



TREND ANALYSIS

2Q10 Bioscience VC, M&A and IPO Overview

Key Findings:

- ✓ 81 bioscience venture funded financings raised \$1.66 billion
- ✓ The bioscience public markets continued to thaw, 4 new issues
- ✓ 9 biopharma M&A transactions >\$80M accounted for \$8.25 billion

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About OnBioVC

The 2Q10 OnBioVC Trend Analysis provides timely coverage and comprehensive analysis of global bioscience private and public capital investment and M&A activity.

This report parses out transactional activity via the tracking of private bioscience companies (including therapeutic, diagnostic, medical device, medical-IT and biofuel sectors) and details bioscience venture investments over time and compares to prior periods. OnBioVC, an Indicium Data Company, publishes reports quarterly, this report includes data for quarter-over-quarter and year-to-date periods. The venture deal data contained is sorted by aggregate dollars raised via round, region, state and sector, and contains additional information on the indications and technologies receiving investment along with detail on the company who has closed their financing round within the identified time period; this data is followed by an analysis of bioscience public offerings and biopharma M&A deals.

The website OnBioVC.com provides a free and easy to search database where information queries may be indexed by therapeutic, diagnostic, device, medical-IT and biofuel company, technology, indication, financing-round, close date and geographic region — as well as details of the venture capital funds who are financing the deals. All data aggregated at OnBioVC.com is also available for delivery to your inbox via a free email or RSS subscription.

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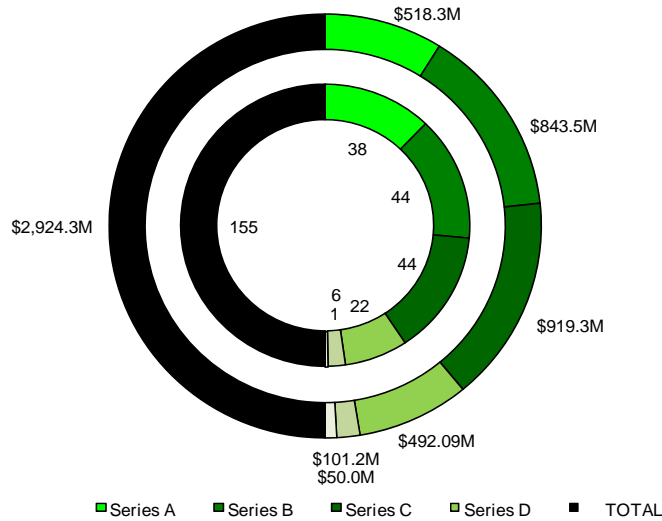
Table of Contents



About ONBioVC	i
1. ONBioVC Trend Analysis	
Executive summary.....	4
Sector representation.....	5
Aggregate dollars raised per round.....	6
Total financings per round.....	7
Aggregate dollars raised per region.....	8
Total financings per region.....	9
Aggregate dollars raised per state.....	10
Total financings per state.....	11
Aggregate dollars and total financings per sector.....	12
Pro forma exit scenario analysis.....	13
Company details.....	14-15
OnBioVC Index™.....	16
2. ONBioIPO Trend Analysis	
IPO watch summary.....	17-18
BustedBiotech summary.....	19
3. ONBioM&A Trend Analysis	
M&A transactions.....	20

EXECUTIVE SUMMARY

2Q10 YTD Aggregate Financings



2Q10 Summary Overview

The 2Q10 OnBioVC Trend Analysis tracked, in aggregate, 81 biopharma, diagnostic, device, medical-IT and biofuel venture financings totaling \$1,664.2M (data shown on page 6). Compared to 2Q09 OnBioVC data, this investment activity represents a decrease in the number of quarter-over-quarter financings by 7 (81 v. 88) and a decrease in quarter-over-quarter invested capital of \$49.4M (\$1,664.2M v. \$1,713.6M). Alternatively, the quarter-versus-quarter comparison provides a rosier picture, that being an increase in deals of 7 for 2Q10 compared to 74 in 1Q10, and a jump in total financings of \$404.1M (\$1,664.2M v. \$1,260M), a growth of some 32%; yielding a projected 2010 run-rate, at the year's half-way mark, of \$5.84 billion of bioscience venture dollars.

With four life-science related initial public offerings having begun trading in the quarter (see IPO chapter for details) perhaps the idea of achieving a liquidity event via a second alternative channel to M&A (see M&A chapter for details) is instilling some additional confidence in the private capital markets as it was clear that, on a quarter-versus-quarter relative basis, venture dollars came roaring back in 2Q10. Comparatively, a change in overall risk tolerance does not appear to be robust as later-stage financings continue to dominate relative to the number of early-stage Series A deals. So as the public market appetite for new issues perhaps grows hungrier we will continue to monitor for a potential correlation in growth of first time financings.

2Q10 ONBioVC TREND ANALYSIS

COMPAY FOCI	# of Deals	% Total
Oncology	13	16.0%
Biofuel	6	7.4%
Diagnostic	6	7.4%
Inflammation	5	6.2%
Telemed	4	4.9%
Antiinfective	3	3.7%
Ophthalmology	3	3.7%
Alzheimers	2	2.5%
Aneurysm	2	2.5%
Asthma	2	2.5%
CNS	2	2.5%
CV	2	2.5%
Dellivery	2	2.5%
Epigenetics	2	2.5%
Neuromuscular	2	2.5%
Orthopedics	2	2.5%
Stem Cells	2	2.5%
Ab Platform	1	1.2%
Anemia	1	1.2%
Bioinformatics	1	1.2%
Biomarker Platform	1	1.2%
Biomaterial	1	1.2%
Cell Analysis	1	1.2%
Cell Culture	1	1.2%
COPD	1	1.2%
Device Oncology	1	1.2%
Drug:Device	1	1.2%
Hemoglobin	1	1.2%
Imaging	1	1.2%
Immunology	1	1.2%
Lypolysis	1	1.2%
Mass Spec	1	1.2%
Microfluidics	1	1.2%
Monitoring	1	1.2%
Sequencing	1	1.2%
Spine	1	1.2%
Urinary Incontinence	1	1.2%
Women's Health	1	1.2%
TOTAL	81	100.0%

Unlike 1Q10 where diagnostic companies dominated in terms of total number of deals by sector, 2Q10 demonstrated a robust return of oncologic therapeutics to the top of the list, where thirteen companies accounted for \$266.2M in capital raised. Boston-based Tesaro claimed the largest deal of the quarter's anti-cancer class, closing \$20M plus and an additional \$40M reserve, to what it appears to be for either acquiring, partnering or in-licensing promising therapeutic candidates. From this vantage, and without having confirmed details with Tesaro management, it appears on the surface that the Company is taking a page out of the Boulder, CO-based Clovis Oncology playbook (*Note: see late '07 Pharmion and Celgene deal for more details*).

Six diagnostic deals totaling \$137.4M kept the sector in play. The largest financing having gone to Palo Alto, CA-based CardioDx who brought in an additional \$5M to top off their Series D at \$34.5M. CardioDx is a commercial-stage cardiovascular molecular diagnostics company focused on coronary artery disease, cardiac arrhythmia and heart failure, and recently announced a co-development deal with GE Healthcare. Other 2Q10 Dx company foci included Autism, MSRA, Sepsis, TB, a POC technology platform, and a biomarker identification platform.

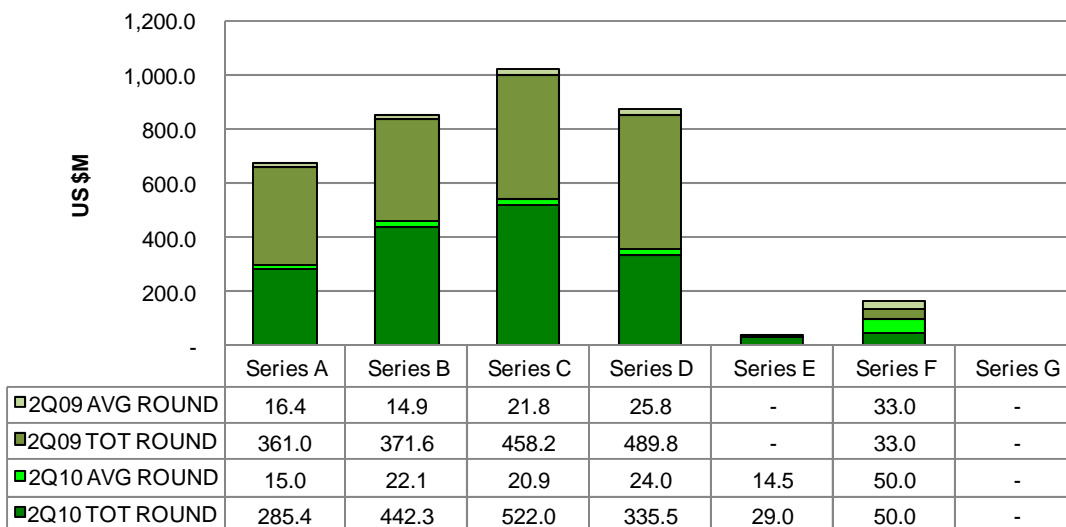
The Biofuels sector accounted for \$165.8M raised, with the largest deal, a \$46.6M Series C financing, going to Madison, WI-based Virent Energy Systems.

Note: The biofuels sector may attribute to some variability between OnBioVC and other data reporting groups; the team works to screen in only bio-technology based deals for inclusion in the sector thus reducing total potential values of aggregate biofuel deals relative to other sources.

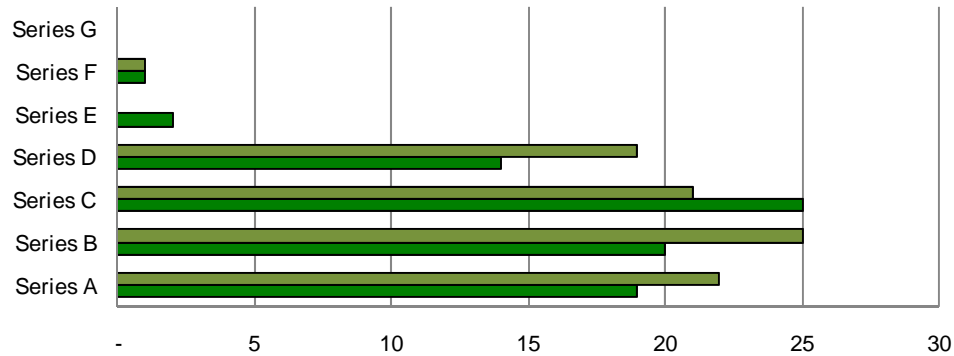
For 2Q10 financings were concentrated in follow-on mid-stage entities. Series C deals lead the way accounting for \$522M in capital raised with Series B deals running in second place and totaling approximately \$442M. The average size round for the C decreased slightly quarter-over-quarter (\$20.9M v. \$21.8M) while the average size B likewise decreased quarter-over-quarter (\$24.0M v. \$25.8M).

The single largest financing of the 2Q10 was a Series B completed by Wuppertal, Germany-based AiCuris who closed on €55M (\$74.8M) - and by far the largest EX-US deal by some \$25M (next largest EX-US deal was Noxxon Pharma \$40M Series D). The clinical-stage company currently has two compounds in Phase II and five in Phase I with a focus on antivirals, with targeted indications of human cytomegalovirus (HCMV), herpes, hepatitis B and C and HIV, as well as antibacterial agents focused on both gram-positive and gram-negative multi-resistant pathogens such as hospital-borne infections like nosocomial pneumonia and bacteraemia. The Company recently released a detailed mechanism of action for their Phase IIb AIC246 anti-HCMV asset, unveiling the specific target processing of viral DNA and inhibition of infectious viral particle release; and also announced their AIC292 non-nucleosidic reverse transcriptase inhibitor for HIV demonstrated the compound to be well tolerated and the resulting pharmacokinetic profile was indicative of the potential for a once daily dosing regime.

Aggregate Dollars Raised per Round 2Q10 v. 2Q09



Total Financings per Round 2Q10 v. 2Q09

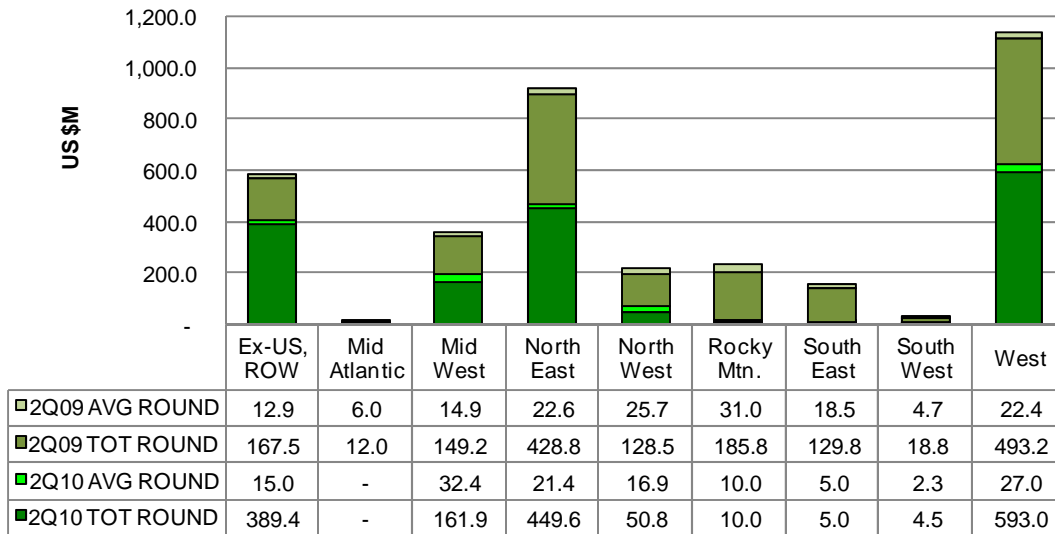


	Series A	Series B	Series C	Series D	Series E	Series F	Series G
2Q09 DEALS	22	25	21	19	-	1	-
2Q10 DEALS	19	20	25	14	2	1	-

2Q10 saw total financings contract relative to 2Q09 by a total of 7 (81 in 2Q10 v. 88 in 2Q09). An interesting trend to observe is the continued (albeit, mild) decrease in number of first-time institutional investments, as the Series A round showed a drop by ten deals year-to-date relative to 2009, this trend is extended to the total Series A dollars invested with a drop of \$75.6M for 2Q10 (\$285.4M v. \$361.0M) and YTD a lag of \$170.1M.

Interesting to observe some late-stage fifth and sixth round financings. Menlo Park, CA-based sequencing company Pacific Biosciences closed a \$50M tranche of their Series F round, which brought the total sixth institutional financing up to a whopping \$109M. The Company has raised approximately \$370M to date. Pacific Biosciences has developed a technology platform for the real-time detection of biological events at single molecule resolution. Single Molecule Real Time (SMRT™) Biology is designed to reveal the underlying networks that define living systems. The first application for the SMRT Biology platform is a potentially paradigm changing approach to DNA sequencing. SMRT technology could ultimately make it possible to sequence individual genomes as part of routine medical care. DNA sequencing is expected to be the first of perhaps many transformative SMRT Biology applications that could driving radical advances in fields such as personalized medicine, agriculture, clean energy, and global health. These new funds are reported to be allocated to support their commercial launch.

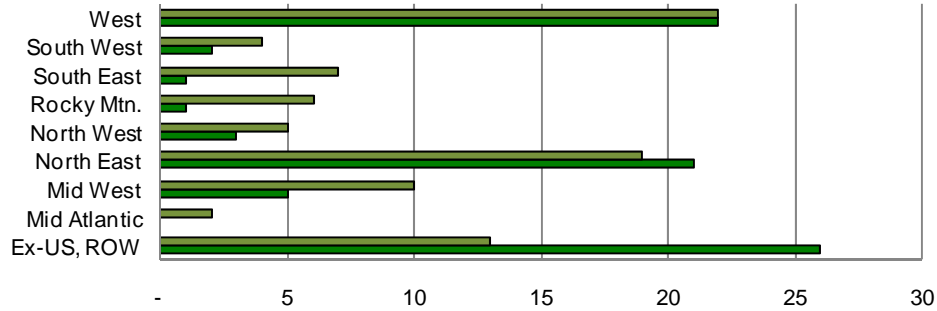
Aggregate Dollars Raised per Region 2Q10 v. 2Q09



Without any surprise the West region in 2Q10 picked up right where it left off 1Q10 and '09 and '08 and...and continued its dominance in attracting bioscience capital investment. With California serving as home to not one but two world-class centers of intellectual property creation, in San Francisco and San Diego, as well as home to the fund concentration found on Silicon Valley's Sand Hill Road or on Market St. in the Gaslamp. There is something to be said for a CEO who is able to hold a Board of Directors meeting less than an hour away from the home offices of their venture investors. No magic or secret sauce is required to build a bio cluster, when the people, IP and money overlap, increased investment activity transpires and good things tend to emerge where more "shots on goal" are taken. Similarly the concentration of intellectual capital and venture capital converge in the North East in Boston and Cambridge. Thus the North East and West continue to lead in number of deals and total capital attracted.

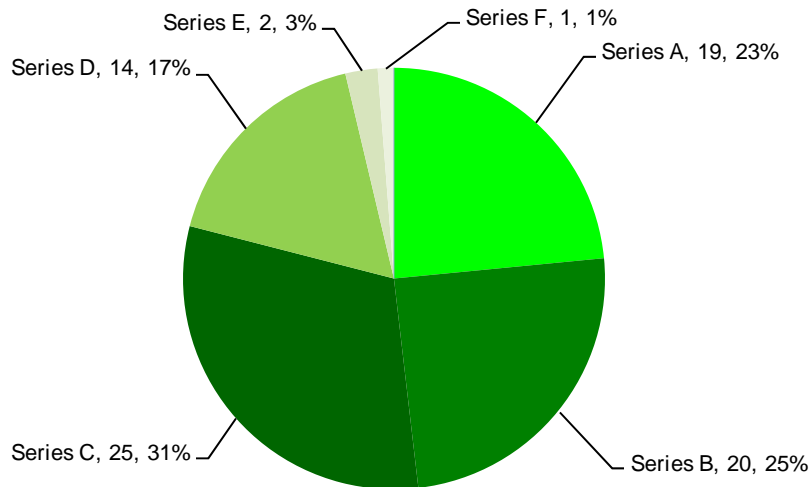
What is interesting to track are the dollars raised in the next tier regions (i.e. EX-West & North East). The International (EX-US) region led the way for 2Q10. EX-US 26 deals accounted for \$389.4M and as such represented not only a diverse geographic group (UK, The Netherlands, Israel, South Korea, India, France and Switzerland) but also a diverse group of entities focused on metabolic bone disease, to oncology, inflammation, anti-infectives, autoimmune and CV disease, diagnostics, and devices.

**Total Financings per Region
2Q10 v. 2Q09**



	Ex-US, ROW	Mid Atlantic	Mid West	North East	North West	Rocky Mtn.	South East	South West	West
■ 2Q09 DEALS	13	2	10	19	5	6	7	4	22
■ 2Q10 DEALS	26	-	5	21	3	1	1	2	22

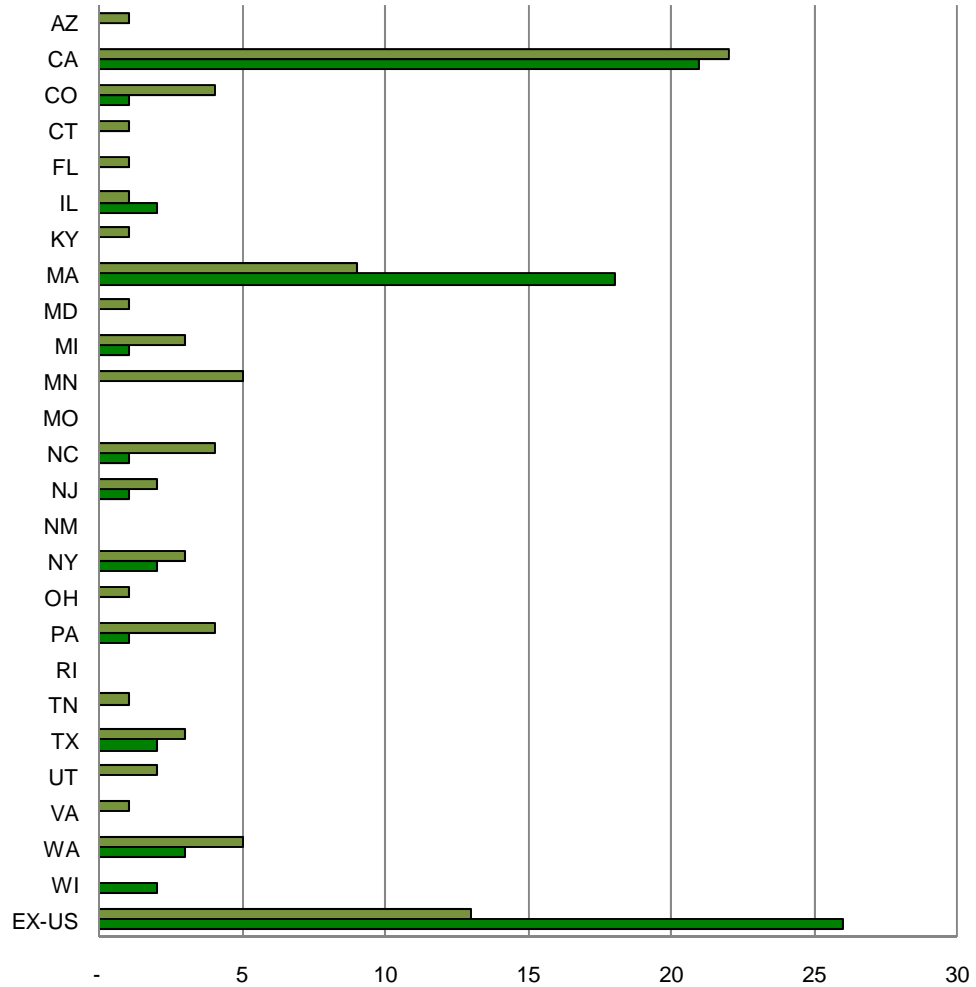
2Q10 Financing Round Frequencies



2Q10 ONBioVC TREND ANALYSIS

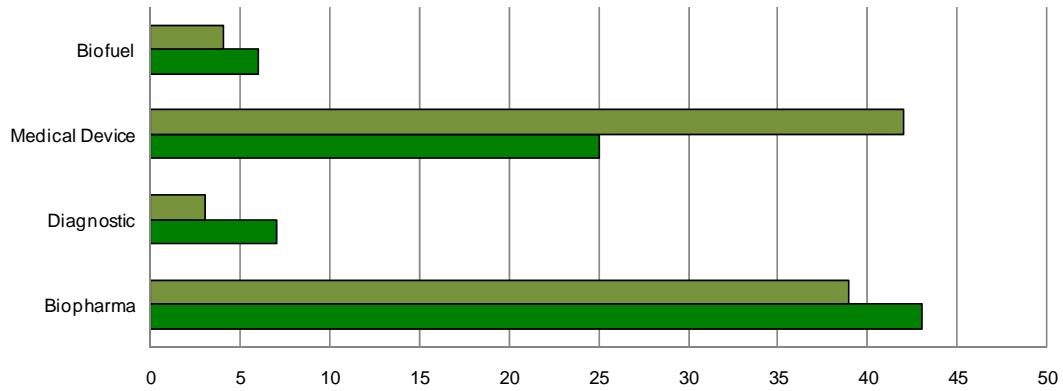
FINANCING ROUND	2Q10 DEALS	2Q10 TOT ROUND	2Q10 AVG ROUND	2Q09 DEALS	2Q09 TOT ROUND	2Q09 AVG ROUND
EX-US	26	389.4	15.0	13	167.5	12.9
WI	2	87.2	43.6	-	-	-
WA	3	50.8	16.9	5	128.5	25.7
VA	-	-	-	1	10.0	10.0
UT	-	-	-	2	4.3	2.2
TX	2	4.5	2.3	3	8.5	2.8
TN	-	-	-	1	10.0	10.0
RI	-	-	-	-	-	-
PA	1	1.4	1.4	4	122.6	30.7
OH	-	-	-	1	4.0	4.0
NY	2	28.6	14.3	3	58.9	19.6
NM	-	-	-	-	-	-
NJ	1	45.0	45.0	2	55.0	27.5
NC	1	5.0	5.0	4	70.0	17.5
MO	-	-	-	-	-	-
MN	-	-	-	5	62.4	12.5
MI	1	8.0	8.0	3	52.8	17.6
MD	-	-	-	1	2.0	2.0
MA	18	397.6	22.1	9	172.3	19.1
KY	-	-	-	1	38.0	38.0
IL	2	66.7	33.4	1	30.0	30.0
FL	-	-	-	1	11.8	11.8
CT	-	-	-	1	20.0	20.0
CO	1	10.0	10.0	4	181.5	45.4
CA	21	570.0	27.1	22	493.2	22.4
AZ	-	-	-	1	42.0	42.0
TOTAL	81	1,664	20.5	88	1745.3	19.3

**Total Financings per State
2Q10 v. 2Q09**



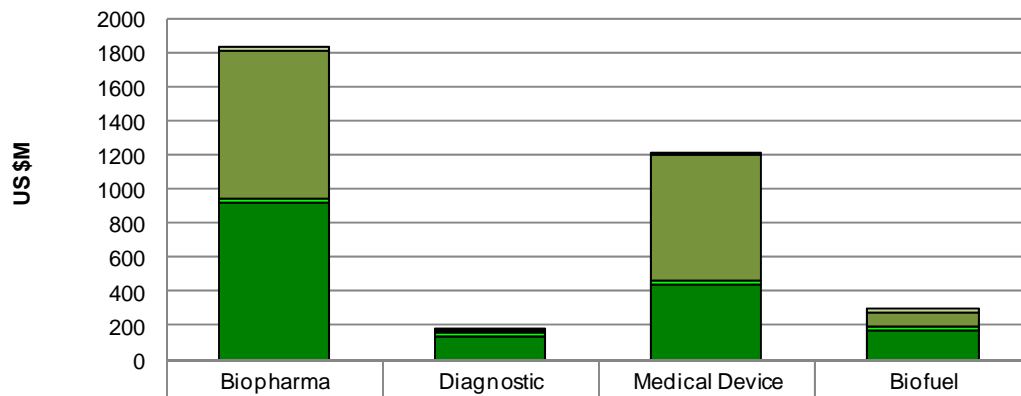
	EX - US	WI	WA	VA	UT	TX	TN	RI	PA	OH	NY	NM	NJ	NC	MO	MN	MI	MD	MA	KY	IL	FL	CT	CO	CA	AZ
■ 2Q09 DEALS	13	-	5	1	2	3	1	-	4	1	3	-	2	4	-	5	3	1	9	1	1	1	1	4	22	1
■ 2Q10 DEALS	26	2	3	-	-	2	-	-	1	-	2	-	1	1	-	-	1	-	18	-	2	-	-	1	21	-

**Total Financings per Sector
2Q10 v. 2Q09**



	Biopharma	Diagnostic	Medical Device	Biofuel
2Q09 DEALS	39	3	42	4
2Q10 DEALS	43	7	25	6

**Aggregate Dollars Raised per Sector
2Q10 v. 2Q09**



	Biopharma	Diagnostic	Medical Device	Biofuel
2Q09 AVG ROUND	22.3	5.6	17.7	21.3
2Q09 TOT ROUND	868.2	16.8	743.6	85
2Q10 AVG ROUND	21.4	19.6	17.6	27.6
2Q10 TOT ROUND	920.6	137.4	440.4	165.8

Pro Forma Exit Scenario Analysis

Value Multiple	% Likelihood	Exit Scenarios	Amt. Invested (\$M)	Exit Value (\$M)
0	43.7%	35	727.3	-
0 to 0.25	8.2%	7	136.5	19.9
0.25 to 0.5	6.8%	6	113.2	33.0
0.5 to 1	8.0%	6	133.1	77.8
1 to 1.5	3.1%	3	51.6	45.2
1.5 to 2	2.3%	2	38.3	44.7
2 to 3	4.1%	3	68.2	119.6
3 to 5	4.7%	4	78.2	228.4
5 to 10	8.6%	7	143.1	835.9
10 to 20	5.1%	4	84.9	991.4
20 to 50	3.8%	3	63.2	1,846.8
50 to 100	1.1%	1	18.3	1,069.2
> 100	0.5%	-	8.3	972.0
TOTAL	100%	81	1,664.2	6,284.0

Here is an interesting look at a pro forma exit scenario analysis for the 81 2Q10 vintage of bioscience investments. The sophisticated folks at San Hill Econometrics and Professor of Finance Andrew Metrick at the Wharton School of the University of Pennsylvania derived the likelihood of a liquidity event at a particular value multiple. Granted this array is sector agnostic, and not specifically tailored to bioscience investments and current multiples. But just for fun, what might a potential return on the 2Q10 investments totaling \$1,664.2M look like at the end of the line?

Certainly there a variety of holes associated with this effort, but if we can speak in generalities it may not be too fantastic a stretch to see that 35 of the 81, or 44% of the investments are modeled to end in complete failure, that is without the return of any capital. An additional 13 failures may return some capital to investors, for example with preference rights and the liquidation of certain assets such as lab and computer equipment or IP, some dollars may be recouped. This now totals 48 or over half of all companies receiving investment out of the running for the potential of a positive return on invested capital. As demonstrated with this data set it is truly the handful of rare 10X+ liquidity opportunities that provide for the requisite returns to raise new funds (why just look at \$5.7 billion forecasted to be returned on \$317M invested, can you saw "wow"?), and that risk-reward profile, in part, is what enables the continued finance of biomedical innovation.

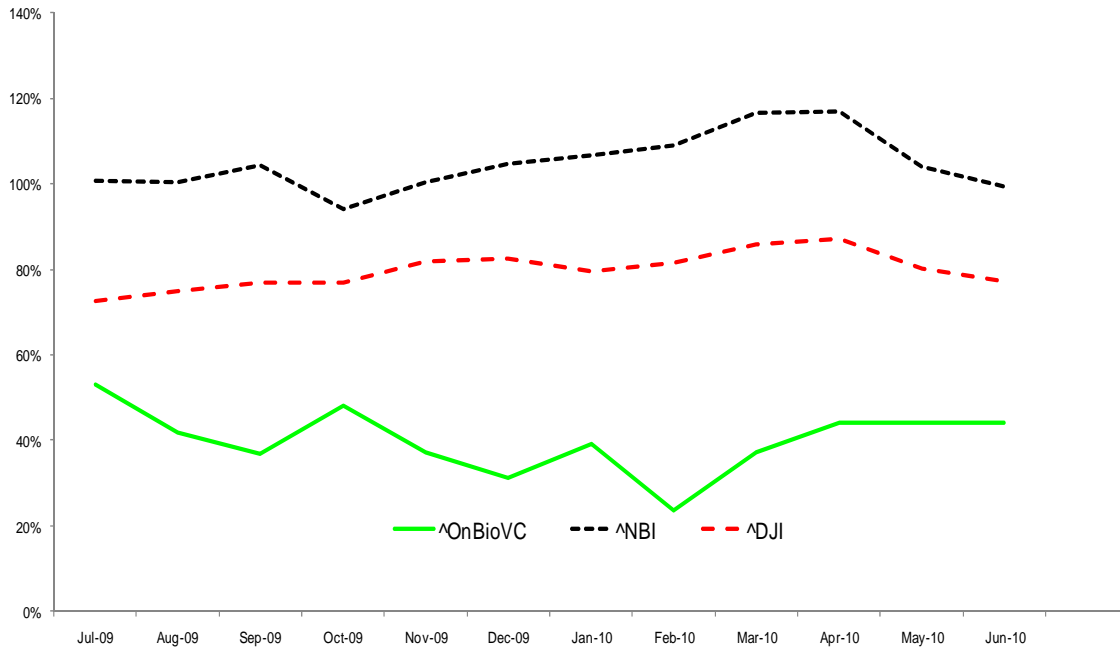
COMPANY	ROUND	RAISE (\$M)	STATE	SECTOR	I° INDICATION
Ablexis	A	12.0	CA	Biopharma	Ab Platform
Achaogen	C	56.0	CA	Biopharma	Antiinfective
Action Pharma	C	6.3	EX	Biopharma	Inflammation
Affimed Therapeutics	C	26.4	EX	Biopharma	Oncology
Agile Therapeutics	B	45.0	NJ	Biopharma	Women's Health
AiCuris	B	74.8	EX	Biopharma	Antiinfective
Altura Medical	A	20.0	CA	Med Device	Aneurysm
Amyris Biotechnologies	D	47.0	CA	Biofuel	Biofuel
AqueSys	C	35.0	CA	Med Device	Ophthalmology
Aquinox Pharmaceuticals	B	25.0	EX	Biopharma	Oncology
Aragon Pharmaceuticals	B	22.0	CA	Biopharma	Oncology
Astute Medical	B	26.5	CA	Diagnostic	Dx - Sepsis
Avraham Pharmaceuticals	A	9.0	EX	Biopharma	Alzheimers
Baxano	C	30.0	CA	Med Device	Spine
BIND Biosciences	C	12.4	MA	Biopharma	Oncology
BioScale	D	25.0	MA	Diagnostic	Biomarker Platform
Breathe Technologies	C	23.0	MA	Med Device	COPD
Caprotec Bioanalytics	D	4.9	EX	Med Device	Mass Spec
CardioDx	D	34.5	CA	Diagnostic	Dx- CV
Castlight Health	C	60.0	CA	Med Device	Telemed
Catabasis Pharmaceuticals	A	39.6	MA	Biopharma	Inflammation
Cellular Dynamics	B	40.6	WI	Biopharma	Stem Cells
Constellation Pharmaceuticals	B	4.8	MA	Biopharma	Epigenetics
Constellation Pharmaceuticals	A	32.0	MA	Biopharma	Epigenetics
Coronado Biosciences	C	3.9	WA	Biopharma	Oncology
Coskata	D	23.7	IL	Biofuel	Biofuel
CureVac	C	34.9	EX	Biopharma	Oncology
Curexo Technology	C	13.2	EX	Med Device	Orthopedics
Cyntellect	E	9.0	CA	Med Device	Cell Analysis
Cytheris	D	14.3	EX	Biopharma	Immunology
Delphinus Medical Technologies	A	8.0	MI	Med Device	Imaging
EarlySense	C	13.0	EX	Med Device	Monitoring
EdenIQ	B	12.4	CA	Biofuel	Biofuel
Ensysce Biosciences	A	1.5	TX	Med Device	Delivery
FerroKin Biosciences	B	12.0	CA	Biopharma	Anemia
FoldRx Pharmaceuticals	C	29.0	MA	Biopharma	CNS
Funxional Therapeutics	B	12.2	EX	Biopharma	Asthma
Galantos Pharma	C	5.7	EX	Biopharma	Alzheimers
Gemin X Pharmaceuticals	D	16.0	EX	Biopharma	Oncology

2Q10 Company List by
State & Investment

2Q10 ONBioVC TREND ANALYSIS

COMPANY	ROUND	RAISE (\$M)	STATE	SECTOR	I° INDICATION
Green Biologics	B	6.1	EX	Biofuel	Biofuel
Healthline Networks	C	14.0	CA	Med Device	Teleded
HemaQuest Pharmaceuticals	B	12.0	MA	Biopharma	Hemoglobin
Igenica	B	24.0	CA	Biopharma	Oncology
Implanet	D	10.1	EX	Med Device	Orthopedics
Incline Therapeutics	A	43.0	WA	Med Device	Drug:Device
Inotek Pharmaceuticals	D	18.0	MA	Biopharma	Ophthalmology
iRhythm Technologies	C	10.0	CA	Med Device	CV
Joule Biotechnologies	B	30.0	MA	Biofuel	Biofuel
Liquidia Technologies	C	5.0	NC	Med Device	Dellivery
Logical Therapeutics	C	16.9	MA	Biopharma	Inflammation
MedVentive	C	2.8	MA	Med Device	Teleded
Mirina Corp	A	3.9	WA	Biopharma	Oncology
Molecular Detection	C	1.4	PA	Diagnostic	Dx - MRSA
N30 Pharma	B	10.0	CO	Biopharma	Asthma
Nanobiotix	C	11.0	EX	Med Device	Device Oncology
NanoPowers	A	4.5	EX	Med Device	Urinary Incontinence
Nereus Pharmaceuticals	E	20.0	CA	Biopharma	Oncology
NeuroTherapeutics Pharma	B	43.0	IL	Biopharma	CNS
NormOxys	B	17.5	MA	Biopharma	CV
Noxxon Pharma	D	40.0	EX	Biopharma	Inflammation
Oncos Therapeutics	C	5.5	EX	Biopharma	Oncology
Oxford Immunotec	D	26.0	EX	Diagnostic	Dx - TB
Pacific Biosciences	F	50.0	CA	Med Device	Sequencing
Palmaz Scientific	A	3.0	TX	Biopharma	Biomaterial
Pharnext	A	5.8	EX	Biopharma	Neuromuscular
Pharnext	A	5.8	EX	Biopharma	Neuromuscular
Phreesia	D	16.0	NY	Med Device	Teleded
ProtAb	A	1.5	EX	Biopharma	Inflammation
Reinnervate	A	2.0	EX	Biopharma	Cell Culture
ReVision Optics	D	35.0	CA	Biopharma	Ophthalmology
Rheonix	A	12.6	NY	Med Device	Microfluidics
Sequent Medical	B	15.6	CA	Med Device	Aneurysm
Stemgent	B	5.6	MA	Biopharma	Stem Cells
SynapDx	A	9.0	MA	Diagnostic	Dx - Autism
T2 Biosystems	C	15.0	MA	Diagnostic	Dx - Sample Prep
Tesaro	A	60.0	MA	Biopharma	Oncology
Tetraphase Pharmaceuticals	C	45.0	MA	Biopharma	Antiinfective
TPP Global Development	A	12.2	EX	Biopharma	Oncology
Virent Energy Systems	C	46.6	WI	Biofuel	Biofuel
Zeltiq	D	25.0	CA	Med Device	Lypolysis
Zymerworks	B	3.2	EX	Med Device	Bioinformatics

ONBIOVC-INDEX™ vs. NASDAQ Biotech Index vs. Dow Jones Industrial Average



Comparing Apples to Bowling-balls:

The OnBioVC-Index™ tracks private bioscience venture investment activity on a relative basis and benchmarks this activity versus the performance of the public markets by charting against the Nasdaq Biotech Index and the broader Dow Jones Industrial Average.

Data Sources: 1) Indicium Data 2) S&P Index Services 3) BNET Pharma 4) Zack's 5) Yahoo! Finance 6) Fierce Pharma

THE CBSA ADVANTAGE



The BioScience Industry in Colorado

Colorado's bioscience industry is poised to become one of the most exciting and advanced clusters in the country. The State is currently home to a thriving industry, comprised of over 400 biotechnology, medical device, pharmaceutical, health care providers, research institutions and those businesses that provide critical services and products to bioscience companies.

Opportunities for Growth in the Biosciences Industry

The pipeline of new technologies and new companies emerging from Colorado's research institutions is strong; the number of Colorado bioscience related companies and their employees are growing faster than the national average. At the center of this exciting growth is the Colorado Bioscience Association (CBSA), shaping the policies and developing the programs to help Colorado's companies grow and prosper.

**Become a Part of this World Class Bioscience Cluster.
Join the CBSA. For More Information Visit:
www.CoBioScience.com**



San Jose BioCenter

Accelerating the commercialization of science, the San Jose BioCenter provides a new generation of specialized facilities; capital equipment; laboratory services; and commercialization support for emerging science and technology companies.

The BioCenter is a new, time and cost efficient model to commercialize innovation for emerging science and technology companies. Since inception, the life science and clean technology companies of the BioCenter have raised more than \$1B in capital and have created more than 800 direct jobs.

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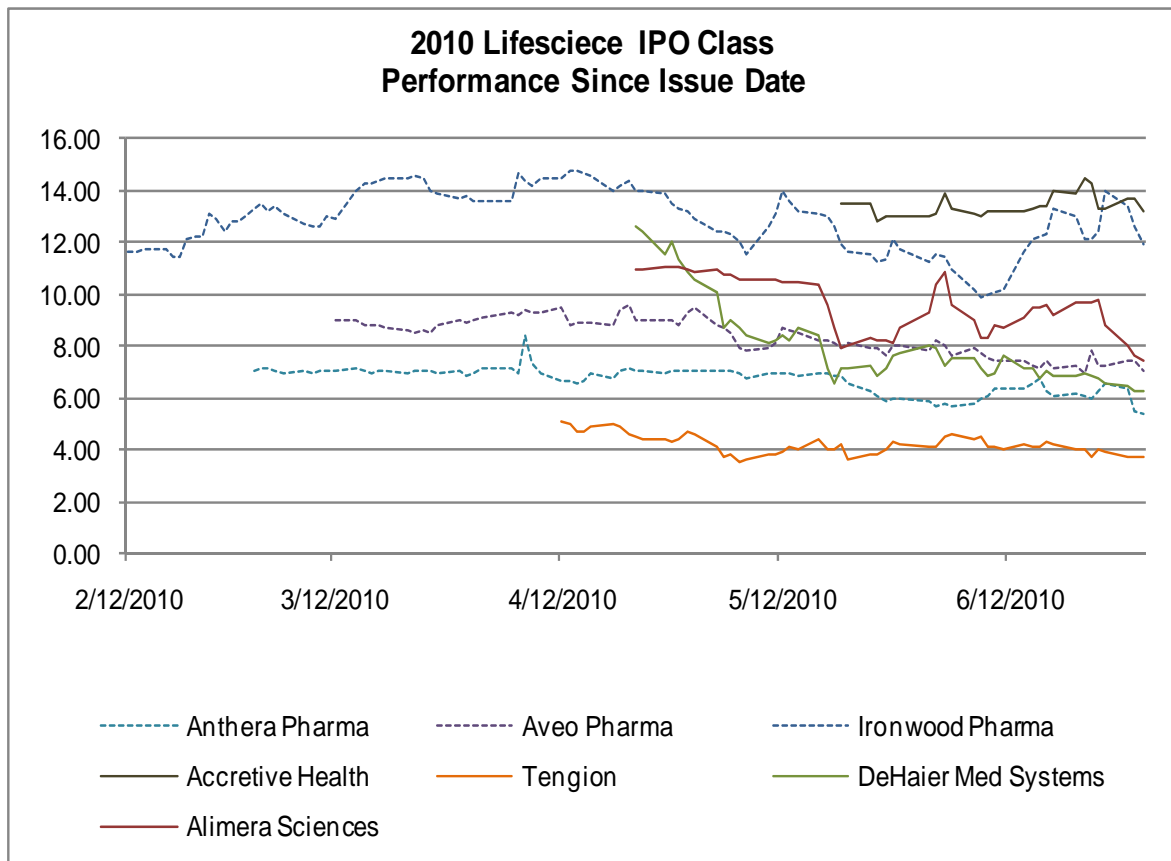


TREND ANALYSIS

IPO Watch

COMPANY	STATUS	TICKER	SHRS	PRICE	RAISE
Accretive Health	OUT	AH	11,500,000	\$ 12.00	\$ 138,000,000
Alimera Sciences	OUT	ALIM	6,550,000	\$ 11.00	\$ 72,050,000
DeHaier Med Systems	OUT	DHRM	1,500,000	\$ 8.00	\$ 12,000,000
GenMark Diagnostics	3Q10	GNMK	4,600,000	\$ 6.00	\$ 27,600,000
Tengion	OUT	TNGN	6,000,000	\$ 5.00	\$ 30,000,000
Total					\$ 279,650,000

The second quarter of the 2010 IPO season picked up where 1Q10 left off, that is with some growing signs of confidence demonstrated by four new issues and a host of promising filings that should get out in the coming weeks.



IPO Watch (cont'd.)

Alimera Sciences priced its initial public offering of 6,550,000 shares of common stock at \$11.00 per share on April 21 resulting in net proceeds to the Company of approximately \$68.4M, and quickly got to work basking in the glow of being a newly minted public entity by announcing to the world their financial results for the first quarter ended March 31 and 2010 goals on June 3. The Company indicated positive results from the two Phase III FAME trials of their lead product candidate, Iluvien, in patients with diabetic macular edema (DME), and noted they remain on track to file a New Drug Application with the FDA in the second quarter – which was filed on June 29. The recently announced FAME clinical trial data for the use of Iluvien in the treatment of DME demonstrated safety and statistical significance for efficacy at the 24 month clinical readout for the primary efficacy endpoint. As of March 31, 2010, Alimera had cash, cash equivalents and marketable securities of \$14.2M compared to \$4.9M as of December 31, 2009.

2Q10 IN-REGISTRATION
Aurora Diagnostics
BioHorizons Inc
China Yongxin Pharmaceuticals
IASO Pharma
Kips Bay Medical
NuPathe
OxySure Systems
RegenoCELL Therapeutics
ReSearch Pharmaceutical
Ventrus Biosciences

The queue is beginning to fill with ten companies knocking on Wall St.'s door with IPO registration. Certainly a promising trend.

BustedBiotech

Always disappointing to report on the busts. The following have filled and/or warned of bankruptcy.

BANKRUPTCY FILING AND/OR WARNING	STATE
Ceragenix Pharmaceuticals	CO
Cyto Pulse Sciences	MD
MiddleBrook Pharmaceuticals	DE
Orbus Pharma	EX-US



ONBIOM&A

TREND ANALYSIS

M&A Watch

AS-OF	TARGET	AMT	ACQUIRER	STATUS
Jun-10	Abraxis BioScience	2,900.0	Celgene	Announced
Jun-10	CGI Pharmaceuticals	120.0	Gilead Sciences	Announced
Jun-10	Cerba European Lab SAS	N/A	PAI Partners	Announced
Jun-10	Talecris Biotherapeutics	3,400.0	Grifols	Announced
Apr-10	CareFusion	81.0	eResearch Technology	Announced
Apr-10*	Wuxi PharmaTech	1,600.0	Charles River Labs	Announced
Apr-10	Oriel Therapeutics	N/A	Novartis	Announced
Apr-10	Javelin Pharmaceuticals	145.0	Hospira	Announced
Apr-10	Proxeon	N/A	Thermo Fisher Scientific	Completed
TOTAL		8,246.0		

To be precise, only a single M&A transaction closed in 2Q10, and the value of Thermo Fisher Scientific's acquisition of Denmark-based proteomics analysis company Proxeon, at time of publication can only be a best guesstimate based upon '09 revenues of approximately \$10M. So pick your multiple and call it \$20M? \$30M? \$40M? Though not a lot of deals were completed in the quarter it was certainly an active one filled with plenty of announced transactions in the queue totaling north of \$8.5 billion, and that is without Thermo Fisher and Novartis publicly disclosing values. One deal of particular note designated here with the "*" was Charles River Labs announced \$1.6 billion "merger" with Wuxi Pharma Tech, designed to create the first global CRO offering fully integrated early-stage drug development services to client companies world wide. As fast as that deal was announced in April '10, some twelve short weeks later the deal goes up in smoke at the apparent behest of shareholders, as the mutual termination of the acquisition agreement was announced, in addition it was simultaneously noted that an indication for at least \$500M of Charles River dry powder is to now be (re?)directed towards a stock repurchase program.



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2Q10 ONBioVC TREND ANALYSIS

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