes lowered our '15 EPS estimate.
- **Potential Catalyst.** 1) Cimzia Ph3 data in '17, approval in '18; 2) DRM04 initiation of Ph3 trials 2H15; 3) DRM01 Ph2b data in ~1H16.



LOUISE CHEN	ANALYST
<a href="mailto:louise.chen@guggenheimpartners.com">louise.chen@guggenheimpartners.com</a>	212 381 4195
SWATI KUMAR	ANALYST
<a href="mailto:swati.kumar@guggenheimpartners.com">swati.kumar@guggenheimpartners.com</a>	212 918 8754
BRANDON FOLKES	ASSOCIATE
<a href="mailto:brandon.folkess@guggenheimpartners.com">brandon.folkess@guggenheimpartners.com</a>	212 518 9976

## DERM BUY

### EARNINGS RELEASE

#### Investment Thesis: Growth

SHARE PRICE	\$14.65
PRICE TARGET	\$22.00

Revenue (\$M) (FY Dec)	1Q	2Q	3Q	4Q	FY
2014	0.0	0.0	0.0	7.3	7.3
Prior	—	—	—	0.0	0.0
2015	0.0E	0.0E	0.0E	0.0E	0.0E
Prior	—	—	—	—	12.0E
2016	—	—	—	—	13.0E
Prior	—	—	—	—	—

Adjusted EPS (\$)	1Q	2Q	3Q	4Q	FY
2014	(0.82)	(0.80)	(0.57)	(0.29)	(2.49)
Prior	—	—	—	(0.70)	(2.89)
P/E					NM
2015	(0.70)E	(0.73)E	(0.88)E	(1.04)E	(3.34)E
Prior	—	—	—	—	(2.68)E
P/E					NM
2016	—	—	—	—	(2.25)E
Prior	—	—	—	—	—
P/E					NM

#### Market Data & Valuation Multiples

52-Week Range	\$12.68 - \$22.94
Shares Out (M)	24.7
Market Cap (M)	\$361
ADV (3 mo; 000)	46

SCENARIO	VALUATION	INVESTMENT THESIS
<b>Bull Case</b>	<b>2021E EPS:</b> \$6.00  <b>12-Month Bull-Case Scenario:</b> \$35  <b>Probability:</b> 13%  <b>Upside/Downside Potential:</b> 139%	<ul style="list-style-type: none"> <li>• Cimzia launch in 2018, 2021 sales of \$140.7 million</li> <li>• DRM04 launch in 2018, 2021 sales of \$145.3 million</li> <li>• DRM01 launch in 2019, 2021 sales of \$330.1 million</li> <li>• Accretive business development and/or M&amp;A</li> </ul>
<b>Base Case</b>	<b>2021E EPS:</b> \$4.83  <b>12-Month Bull-Case Scenario:</b> \$22  <b>Probability:</b> 74%  <b>Upside/Downside Potential:</b> 50%	<ul style="list-style-type: none"> <li>• Cimzia launch in 2018, 2021 sales of \$113.5 million</li> <li>• DRM04 launch in 2018, 2021 sales of \$127.7 million</li> <li>• DRM01 launch in 2019, 2021 sales of \$241.7 million</li> <li>• No business development and/or M&amp;A</li> </ul>
<b>Bear Case</b>	<b>2021E EPS:</b> \$4.00  <b>12-Month Bull-Case Scenario:</b> \$12  <b>Probability:</b> 13%  <b>Upside/Downside Potential:</b> -18%	<ul style="list-style-type: none"> <li>• Cimzia launch in 2018, 2021 sales of \$95.2 million</li> <li>• DRM04 launch in 2018, 2021 sales of \$110.3 million</li> <li>• DRM01 launch in 2019, 2021 sales of \$180.7 million</li> <li>• No business development and/or M&amp;A</li> </ul>

Source: Guggenheim Securities, LLC

**VALUATION METHODOLOGY AND RISKS**

We use Discounted Cash Flow (DCF) to get to our 12-month price target of \$22. We use a WACC of 20% and an exit multiple of 6 times forward EBIT. Risks to our valuation include: 1) Larger companies with more resources developing dermatology products that compete with DERM; 2) Pipeline setbacks; 3) Actions taken by development partners on collaborations; and 4) Competition to Cimzia, DRM 01 and DRM04 coming to market before DERM's products.

## VARIANCE ANALYSIS

	Actual 4Q14		Guggenheim Estimate 4Q14		Variance	Comments
	Amount	% Change YOY	Amount	% Change YOY		
Total Revenue	7.3	NM	0.0	NM	7.3	Milestone payment from UCB for Cimzia Phase 3 dosing
COGS	0.0	NM	0.0	NM	-	
Gross Profit	7.3	NM	0.0	NM	7.3	
SG&A	3.0	NM	5.4	NM	(2.4)	
R&D	11.0	NM	12.2	NM	(1.2)	
Other Operating Expenses	0.0	NM	0.0	NM	-	
Operating Income	(6.8)	NM	(17.6)	NM	10.8	
Non Operating Items	0.1	NM	0.3	NM	(0.2)	
Pre-Tax Income	(6.7)	NM	(17.3)	NM	10.6	
Taxes	0.0	NM	0.0	NM	-	
Tax Rate	NM	NM	0.0%	NM	NM	
Net Income	(6.7)	NM	(17.3)	NM	10.6	
Averages Shares	22.8	NM	24.6	NM	(1.8)	
Operating EPS	(\$0.29)	NM	(\$0.70)	NM	\$0.41	
<b>Margin Analysis</b>						
Revenues	NM		NM			
COGS	NM		NM			
Gross Margin	NM		NM			
SG&A	NM		NM			
R&D	NM		NM			
Net Income	NM		NM			

Source: Guggenheim Securities, LLC and Company reports

## CATALYST CALENDAR

Date	Driver	Upcoming Event
<b>2015</b>		
April 2015	DRM01	Initiate P2b program
2H15	DRM04	Initiate P3 trials
2H15	DRM01	Complete enrollment of P3 trials
2015	DRM02	Assess preclinical data and determine next steps
2015	DRM05	Assess preclinical data and determine next steps
<b>2016+</b>		
1H16	DRM01	Report P2b data
Mid-16	Cimzia	Complete enrollment of P3 trials
2H16	DRM04	Complete enrollment of P3 trials and P3 data
1H17	DRM01	Initiate P3 trials
2017	DRM04	Complete carcinogenicity study
2017	Cimzia	Phase 3 topline data
2017	DRM04	FDA Submission
2H17	Cimzia	FDA Submission
2018	Cimzia	FDA Approval (our assumption)
2018	DRM04	FDA Approval (our assumption)
1H18	DRM01	Complete enrollment of P3 trials
2018	DRM01	Report P3 data
2018	DRM01	FDA Submission
2019	DRM01	FDA Approval (our assumption)

Source: Guggenheim Securities, LLC and Company reports

## FINANCIAL MODEL

(\$ in MM, except per share amounts)	Dermira 2015	Midpoint	Guggenheim 2015
	Guidance		Estimate
Operating Expense	\$80 to \$85	\$83	\$85
R&D as a % of Total Operating Expenses	75%		75%
Cash and Cash Equivalents	\$90		\$83

Source: Guggenheim Securities, LLC and Company Reports

## Dermira - Quarterly Income Statement Analysis 2013-2021E

(\$ in Millions)													
(Year Ended December 31)	2013	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E	2018E	2019E	2020E	2021E
Total Revenue	0.0	7.3	0.0	0.0	0.0	0.0	0.0	13.0	15.7	23.1	138.7	281.8	496.2
COGS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.9	14.7	31.3	56.1
Gross Profit	0.0	7.3	0.0	0.0	0.0	0.0	0.0	13.0	15.7	20.3	124.0	250.5	440.2
SG&A	4.4	8.3	4.9	5.1	5.2	6.0	21.3	23.0	33.0	86.0	95.0	100.0	103.5
R&D	17.9	30.7	12.8	13.4	17.2	20.4	63.8	68.0	52.2	38.0	45.0	47.0	49.0
Other (Income)/Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expense	22.3	39.0	17.6	18.5	22.4	26.4	85.0	91.0	85.2	124.0	140.0	147.0	152.5
Operating Income	(22.3)	(31.7)	(17.6)	(18.5)	(22.4)	(26.4)	(85.0)	(78.0)	(69.5)	(103.7)	(16.0)	103.5	287.7
Interest and Other Income (Expense)	(0.0)	0.0	0.4	0.4	0.4	0.4	1.6	0.8	2.7	2.1	1.0	0.7	1.2
Interest Expense	(0.0)	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Non-Operating Items	(0.0)	(0.1)	0.4	0.4	0.4	0.4	1.5	0.7	2.6	1.9	0.9	0.6	1.1
Pre-tax Income	(22.4)	(31.8)	(17.3)	(18.1)	(22.1)	(26.0)	(83.5)	(77.3)	(66.9)	(101.8)	(15.1)	104.1	288.7
Tax Rate	0.0%	NM	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	40.0%	40.0%
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	41.6	115.5
Net Income	(22.4)	(31.9)	(17.3)	(18.1)	(22.1)	(26.0)	(83.5)	(77.3)	(66.9)	(101.8)	(15.1)	\$62.4	\$173.2
Average Shares Diluted	9.7	12.8	24.8	24.9	25.0	25.1	25.0	34.4	34.7	35.0	35.3	35.6	35.9
Adjusted Diluted EPS	(\$2.31)	(\$2.49)	(\$0.70)	(\$0.73)	(\$0.88)	(\$1.04)	(\$3.34)	(\$2.25)	(\$1.93)	(\$2.91)	(\$0.43)	\$1.75	\$4.83
%Change YOY													
Total Revenue	NM	NM	NM	NM	NM	-100.0%	-100.0%	NM	20.8%	47.4%	499.2%	103.2%	76.1%
COGS	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	410.9%	113.3%	79.2%
Gross Profit	NM	NM	NM	NM	NM	-100.0%	-100.0%	NM	20.8%	29.1%	511.6%	102.0%	75.7%
SG&A	89.8%	169.7%	193.1%	209.7%	98.0%	156.4%	8.2%	43.5%	160.6%	10.5%	5.3%	3.5%	3.5%
R&D	71.2%	90.7%	92.3%	185.5%	84.9%	107.6%	6.7%	-23.2%	-27.2%	18.4%	4.4%	4.3%	4.3%
Operating Income	NM	NM	NM	NM	NM	NM	NM	-8.2%	-10.9%	49.2%	-84.6%	-747.3%	178.0%
Non-Operating Items	NM	NM	NM	NM	NM	348.0%	NM	-53.1%	263.0%	-25.7%	-53.1%	-35.2%	84.9%
Pre-tax Income	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	177.5%
Tax Rate	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	0.0%
Taxes	NM	NM	NM	NM	NM	-100.0%	-100.0%	NM	NM	NM	NM	NM	177.5%
Net Income	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	177.5%
Adjusted Diluted EPS	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	175.2%

Source: Guggenheim Securities, LLC and Company Reports

(1) To be conservative, we assume a 40% tax rate upon profitability.

(2) Assume share dilution in 2016 from additional equity raise.

## Dermira - Quarterly Margin Analysis 2013-2021E

	2013	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E	2018E	2019E	2020E	2021E
Total Revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
COGS	NM	0.0%	NM	NM	NM	NM	NI	0.0%	0.0%	12.4%	10.6%	11.1%	11.3%
Gross Margin	NM	100.0%	NM	NM	NM	NM	NI	100.0%	100.0%	87.6%	89.4%	88.9%	88.7%
SG&A	NM	113.5%	NM	NM	NM	NM	NI	176.9%	210.2%	371.5%	68.5%	35.5%	20.9%
R&D	NM	420.7%	NM	NM	NM	NM	NI	523.1%	332.5%	164.2%	32.4%	16.7%	9.9%
Operating Income	NM	-434.2%	NM	NM	NM	NM	NI	-600.0%	-442.7%	-448.1%	-11.5%	36.7%	58.0%
Pretax Income	NM	-436.2%	NM	NM	NM	NM	NI	-594.4%	-426.0%	-439.7%	-10.9%	36.9%	58.2%
Net Income	NM	-436.6%	NM	NM	NM	NM	NI	-594.4%	-426.0%	-439.7%	-10.9%	22.2%	34.9%

Source: Guggenheim Securities, LLC and Company Reports

## Dermira - Quarterly Revenue Model 2013-2021E

(\$ in Millions)													
(Year Ended December 31)	2013	2014	1Q15E	2Q15E	3Q15E	4Q15E	2015E	2016E	2017E	2018E	2019E	2020E	2021E
Cimzia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.7	34.1	74.5	113.5
DRM04	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.5	37.0	79.4	127.7
DRM01	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	54.3	114.5	241.7
DRM02	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DRM05	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Milestones	0.0	7.3	0.0	0.0	0.0	0.0	0.0	13.0	15.7	0.0	13.4	13.4	13.4
<b>TOTAL REVENUES</b>	<b>0.0</b>	<b>7.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>13.0</b>	<b>15.7</b>	<b>23.1</b>	<b>138.7</b>	<b>281.8</b>	<b>496.2</b>
<b>% Change YOY</b>													
Cimzia		NM	NM	NM	NM	NM	NM	NM	NM	NM	192.2%	118.7%	52.4%
DRM04		NM	NM	NM	NM	NM	NM	NM	NM	NM	222.0%	114.6%	60.9%
DRM01		NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	111.1%	111.1%
DRM02		NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
DRM05		NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Other		NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
<b>TOTAL REVENUES</b>		<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>-100.0%</b>	<b>-100.0%</b>	<b>NM</b>	<b>20.8%</b>	<b>47.4%</b>	<b>499.2%</b>	<b>103.2%</b>	<b>76.1%</b>

Source: Guggenheim Securities, LLC and Company Reports



## Dermira - Annual Revenue Model 2013-2021E

(\$ in Millions)	Year Ended December 31st,									2014/	2015E/	2016E/	2017E/	2018E/	2019E/	2020E/	2021E/	CAGR
	2013	2014	2015E	2016E	2017E	2018E	2019E	2020E	2021E	2013	2014	2015E	2016E	2017E	2018E	2019E	2020E	16E-21E
<b>Late Stage Pipeline Drug Sales</b>																		
Cirzia	0.0	0.0	0.0	0.0	0.0	11.7	34.1	74.5	113.5	NM	NM	NM	NM	NM	192.2%	118.7%	52.4%	NM
DRM04	0.0	0.0	0.0	0.0	0.0	11.5	37.0	79.4	127.7	NM	NM	NM	NM	NM	222.0%	114.6%	60.9%	NM
DRM01	0.0	0.0	0.0	0.0	0.0	0.0	54.3	114.5	241.7	NM	NM	NM	NM	NM	NM	111.1%	111.1%	NM
<b>Total Late Stage Pipeline Drug Sales</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>23.1</b>	<b>125.3</b>	<b>268.4</b>	<b>482.9</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>441.4%</b>	<b>114.2%</b>	<b>79.9%</b>	<b>NM</b>
<b>Early Stage Pipeline Drug Sales</b>																		
DRM02	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NM	NM	NM	NM	NM	NM	NM	NM	NM
DRM05	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NM	NM	NM	NM	NM	NM	NM	NM	NM
<b>Total Early Stage Pipeline Drug Sales</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>
Other Drug Sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NM	NM	NM	NM	NM	NM	NM	NM	NM
Milestones	0.0	7.3	0.0	13.0	15.7	0.0	13.4	13.4	13.4	NM	-100.0%	NM	20.8%	-100.0%	NM	0.0%	0.0%	0.6%
<b>TOTAL REVENUES</b>	<b>0.0</b>	<b>7.3</b>	<b>0.0</b>	<b>13.0</b>	<b>15.7</b>	<b>23.1</b>	<b>138.7</b>	<b>281.8</b>	<b>496.2</b>	<b>NM</b>	<b>-100.0%</b>	<b>NM</b>	<b>20.8%</b>	<b>47.4%</b>	<b>499.2%</b>	<b>103.2%</b>	<b>76.1%</b>	<b>107.2%</b>

Source: Guggenheim Securities, LLC and Company Reports

## Dermira - Cash Flow Analysis 2013-2021E

(\$ in Millions)									
(Year ended December 31)	2013	2014	2015E	2016E	2017E	2018E	2019E	2020E	2021E
<b>Cash flows provided by Operating Activities:</b>									
Net Income	(22.4)	(31.9)	(83.5)	(77.3)	(66.9)	(101.8)	(15.1)	62.4	173.2
Depreciation and Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.3	1.9	-	-	-	-	-	-	-
Net Changes in Working Capital	9.9	(1.5)	1.7	(2.6)	(0.5)	(1.5)	(17.0)	(12.1)	(9.8)
<b>Net cash provided by Operating Activities</b>	<b>(12.2)</b>	<b>(31.4)</b>	<b>(81.7)</b>	<b>(79.8)</b>	<b>(67.4)</b>	<b>(103.2)</b>	<b>(32.0)</b>	<b>50.4</b>	<b>163.5</b>
<b>Cash flows from Investing Activities</b>									
Purchases of PP&E	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Net proceeds from sale of assets	-	-	-	-	-	-	-	-	-
Acquisitions, net of cash acquired	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Net cash used in Investing Activities</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>
<b>Cash flows from Financing Activities</b>									
(Repayment) or Issuance of long term debt	2.0	53.8	(0.0)	-	-	-	-	-	-
Cash dividends paid	-	-	-	-	-	-	-	-	-
Other	24.5	120.3	-	270.0	-	-	-	-	-
<b>Net cash (used in) provided by Financing Activities</b>	<b>26.5</b>	<b>174.1</b>	<b>(0.0)</b>	<b>270.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net (decrease) increase in cash and equivalents</b>	<b>14.3</b>	<b>142.5</b>	<b>(81.9)</b>	<b>190.0</b>	<b>(67.5)</b>	<b>(103.4)</b>	<b>(32.2)</b>	<b>50.3</b>	<b>163.3</b>
Cash and equivalents at beginning of year	7.9	22.1	164.7	82.8	272.8	205.3	101.9	69.8	120.0
<b>Cash and equivalents at end of year</b>	<b>22.1</b>	<b>164.7</b>	<b>82.8</b>	<b>272.8</b>	<b>205.3</b>	<b>101.9</b>	<b>69.8</b>	<b>120.0</b>	<b>283.3</b>

Source: Guggenheim Securities, LLC and Company Reports

## Dermira - Balance Sheet Analysis 2013-2021E

(\$ in Millions)									
(Year ended December 31)	2013	2014	2015E	2016E	2017E	2018E	2019E	2020E	2021E
<b>Assets</b>									
Cash and Cash Equivalent	22.1	164.7	82.8	272.8	205.3	101.9	69.8	120.0	283.3
Accounts Receivable, less allowance for doubtful accounts	-	7.3	-	2.6	3.1	4.6	24.3	44.0	69.9
Inventories	-	-	-	-	-	1.4	5.4	9.2	13.7
Other current assets	0.3	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>22.5</b>	<b>172.0</b>	<b>82.8</b>	<b>275.4</b>	<b>208.4</b>	<b>108.0</b>	<b>99.5</b>	<b>173.3</b>	<b>366.9</b>
Plant, Property & Equipment	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	1.0
Identifiable intangibles	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Goodwill	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other assets	0.0	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
<b>Total Other Assets</b>	<b>4.4</b>	<b>6.2</b>	<b>6.3</b>	<b>6.5</b>	<b>6.6</b>	<b>6.7</b>	<b>6.8</b>	<b>6.9</b>	<b>7.0</b>
<b>TOTAL ASSETS</b>	<b>26.9</b>	<b>178.2</b>	<b>89.2</b>	<b>281.9</b>	<b>215.0</b>	<b>114.7</b>	<b>106.3</b>	<b>180.2</b>	<b>373.9</b>
<b>Liabilities &amp; Shareholder's Equity</b>									
Accounts Payable and Accrued Expenses	4.3	5.6	-	-	-	1.4	8.2	19.6	40.1
Other	0.2	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
<b>Total Current Liabilities</b>	<b>4.5</b>	<b>11.9</b>	<b>6.3</b>	<b>6.3</b>	<b>6.3</b>	<b>7.8</b>	<b>14.5</b>	<b>25.9</b>	<b>46.4</b>
Long term debt	1.8	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Other liabilities	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8
<b>Total Liabilities</b>	<b>17.1</b>	<b>24.6</b>	<b>19.0</b>	<b>19.0</b>	<b>19.0</b>	<b>20.5</b>	<b>27.2</b>	<b>38.6</b>	<b>59.1</b>
Shareholders Equity	9.8	153.6	70.1	262.8	196.0	94.2	79.1	141.6	314.8
<b>Total Stockholder's Equity</b>	<b>9.8</b>	<b>153.6</b>	<b>70.1</b>	<b>262.8</b>	<b>196.0</b>	<b>94.2</b>	<b>79.1</b>	<b>141.6</b>	<b>314.8</b>
Noncontrolling Interest	-	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>26.9</b>	<b>178.2</b>	<b>89.2</b>	<b>281.9</b>	<b>215.0</b>	<b>114.7</b>	<b>106.3</b>	<b>180.2</b>	<b>373.9</b>

Source: Guggenheim Securities, LLC and Company Reports

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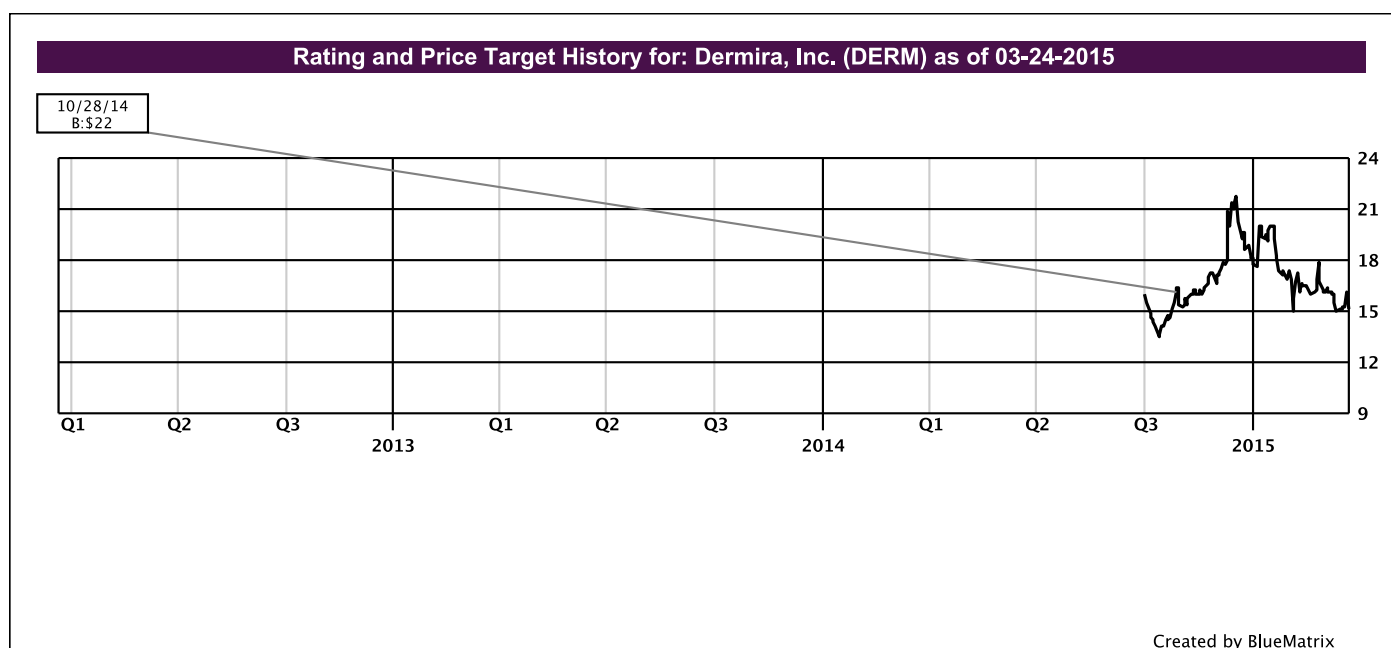
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## Contact Information

## NEW YORK SALES &amp; TRADING DESK

212 292 4700

## EQUITY TRADING DESK

212 292 4701

## MEDIA INQUIRIES

310 367 6567

## EMAIL

general@guggenheimpartners.com

## Locations

## NEW YORK

330 Madison Avenue  
New York, NY 10017

## WASHINGTON, DC

1055 Thomas Jefferson Street, NW  
Suite 450  
Washington, DC 20007

## BOSTON

500 Boylston Street, 13<sup>th</sup> Floor  
Boston, MA 02116

## LOS ANGELES

601 South Figueroa Street  
Suite 4005  
Los Angeles, CA 90017

## DALLAS

1717 McKinney Avenue  
Suite 870  
Dallas, TX 75202

## SAN FRANCISCO

50 California Street  
Suite 1515  
San Francisco, CA 94111

## NASHVILLE

104 Woodmont Blvd  
Suite 203  
Nashville, TN 37205

## RICHMOND

919 East Main Street  
Suite 1605  
Richmond, VA 23219

## Guggenheim Equity Research

ENERGY: EXPLORATION & PRODUCTION,  
OIL SERVICES & EQUIPMENT

## Subash Chandra, CFA, Analyst

subash.chandra@guggenheimpartners.com  
212 918 8771

## Marshall Coltrain, Associate

marshall.coltrain@guggenheimpartners.com  
212 518 9904

## Michael LaMotte, Analyst

michael.lamotte@guggenheimpartners.com  
972 638 5502FINANCIAL SERVICES: INVESTMENT  
COMPANIES, COMMUNITY AND  
REGIONAL BANKS

## Taylor Brodarick, Analyst

taylor.brodarick@guggenheimpartners.com  
212 293 2820FINANCIAL SERVICES: COMMUNITY AND  
REGIONAL BANKS, PAYMENTS & CREDIT  
SERVICES

## David Darst, Analyst

david.darst@guggenheimpartners.com  
615 208 1224

## Ryan Strain, Associate

ryan.strain@guggenheimpartners.com  
615 208 1226FINANCIAL SERVICES: SUPER REGIONAL  
AND UNIVERSAL BANKS & BROKERS,  
PAYMENTS & CREDIT SERVICES

## Eric Wasserstrom, Analyst

eric.wasserstrom@guggenheimpartners.com  
212 823 6571

## Jeff Cantwell, Associate

jeffrey.cantwell@guggenheimpartners.com  
212 823 6543

## HEALTHCARE: BIOPHARMA

## Tony Butler, Analyst

tony.butler@guggenheimpartners.com  
212 823 6540

## HEALTHCARE: PHARMACEUTICALS

## Louise Chen, Analyst

louise.chen@guggenheimpartners.com  
212 381 4195

## Swati Kumar, Analyst

swati.kumar@guggenheimpartners.com  
212 918 8754

## Brandon Folkes, Associate

brandon.folkes@guggenheimpartners.com  
212 518 9976RETAIL & CONSUMER: CONSUMABLES;  
FOOD & DRUG

## John Heinbockel, Analyst

john.heinbockel@guggenheimpartners.com  
212 381 4135

## Steven Forbes, Associate

steven.forbes@guggenheimpartners.com  
212 381 4188

## RETAIL &amp; CONSUMER: SOFTLINES

## Howard Tubin, Analyst

howard.tubin@guggenheimpartners.com  
212 823 6558TMT: MEDIA & ENTERTAINMENT,  
CABLE & SATELLITE TV

## Michael Morris, Analyst

michael.morris@guggenheimpartners.com  
804 253 8025

## Curry Baker, Associate

curry.baker@guggenheimpartners.com  
804 253 8029