

23 June 2010

Biocompatibles

Year End	Revenue (£m)	PBT* (£m)	EPS* (p)	DPS (p)	P/E (x)	Yield (%)
12/08	17.7	(0.4)	0.9	5.00	287	2.0
12/09	26.6	(3.1)	(4.7)	6.25	N/A	2.5
12/10e	33.0	1.7	4.7	6.50	55	2.6
12/11e	37.2	4.6	11.6	7.00	22	2.8

Note: *PBT and EPS are normalised, excluding goodwill amortisation and exceptional items.

Investment summary: ASCO, Asia and profits

Positive initial data on the effectiveness of DC Beads loaded with irinotecan to treat liver metastatic colorectal cancer was presented at ASCO. This augurs well for the various Paragon trials now running. We also expect excellent data from the Bayer SPACE study in liver cancer, but probably not until mid 2012. Clinical development in China and Japan is progressing. The AGM statement shows that Biocompatibles is profitable due to DC Bead volume growth and Novabel cosmetic bead EU sales.

Excellent initial mCRC data presented at ASCO

The data on patients with metastatic colorectal cancer localised to the liver was strong, with half the evaluated patients having less than 10% viable tumour left after one course of therapy and 23% having no viable tumour remaining. This study is now being extended to 50 patients to get more data. Two other trials are running.

Asia: China and Japan

SciClone, Biocompatibles' licensee in China, is running a China specific study. The Chinese incidence of liver cancer is high: 300,000 per year. Japan has 40,000 new cases per year and should be a more accessible market with Eisai as a licensor.

Revenues strong with currency gains

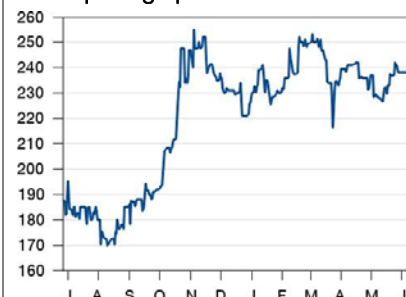
FY09 revenues were £26.6m with FY10 guidance of £31-34m. We assume that revenues will be £33m giving c £1m profit after tax. The strong dollar helps as c 50% of 2010 sales are in the US. The US distribution deal has been renewed until December 2011, and LC Bead sales by AngioDynamics in 2009 were \$18.7m. Novabel seems to be growing fast with robust growth in 2011 probable.

Valuation: Profitable with high growth and profit potential

Profits in FY11 should rise to over £3.5m. If there is a move to more direct sales and the SPACE and Paragon trials deliver, CAGR in revenue will be least 20% pa (maybe significantly more) off a largely fixed cost base. The current EV is £78m. As growth is above cautious initial expectations, a 2012 switch to direct US sales is possible which may cut the FY10 EV/sales ratio of 2.4 to 1.4 in FY12. Higher growth indicates a long-term value of 520p with a further 120p of unrecognised value due to the GLP-1 diabetes product CM3; this could yield €25m in 2011-12 from AstraZeneca.

Price 258p
Market Cap £102m

Share price graph



Share details

Code	BII
Listing	FULL
Sector	Healthcare
Shares in issue	39.4m

Price

52 week	High	Low
	255p	170p

Balance Sheet as at 31 December 2009

Debt/Equity (%)	6
NAV per share (p)	99
Net cash (£m)	30.5

Business

Biocompatibles sells implantable beads to block the blood supply to diseased tissues and to deliver cytotoxic drugs to treat liver cancer. Growth is strong for these products. Radiotherapy seeds for prostate cancer are steady in a tough market. New markets in colorectal cancer, diabetes, stroke and cardiac disease are being developed.

Valuation

	2009	2010e	2011e
P/E relative	585%	602%	283%
P/CF	N/A	N/A	24.0
EV/Sales	2.7	2.4	2.0
ROE	5%	5%	12%

Geography based on revenues (2009)

UK and Europe	US	Other
50%	43%	7%

Analysts

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Investment summary: ASCO, Asia and profits

Company description: Broad portfolio

Biocompatibles is a profitable therapeutic delivery devices company. Its main products are implantable beads that block the blood supply to diseased tissues and deliver cytotoxic agents to treat liver cancer. Acquisitions and internal developments have added cell and radiotherapy products. Other than its cell-based products and the diabetes candidate, CM3, Biocompatibles does not develop the active therapeutic agent, but focuses on implantable delivery systems. By using already-approved agents and material, clinical and regulatory risk is lowered and products have a faster and less onerous regulatory process.

Valuation: DCF value of 520p based on profits and 20% CAGR

Profits in FY11 should rise to over £3.5m. If there is a move to more direct sales in 2012 and the SPACE and Paragon trials deliver, CAGR revenue growth will be least 20% pa (maybe significantly more) off a largely fixed cost base, although marketing costs may rise in 2012. We currently have Paragon at a 50% risk adjustment, but, in view of recent ASCO data, that looks very conservative. SPACE also has a 50% risk adjustment in liver cancer with possible sales growth from H212, but SPACE may now have less sales impact given current US LC Bead sales growth. The current EV is £78m. The FY10 EV/sales ratio of 2.4 might fall to 1.4 in FY12. Higher growth indicates a long-term value of 520p at a 2015 CAGR of 20% with 620p indicated if the CAGR is 30%. There is a further 120p of unrecognised value due to CM3. AstraZeneca may pay €25m in 2011-12 to license CM3.

Sensitivities

We see Biocompatibles as a low risk company with proven products in the market. We feel the risk of outright clinical failure is low; CM3 is higher risk, although individual trial results could be inconclusive. The Bayer SPACE trial results in liver cancer may accelerate DC Bead sales growth from H212. Chinese sales could develop from 2012-13 and Japan, a smaller but maybe more accessible market, from 2012. Initial ASCO data on metastatic cancer (mCRC) is very impressive and backs up earlier data. Three mCRC clinical trials are underway. These offer a major medium-term upside on sales of DC Beads, especially in the US. We assume that the shares will be re-rated given that the company should now be consistently profitable on a trading basis.

Financials: Growth, currency, profits and cash

LC/DC Bead sales for liver cancer seem to be growing strongly, especially in the US, helped by renewal of the AngioDynamics distribution contact to December 2011. The US radiotherapy-seed prostate cancer market is highly competitive and the BrachySciences acquisition value was partly written down in FY09; however, the business remains profitable and benefits from currency movements. Stent royalties in the US have been hit by Abbott's Xience V. FY09 royalties were £4.5m, but may decline in FY10, although sales in Japan are good. Reported currency could nullify any US dollar revenue fall. Novabel dermal filler beads are showing excellent growth as Merz rolls the launch across the EU and will expand further from 2011 as the new manufacturing capacity comes on stream. The US cosmetic market could develop from 2012. Currency effects favour the expected results as c 50% of revenues are from the US. We expect a profit of £0.4m in 2010 on revenues of £33.3m; profits could increase to over £3m in 2011. Closing cash guidance for 2010 is now £26m after dividend payments and Novabel capital expenditure.

Company description: Broad portfolio

Biocompatibles is a profitable therapeutic delivery devices company. Its main products are implantable beads that block the blood supply to diseased tissues and deliver cytotoxic agents to treat liver cancer with metastatic cancer in development. Acquisitions and internal developments have added the novel diabetic agent CM3, cell therapies and US radiotherapy products. Other than CM3 (with AstraZeneca) and cell-based products, Biocompatibles does not develop the active therapeutic agent, but focuses on implantable delivery systems. By using already-approved agents and material, clinical and regulatory risk is lowered and products have a faster and less onerous regulatory process. Biocompatibles' company structure and products are shown in Exhibit 1 and ongoing trials are summarised in Exhibit 2.

Exhibit 1: Major divisions and products

Division	Product	Applications
Oncology Products	Bead Block (approved)	Used to treat cancer and for uterine fibroids. They are injected through a catheter at the disease site to physically stop blood flow.
	DC Beads to deliver doxorubicin (approved); Precision: DC Beads pre-loaded with doxorubicin.	DC Beads are loaded with doxorubicin, which is released slowly at tumour sites after catheter delivery. The beads also physically block tumour blood supply. They are used to treat primary liver cancer. DC Beads preloaded with doxorubicin are in clinical studies and are branded as Precision.
	Paragon: DC Beads preloaded with irinotecan (development)	Paragon Beads release irinotecan over 48 hours (DEBIRI). They are in clinical studies for the treatment of liver metastases of colorectal cancer. They are systemically administered via the hepatic artery throughout the liver to give an organ-wide dose.
	BrachySciences	Radioactive seed implants (including AnchorSeed) to control prostate cancer. A tough competitive market, but AnchorSeed is giving 4% volumes sales gains. Value of investment was partly written down in FY09 accounts.
Drug Delivery	Stent royalties	Royalties of £4.4m in 2009 based on Endeavor stent sold by Medtronic. Susceptible to fashion trends in cardiology, but provides dividend cover. Sales in Japan are going well. PC sales are estimated by us at £0.2m.
	Genetic therapy delivery	Use of beads to deliver delicate gene therapy type therapeutics like RNAi. Needs partner with genes to deliver. Probably at least two years from clinic.
CellMed	Cell therapy: stroke	Modified stem cells encapsulated in alginate beads. Implanted for 14 days after surgery for haemorrhagic stroke to secrete GLP-1. In exploratory clinical trial.
	CM3: peptide therapeutic, diabetes	A GLP-1 analogue for type II diabetes. Now in Phase I, €8.8m collaboration with AstraZeneca, milestones total €318.5m plus royalties with \$25m after Phase IIa. See our 24 March 2010 note.
	Cell therapy cardiac	Preclinical concept may help recovery from heart attack. A €6.2m grant for development of this indication was announced on 30 March 2010. High value, but could be subverted by GLP-1 agents like Byetta (exenatide) or Januvia (sitagliptin).
	Novabel	Alginate dermal filler beads now marketed in the EU by Merz. In major \$900m market but highly competitive. CE mark granted in May 2009. US position being considered as FDA will presumably need adequate clinical data. See 24 March 2010 note.

Source: Biocompatibles

Exhibit 2: Current cancer trials (all Phase II)

Trial	Patient	Notes
SPACE ¹	350	Sorafenib or Placebo in Combination with TACE with drug eluting beads for Intermediate Stage Hepatocellular Carcinoma. This could report in mid 2012. SPACE is a Bayer-run trial to look at the survival advantage of adding Nexavar (sorafenib) to DC Bead doxorubicin treatment. All patients receive DC Beads and will be randomised to either 400mg Nexavar twice daily or placebo. It will examine time to disease progression. Biocompatibles is co-funding this trial. If adding Nexavar to DC Bead-doxorubicin therapy improves outcomes, there should be a rapid sales rise in DC Bead sales in 2011.
PARAGON Louisville ²	70	This is an open label study to evaluate any advantage of DEBIRI when added to standard chemotherapy (FOLFOX6 (5-fluorouracil, oxaliplatin, leucovorin) plus Avastin). Full data could be available by late 2011.
PARAGON II ³	50	This assesses if DC Beads plus Irinotecan can assist the surgical removal of metastatic liver tumours. If so, this is potentially curative. The study has extended to 50 patients. Initial data was shown at ASCO.
DEBIRITUX ⁴	80	TACE With Irinotecan Drug-eluting Beads and Intravenous (IV) Cetuximab (Erbix) in Refractory Colorectal Cancer. It has a planned end date of mid 2012. The end point is progression free survival comparing Erbix (cetuximab) with irinotecan and cetuximab with irinotecan eluting beads.

Source: Edison Investment Research

¹ <http://clinicaltrials.gov/ct2/show/NCT00855218>;

² <http://clinicaltrials.gov/ct2/show/NCT00932438>;

³ <http://clinicaltrials.gov/ct2/show/NCT00932438>;

⁴ <http://clinicaltrials.gov/ct2/show/NCT01060423>;

ASCO data on DC Beads

There were four American Society of Clinical Oncology (ASCO) posters and presentations. One was a reprisal of the PRECISION V study. Another was a small, 56-patient Italian study on DC Beads loaded with epirubicin, a lower toxicity doxorubicin alternative. The most interesting presentation was on the use of DEBIRI TACE (Irinotecan loaded DC Beads, also called Paragon) prior to surgical removal of metastatic colorectal tumours from the liver. The design of SPACE was presented.⁵

DEBIRI-TACE

Colorectal liver metastases (mCRC) are different to liver tumours, being poorly vascularised, making them difficult to identify. This makes TACE therapy very difficult and it is not currently used other than in rare instances. A further difference is that mCRC responds well to chemotherapy.⁶ Downstaging (shrinking the tumour) with chemotherapy is sometimes used to reduce the size of liver metastases to enable surgical removal. Because of these differences, Paragon beads are systemically administered to the liver via the hepatic artery in a TACE-like technique⁷ called DEBIRI (Drug-Eluting Beads delivering Irinotecan). Irinotecan is released from the beads over a few days and seems to deliver a high localised drug dose. Embolisation seems less important than in HCC.

Feasibility of using irinotecan beads before liver surgery

This presentation⁸ was a 22 patient study now extended to 50 patients. Patients were diagnosed with metastatic tumours that were potentially surgically removable. The trial tested if DEBIRI therapy could shrink and kill tumours before removal. If so, this might improve overall survival as surgical removal of metastases is potentially curative. However, survival was not an endpoint in this study. Some 22 patients were enrolled of whom 17 fully met DEBIRI treatment criteria: one did not have mCRC, two had disease in both liver lobes and two had indeterminate imaging scans. Only patients with clearly defined metastases in one liver lobe were treated. The primary endpoints were resectable tumours and the extent of complications from therapy (basically liver abscess, Exhibit 3). Only one patient had a side effect related to DEBIRI therapy. The secondary endpoints were the extent of tumour cell death (necrosis) and the percentage of viable tumour remaining. Histological data from surgically removed tumours was gained from 13 of 17 patients (77%).

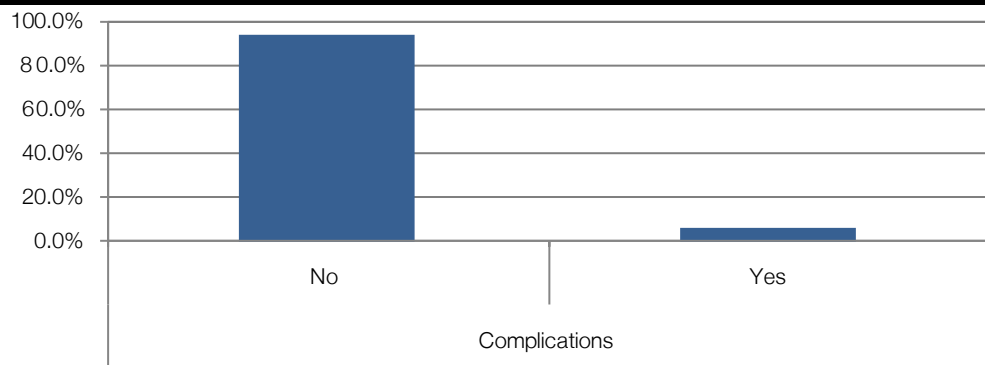
The examination of the removed metastatic tumours shows good levels of tumour death due to chemotherapy, Exhibit 4. Over half (seven or 54%) had 10% or less viable tumour remaining and three of these (23%) had no discernable viable tumour. All tested patients had at least a 30% reduction in tumour viability. Any cancer therapy with a potential 25% complete response and 31% partial response is highly effective, but this is preliminary data on small patient numbers. There was no control group. However, these look conclusive initial results.

⁵ R Lencioni *et al.* [J Clin Oncol 28:7s, 2010](#).

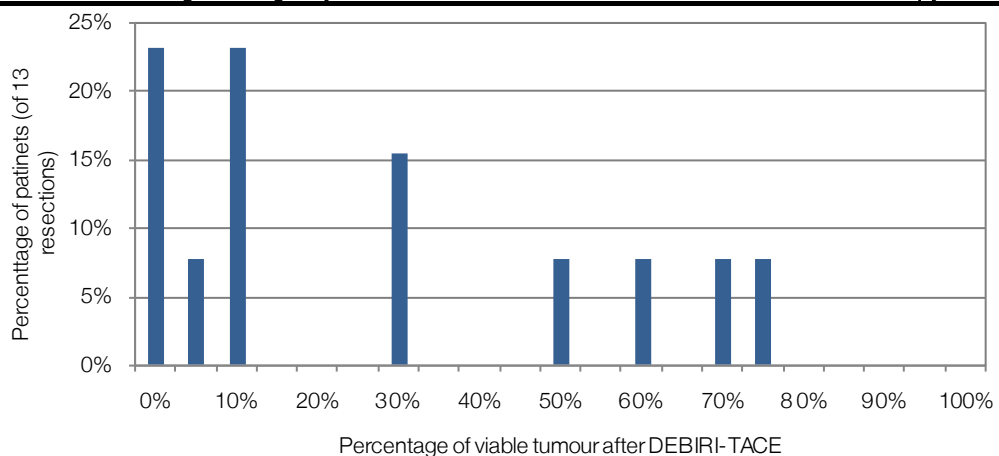
⁶ The main single agent is oxaliplatin. The main combination is FOLFOX which uses oxaliplatin, 5-fluorouracil (5-FU) and leucovorin. The other major combination is FOLFIRI (+Avastin) which uses irinotecan. This is less effective so used as second line therapy. Avastin (bevacizumab, Roche/Genentech) and Erbitux (cetuximab, Lilly/BMS/Merck KGaA) both improve median survival by about two months and are added to FOLFOX and FOLFIRI but are very costly, about \$12,000 for a course.

⁷ TACE: Transcatheter Arterial Chemo Embolisation. Discussed in "[Delivering value](#)" Outlook note 6 March 2009.

⁸ Poston, GJ, *et al.* [J Clin Oncol 28:7s, 2010](#).

Exhibit 3: Side effect outcome measures for the DEBIRI study.

Source: Edison Investment Research, based on published abstract data

Exhibit 4: Percentage of surgically removed tumours assessed as viable after DEBIRI therapy

Source: Edison Investment Research, based on ASCO 2010 abstract 3560.

This data is supported by a small 20-patient exploratory study published in 2007.⁹ The results showed 16 of 20 patients responding to therapy. In January 2009, the same investigator presented interim data from a randomised controlled trial showing a 78% vs 58% one-year survival advantage after two courses.¹⁰ Another investigator reported on 55 patients who had failed intensive chemotherapy.¹¹ The response to DEBIRI was 60% against a benchmark of 12%. The side effects are immediate high pain levels, nausea and fever, due to the necrotic tissue produced. However, the systemic side effects are minimal.

Shape of SPACE

SPACE¹² is a multinational, randomised, double-blind, placebo-controlled study in about 300 patients with intermediate-stage, unresectable, multinodular hepatocellular tumours. Patients needed to be in good general health and have good liver function and no sign of metastatic disease. SPACE combines Nexavar (sorafenib, an anti angiogenesis agent from Bayer that also inhibits tumour cell proliferation), with DC Beads preloaded with 150mg doxorubicin. TACE is

⁹ Fiorentini G, *et al.* Intraarterial hepatic chemoembolization of liver metastases from colorectal cancer adopting irinotecan-eluting beads: results of a phase II clinical study. [In Vivo. 2007;21:1085-91.](#)

¹⁰ Fiorentini G, *et al.* Evaluation at 16 months of a phase III study comparing TACE DEBs Irinotecan with FOLFIRI for patients with non-resectable colorectal cancer liver metastases. [ASCO GI 2009 Abstract 448.](#)

¹¹ Martin RC *et al.* Transarterial chemoembolisation (TACE) using irinotecan-loaded beads for the treatment of unresectable metastases to the liver in patients with colorectal cancer: an interim report. [World J Surg Oncol. 2009;7:80.](#)

¹² Sorafenib or Placebo in combination with transArterial chemoEmbolization for intermediate-stage hepatocellular carcinoma.

performed on day one of cycles one, three, seven and 13 (one cycle being four weeks), and every six cycles thereafter until patients fail to show an objective response. Each patient will receive at least two TACE treatments. Nexavar or placebo is taken as a twice daily oral 400mg dose. In the SHARP trial, as a single agent, Nexavar improved median overall survival from 7.9 months to 10.7 months and improved one year survival from 33% to 44% ([Nexavar site on HCC](#)).

The primary endpoint is time to progression. Secondary endpoints are overall survival, time to untreatable progression, time to metastatic disease, and safety. We expect data in 2012, probably at the 1-5 June 2012 meeting. As both agents are FDA and EMA approved products, physicians could combine them immediately, but any specific label claims would need regulatory consent.

Asian markets: China and Japan

We were fortunate to meet Biocompatibles' Chinese partner [SciClone](#) recently. SciClone is a US-based and NASDAQ-quoted company that specialises in the Chinese market with 200 Chinese employees including a strong direct sales force.

A 40-patient study in three Chinese centres is underway. Each patient will receive two courses of TACE with a four month follow up. The endpoint is safety with a secondary endpoint of response. This was required by the Chinese State Food and Drug Administration (SFDA) to give specific data on the Chinese population to supplement the existing data file, part of which was a Hong Kong study. Recruitment has been slower than expected, but the trial should complete during 2011. SciClone plans to add doxorubicin use to the product file after initial DC Bead approval.

The incidence of liver cancer, due to hepatitis infection, in China is c 300,000 patients per year. TACE and surgery are widely used. DC Bead will be positioned as a premium treatment funded privately by patients and their families as the procedures are very expensive. Hospitals in China are categorised by tiers. There are four Tier 1 hospitals each with over 500 beds and 37 Tier 2, all in the major cities. Tier 3 hospitals are local, carrying out more basic care, and are not targets.

Potentially, this is a huge source of additional value for Biocompatibles, but any impact will not be clear until the FY13-14 results are known. SciClone also publishes financial results.

Japan is a more accessible market with 40,000 new liver cancer cases and 36,000 deaths per year. Eisai paid £3m in July 2009 to license DC Beads in Japan ([press](#)) and a 2010 regulatory filing is planned. A Japanese approval (with milestones) in the 2011-12 timeframe seems realistic. SPACE results could give a strong launch platform; Nexavar was approved in Japan in 2009 ([press](#)).

Valuation

Profits in FY11 should rise to over £3.5m. If there is a move to more direct sales in 2012 and the SPACE and Paragon trials deliver, CAGR revenue growth will be least 20% pa (maybe significantly more) off a largely fixed cost base, although marketing costs may rise in 2012. We currently have Paragon at a 50% risk adjustment, but, in view of recent ASCO data, that looks very conservative. SPACE also has a 50% risk adjustment in liver cancer with possible sales growth from H212, but SPACE may now have less sales impact given current US LC Bead sales growth. The current EV is £78m. The FY10 EV/sales ratio of 2.4 might fall to 1.4 in FY12. Higher growth indicates a long-term value of 520p at a 2015 CAGR of 20% with 620p indicated if the CAGR is 30%. There is a further 120p of unrecognised value due to CM3. AstraZeneca may pay €25m in 2011-12 to license CM3.

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Financials

The sales breakdown for FY09-10 is shown in Exhibit 5. Accounts and projections are in Exhibit 6.

Exhibit 5: Sales breakdown FY09

Note: Sales bead types are not disclosed by Biocompatibles. The breakdowns of CellMed and Licensing income are Edison estimates. FY10 figures are all forecasts.

	H1	H2	2009	2010E
Bead Block	£650	£850	£1,500	£1,600
DC Beads	£6,050	£4,410	£10,460	£14,937
MoleMate				£250
Brachysciences	£3,400	£2,664	£6,064	£7,026
Oncology	£10,100	£7,924	£18,024	£23,813
PC Sales	£100	£100	£200	£175
Royalties	£1,900	£2,549	£4,449	£4,353
Licensing	£2,000	£2,649	£4,649	£4,528
AZ GLP1	£1,350	£850	£2,200	£2,350
Novabel	£50	£400	£450	£1,200
Diagnostics	£500	£700	£1,200	£1,200
CellMed	£1,900	£1,950	£3,850	£4,750
Total	£14,000	£12,523	£26,523	£33,091

Source: Biocompatibles report, Edison Investment Research

The AGM statement on 16 June 2010 ([press](#)) made a significant upward revision to guidance and we have adjusted expectations accordingly. The main growth areas are presumably LC/DC bead sales and Novabel. This gives a modest but clear profit at operating and PAT levels. We assume therefore that R&D tax credits are no longer available, but there are significant tax losses to utilise.

In currency, sterling has fallen from \$1.62/£ to \$1.43/£, although we assume a modest strengthening of sterling in 2011 to \$1.55/£. The main effects are on sales to Angiodynamics, the US distributor which made \$18.7m of LC Bead sales in 2009. A realistic sales level to Angiodynamics at current currency rates might be £8-9m. The Angiodynamics arrangement has been renewed to December 2011. BrachySciences is assumed to have in-line US dollar revenues, but, in sterling, these benefit from weaker currency values.

Exhibit 6: Financials

Year end 31 December	£'000s	2008	2009	2010e	2011e
		IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS					
Revenue		17,685	26,562	33,091	37,216
Cost of Sales		(3,657)	(5,759)	(6,943)	(7,545)
Gross Profit		14,028	20,803	26,147	29,670
EBITDA		(2,110)	(3,240)	1,898	4,783
Operating Profit (before GW and except.)		(2,368)	(3,569)	1,569	4,454
Goodwill Amortisation		(793)	(1,554)	(850)	(850)
Exceptionals		0	(2,500)	0	0
Other		0	0	0	0
Operating Profit		(3,161)	(7,623)	719	3,604
Net Interest		1,972	425	90	116
Profit Before Tax (norm)		(396)	(3,144)	1,659	4,571
Profit Before Tax (FRS 3)		(1,189)	(7,198)	809	3,721
Tax		732	1,349	200	0
Profit After Tax (norm)		336	(1,795)	1,859	4,571
Profit After Tax (FRS 3)		(457)	(5,849)	1,009	3,721
Average Number of Shares Outstanding (m)		37.3	38.5	39.4	39.4
EPS - normalised (p)		0.9	(4.7)	4.7	11.6
EPS - FRS 3 (p)		(6.5)	(15.2)	2.6	9.4
Dividend per share (p)		5.0	6.25	6.50	7.00
Gross Margin (%)		79.3	78.3	79.0	79.7
EBITDA Margin (%)		N/A	N/A	N/A	N/A
Operating Margin (before GW and except.) (%)		N/A	N/A	N/A	N/A
BALANCE SHEET					
Fixed Assets		18,703	13,378	15,949	15,070
Intangible Assets		11,793	8,030	7,180	6,330
Tangible Assets		1,415	2,572	5,993	5,964
Investment in associates		5,495	2,776	2,776	2,776
Current Assets		43,689	46,002	40,892	42,950
Stocks		945	999	1,099	1,209
Debtors		7,886	10,454	12,000	12,000
Cash		33,626	33,047	26,291	28,240
Other		1,232	1,502	1,502	1,502
Current Liabilities		(12,049)	(16,145)	(15,297)	(15,297)
Creditors		(12,049)	(16,145)	(15,297)	(15,297)
Short term borrowings		0	0	0	0
Long Term Liabilities		(2,001)	(4,135)	(4,135)	(4,135)
Manufacturing Loan		0	(2,500)	(2,500)	(2,500)
Other long term liabilities		(2,001)	(1,635)	(1,635)	(1,635)
Net Assets		48,342	39,100	37,409	38,588
CASH FLOW					
Operating Cash Flow		(187)	132	(596)	4,673
Net Interest		2,109	598	90	116
Tax		599	755	0	0
Capex		(632)	(2,401)	(3,750)	(300)
Acquisitions/disposals		(2,861)	(405)	0	0
Financing		318	192	0	0
Dividends		0	(1,950)	(2,500)	(2,542)
Net Cash Flow		(654)	(3,079)	(6,756)	1,948
Opening net debt/(cash)		(34,346)	(33,626)	(30,547)	(23,791)
HP finance leases initiated		(66)	0	0	0
Other		0	(0)	0	(0)
Closing net debt/(cash)		(33,626)	(30,547)	(23,791)	(25,740)

Source: Edison Investment Research, Biocompatibles

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