

**Leerink Swann LLC Coverage List by Sector**

Prices as of close on:

February 25, 2010

**Biotechnology****Howard Liang, Ph.D.**

Jonathan Eckard, Ph.D.

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Alexion Pharmaceuticals	ALXN	Outperform	Cal.	\$48.94	\$0.39	\$3.26 <sup>A</sup>	\$1.03	\$1.70	47.5	28.8	87.9	\$ 4,302
Anadys Pharmaceuticals, Inc.	ANDS	Outperform	Cal.	\$2.02	(0.81)	(0.81)	(0.56)	(0.73)	NM	NM	37.3	75
Ariad Pharmaceuticals, Inc.	ARIA	Outperform	Cal.	\$2.40	(1.02)	(0.88)	(0.79)	NE	NM	NM	100.3	241
ArQule, Inc.	ARQL	Outperform	Cal.	\$3.36	(1.16)	(0.79)	(1.05)	NE	NM	NM	44.5	150
Array BioPharma Inc.	ARRY	Market Perform	June	\$2.39	(2.04)	(2.67) <sup>A</sup>	(1.61)	(1.44)	NM	NM	49.4	118
Celgene, Inc.+	CELG	Outperform	Cal.	\$59.29	1.56	2.08 <sup>A</sup>	2.64	3.35	22.5	17.7	459.2	27,226
Cubist Pharmaceuticals, Inc.	CBST	Underperform	Cal.	\$20.83	2.56	1.36 <sup>A</sup>	1.52	NE	13.7	NM	58.0	1,208
Dendreon Corporation	DNDN	Outperform	Cal.	\$30.97	(0.86)	(2.04) <sup>A</sup>	(1.75)	0.25	NM	123.9	134.1	4,153
GTx Inc.	GTXI	Market Perform	Cal.	\$4.03	(1.43)	(1.31)	(1.01)	NE	NM	NM	36.4	147
Idenix Pharmaceuticals, Inc.	IDIX	Outperform	Cal.	\$2.78	(1.24)	(0.87) <sup>A</sup>	(0.70)	(0.71)	NM	NM	66.4	185
InterMune, Inc.	ITMN	Outperform	Cal.	\$13.98	(2.51)	(2.62) <sup>A</sup>	(2.22)	0.73	NM	19.2	54.7	765
Medivation, Inc.	MDVN	Outperform	Cal.	\$36.04	(2.12)	(1.60)	(1.54)	NE	NM	NM	33.5	1,207
Onyx Pharmaceuticals, Inc.	ONXX	Market Perform	Cal.	\$28.29	0.03	0.27 <sup>A</sup>	0.27	0.48	104.8	58.9	62.2	1,760
OSI Pharmaceuticals	OSIP	Outperform	Cal.	\$36.57	2.15	1.29 <sup>A</sup>	1.69	2.12	21.6	17.3	58.1	2,125
Pharmasset, Inc.	VRUS	Outperform	Sept	\$22.56	(2.51)	(2.10) <sup>A</sup>	(1.49)	(1.40)	NM	NM	28.3	638
Poniard Pharmaceuticals, Inc.	PARD	Market Perform	Cal.	\$1.56	(1.14)	(1.08)	(0.52)	(0.52)	NM	NM	42.1	66
Seattle Genetics	SGEN	Market Perform	Cal.	\$10.42	(1.17)	(0.90)	(0.67)	(1.11)	NM	NM	100.5	1,047
Vertex Pharmaceuticals, Inc.	VRTX	Outperform	Cal.	\$40.14	(3.27)	(3.70) <sup>A</sup>	(3.42)	2.16	NM	18.6	199.6	8,012

Notes: GAAP presented unless noted; + EPS excludes stock option expense &amp; other stock charges

Please refer to Disclosure Appendix for Analyst Certification and important disclosures. Price charts, disclosures specific to covered companies and statements of valuation and risk are available on <https://leerink.bluematrix.com/bluematrix/Disclosure2> or by contacting Leerink Swann LLC Publishing Department.

**Leerink Swann LLC Coverage List by Sector**

Prices as of close on:

February 25, 2010

**Biotechnology**

Joshua Schimmer, M.D.

Steve Y. Yoo

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Acorda Therapeutics	ACOR	Market Perform	Cal.	\$30.25	(\$2.19)	(\$2.22) <sup>A</sup>	(\$2.55)	\$1.86	NM	16.3	37.8	\$ 1,143
Allos Therapeutics	ALTH	Outperform	Cal.	\$7.58	(0.69)	(0.79)	(0.62)	(0.12)	NM	NM	104.0	788
Alnylam Pharmaceuticals	ALNY	Market Perform	Cal.	\$17.97	(0.64)	(1.14)	(0.87)	(1.12)	NM	NM	41.7	749
Amgen, Inc.+	AMGN	Outperform	Cal.	\$56.25	4.55	4.91 <sup>A</sup>	5.06	5.09	11.1	11.1	1,012.0	56,925
Amylin Pharmaceuticals, Inc.	AMLN	Market Perform	Cal.	\$17.60	(2.30)	(1.32) <sup>A</sup>	(1.16)	(0.44)	NM	NM	141.7	2,494
Biodel, Inc.	BIOD	Outperform	Sept.	\$4.00	(1.94)	(1.82) <sup>A</sup>	(1.45)	(1.15)	NM	NM	23.7	95
Biogen IDEC, Inc. +	BIIB	Outperform	Cal.	\$54.89	3.66	4.13 <sup>A</sup>	4.65	4.64	11.8	11.8	287.0	15,753
Genzyme Corporation+	GENZ	Market Perform	Cal.	\$56.55	1.95	2.27 <sup>A</sup>	2.91	4.12	19.4	13.7	275.0	15,551
Gilead Sciences, Inc.+	GILD	Outperform	Cal.	\$47.41	2.19	3.06 <sup>A</sup>	3.69	4.25	12.8	11.2	926.9	43,944
Incyte	INCY	Outperform	Cal.	\$10.58	(1.99)	(1.58) <sup>A</sup>	(1.55)	(1.28)	NM	NM	120.0	1,270
MannKind Corporation*	MNKD	Underperform	Cal.	\$9.95	(2.98)	(2.07) <sup>A</sup>	(1.81)	(0.62)	NM	NM	112.9	1,123
Orexigen Therapeutics	OREX	Outperform	Cal.	\$6.25	(2.76)	(1.60)	(0.44)	(0.59)	NM	NM	46.0	288
Targacept, Inc.	TRGT	Outperform	Cal.	\$19.29	(1.04)	(1.54)	0.19	(0.05)	101.5	NM	27.5	530

Notes: GAAP presented unless noted;GAAP presented unless noted;;+ EPS excludes stock option expense &amp; other stock charges; \* operating EPS excludes stock option expense &amp; other charges

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Prices as of close on:

February 25, 2010

**Biotechnology**

Joseph P. Schwartz

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
AMAG Pharmaceuticals, Inc.	AMAG	Outperform	Cal.	\$38.58	(\$4.22)	(\$5.53)	(\$2.23)	\$1.09	NM	35.4	21.0	\$ 810
Ardea Biosciences, Inc.	RDEA	Outperform	Cal.	\$14.31	(3.79)	(1.43)	(1.46)	(2.23)	NM	NM	18.3	262
Auxilium Pharmaceuticals	AUXL	Outperform	Cal.	\$30.15	(1.12)	(1.22) <sup>A</sup>	(0.82)	(0.24)	NM	NM	47.0	1,417
BioCryst Pharmaceuticals, Inc.	BCRX	Market Perform	Cal.	\$6.51	(0.65)	(0.35) <sup>A</sup>	(0.75)	(2.13)	NM	NM	40.8	266
BioMarin Pharmaceutical, Inc.	BMRN	Outperform	Cal.	\$20.11	0.29	(0.00) <sup>A</sup>	0.18	0.48	111.7	41.9	102.5	2,061
Cardiome Pharma Corp.	CRME	Outperform	Cal.	\$5.17	(0.95)	(0.32)	(0.41)	0.01	NM	517.0	64.0	331
Human Genome Sciences, Inc.	HGSI	Outperform	Cal.	\$28.85	(1.81)	(0.07)	(0.86)	NE	NM	NM	154.5	4,457
Inspire Pharmaceuticals, Inc.	ISPH	Outperform	Cal.	\$6.19	(0.91)	(0.73)	(0.94)	(1.07)	NM	NM	71.2	441
Isis Pharmaceutical Inc.	ISIS	Market Perform	Cal.	\$8.92	(0.13)	1.43	(0.46)	(0.58)	NM	NM	98.3	877
MAP Pharmaceuticals, Inc.	MAPP	Outperform	Cal.	\$14.12	(3.58)	(0.41)	(3.17)	(3.06)	NM	NM	24.1	340
The Medicines Company	MDCO	Outperform	Cal.	\$7.63	(0.16)	(1.47) <sup>A</sup>	0.66	0.37	11.6	20.6	52.4	400
Momenta Pharmaceuticals, Inc.	MNTA	Outperform	Cal.	\$14.94	(1.75)	(1.60) <sup>A</sup>	(1.06)	(0.30)	NM	NM	43.6	651
Sangamo Biosciences	SGMO	Outperform	Cal.	\$5.13	(0.60)	(0.44) <sup>A</sup>	0.03	(0.42)	171.0	NM	42.0	215
Savient Pharmaceuticals	SVNT	Outperform	Cal.	\$13.56	(1.57)	(1.51) <sup>A</sup>	(1.02)	0.27	NM	NM	65.4	887
United Therapeutics Corp.	UTHR	Outperform	Cal.	\$56.60	(0.93)	0.35 <sup>A</sup>	1.55	3.33	36.5	17.0	53.9	3,051

Notes: GAAP presented unless noted; CRME EPS are in C\$.

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February 25, 2010

**Biotechnology**

Steve Y. Yoo

Joshua Schimmer, M.D.

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Alkermes, Inc.	ALKS	Outperform	Mar.	\$11.10	\$1.62	\$1.36 <sup>A</sup>	(\$0.58)	(\$0.58)	NM	NM	94.8	\$ 1,052
Arena Pharmaceuticals, Inc.	ARNA	Market Perform	Cal.	\$3.05	(3.24)	(1.76)	(1.09)	NE	NM	NM	92.7	283
Vivus, Inc.	VVUS	Market Perform	Cal.	\$8.41	(0.16)	(0.80)	(0.79)	NE	NM	NM	70.9	596
Xenoport, Inc.	XNPT	Market Perform	Cal.	\$8.21	(2.48)	(2.31) <sup>A</sup>	(2.42)	(0.12)	NM	NM	30.3	249

Notes: GAAP presented unless noted; + EPS excludes stock option expense &amp; other stock charges



**Leerink Swann LLC Coverage List by Sector**

Prices as of close on:

February 25, 2010

**Life Science Tools and Diagnostics**

Isaac Ro

Jeff Ares

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Affymetrix, Inc. ^	AFFX	Market Perform	Cal.	\$7.45	(\$0.45)	(\$0.39) A	(\$0.04)	\$0.03	NM	248.3	69.4	\$ 517
Beckman Coulter, Inc. ^	BEC	Market Perform	Cal.	\$65.58	3.55	3.88 A	4.55	5.22	14.4	12.6	71.2	4,669
Bruker Corp. ^	BRKR	Market Perform	Cal.	\$12.87	0.45	0.49 A	0.59	0.71	21.8	NM	165.2	2,126
Caliper Life Sciences, Inc.^	CALP	Outperform	Cal.	\$3.55	(0.17)	(0.18)	(0.11)	NE	NM	NM	49.0	174
Celera Corporation+	CRA	Market Perform	Cal.	\$6.00	0.02	(0.24)	0.04	NE	150.0	NM	81.9	491
Cepheid	CPHD	Market Perform	Cal.	\$14.85	(0.38)	(0.39) A	(0.29)	0.09	NM	165.0	58.6	870
Charles River Labs International ^	CRL	Outperform	Cal.	\$37.80	2.86	2.38	2.35	2.66	16.1	14.2	65.6	2,480
Covance, Inc.^	CVD	Market Perform	Cal.	\$56.98	3.03	2.60 A	2.63	3.53	21.7	16.1	64.3	3,664
Genomic Health, Inc.~	GHDX	Market Perform	Cal.	\$17.56	(0.57)	(0.33) A	0.07	0.24	250.9	73.2	28.6	502
Gen-Probe, Inc.~	GPRO	Market Perform	Cal.	\$44.63	1.95	1.95 A	2.19	2.40	20.4	18.6	49.5	2,209
Helicos Biosciences	HLCS	Market Perform	Cal.	\$1.01	(2.12)	(0.28)	(0.09)	NE	NM	NM	63.6	64
Hologic, Inc. ^	HOLX	Outperform	Sept.	\$16.93	1.18	1.17 A	1.20	1.30	14.1	13.0	260.8	4,415
Illumina, Inc.^	ILMN	Outperform	Cal.	\$36.47	0.67	0.80 A	1.00	1.36	36.5	26.8	129.7	4,730
Inverness Medical Innovations*	IMA	Outperform	Cal.	\$38.84	1.97	2.62 A	2.91	3.31	13.3	11.7	100.4	3,901
Life Technologies Corp.^	LIFE	Outperform	Cal.	\$51.01	2.92	3.04 A	3.42	3.76	14.9	13.6	187.3	9,554
Luminex Corp.^	LMNX	Market Perform	Cal.	\$14.61	0.06	0.17 A	0.29	0.38	50.4	38.4	41.6	608
Millipore Corp.^	MIL	Market Perform	Cal.	\$94.05	3.59	4.00 A	4.50	4.95	20.9	19.0	56.3	5,295
Myriad Genetics ~	MYGN	Outperform	Jun	\$22.39	0.51	0.99 A	1.51	1.32	14.8	17.0	99.4	2,226
Nanosphere, Inc.*	NSPH	Outperform	Cal.	\$3.82	(1.67)	(1.51) A	(1.20)	(1.01)	NM	NM	23.2	89
PerkinElmer, Inc. ^	PKI	Market Perform	Cal.	\$22.41	1.42	1.28 A	1.40	1.51	16.0	14.8	116.6	2,613
Qiagen, NV*	QGEN	Outperform	Cal.	\$21.66	0.79	0.89 A	0.92	1.14	23.5	19.0	241.0	5,220
Sigma-Aldrich Corp.^	SIAL	Market Perform	Cal.	\$47.36	2.65	2.86	3.12	3.48	15.2	13.6	123.7	5,858
Techne Corporation	TECH	Market Perform	June	\$63.51	2.64	2.78 A	2.89	3.10	22.0	20.5	37.4	2,375
Thermo Fisher Scientific, Inc. ^	TMO	Outperform	Cal.	\$49.28	3.16	3.05 A	3.45	3.83	14.3	12.9	422.2	20,806
Varian, Inc.^	VARI	Suspended Rating	Sept.	\$51.70	2.67	2.21	2.50	NE	20.7	NM	29.0	1,499
Waters Corp.^	WAT	Outperform	Cal.	\$59.91	3.30	3.45 A	3.88	4.32	15.4	13.9	96.1	5,757

Notes: GAAP presented unless noted; ^ EPS excludes 1x items & other charges; + EPS excludes stock option expense & other stock charges; -operating EPS excludes 1x items & other charges; \* operating EPS excludes stock option expense & other charges; ^^pro forma EPS excludes 1x items and other charges

**Leerink Swann LLC Coverage List by Sector**

Prices as of close on:

February 25, 2010

**Pharmaceuticals**

Seamus Fernandez

**Large-Cap Pharmaceuticals**

Kathryn C. Alexander

Jason Gerberry

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
AstraZeneca PLC <sup>^</sup>	AZN	Market Perform	Cal.	\$43.14	\$5.10	\$6.32 <sup>A</sup>	\$6.05	\$6.12	7.1	7.0	1,450.0	\$ 62,553
Bristol-Myers Squibb <sup>^</sup>	BMJ	Market Perform	Cal.	\$24.48	1.49	1.85 <sup>A</sup>	2.19	2.62	11.2	9.3	1,978.0	48,421
GlaxoSmithKline PLC <sup>^</sup>	GSK	Market Perform	Cal.	\$37.48	3.88	3.91 <sup>A</sup>	3.91	3.91	9.6	9.6	2,909.1	109,033
Eli Lilly & Company <sup>^</sup>	LLY	Underperform	Cal.	\$34.24	4.02	4.42 <sup>A</sup>	4.81	NE	7.1	NM	1,101.0	37,698
Merck & Company, Inc. <sup>^</sup>	MRK	Outperform	Cal.	\$36.57	3.42	3.25 <sup>A</sup>	3.38	3.81	10.8	9.6	3,116.0	113,952
Pfizer Inc. <sup>^</sup>	PFE	Outperform	Cal.	\$17.69	2.42	2.03 <sup>A</sup>	2.35	2.35	7.5	7.5	8,070.0	142,758
Sanofi Aventis	SAN FP	Outperform	Cal.	\$52.92	5.59	6.61 <sup>A</sup>	6.63	6.55	8.0	8.1	1,338.5	70,833

Notes: GAAP presented unless noted; <sup>^</sup> EPS excludes 1x items & other charges

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Prices as of close on:

February 25, 2010

**Pharmaceuticals**Gary Nachman  
Andrew Finkelstein**Specialty Pharmaceuticals**

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Allergan, Inc. ^	AGN	Outperform	Cal.	\$58.72	\$2.57	\$2.78 <sup>A</sup>	\$3.17	\$3.71	18.5	15.8	306.0	\$ 17,968
Cadence Pharmaceuticals, Inc.	CADX	Market Perform	Cal.	\$8.66	(1.55)	(1.02)	(1.07)	(0.10)	NM	NM	50.4	436
Cephalon, Inc. ^	CEPH	Outperform	Cal.	\$68.03	4.78	6.02 <sup>A</sup>	6.40	7.15	10.6	9.5	79.6	5,415
Cynosure, Inc. +	CYNO	Market Perform	Cal.	\$9.90	0.80	(0.81) <sup>A</sup>	(0.27)	0.37	NM	26.8	12.7	126
Endo Pharmaceuticals Holdings, Inc. ^	ENDP	Market Perform	Cal.	\$22.48	2.48	2.84 <sup>A</sup>	3.18	3.30	7.1	6.8	117.6	2,644
Forest Laboratories, Inc. ^	FRX	Market Perform	Mar.	\$29.62	3.06	3.06 <sup>A</sup>	3.62	3.82	8.2	7.8	303.5	8,990
Javelin Pharmaceuticals, Inc.	JAV	Outperform	Cal.	\$1.49	(0.77)	(0.56)	(0.18)	0.28	NM	5.3	63.5	95
Jazz Pharmaceuticals ^	JAZZ	Market Perform	Cal.	\$9.65	(7.19)	(0.31)	0.19	0.62	50.8	15.6	31.0	299
King Pharmaceuticals, Inc.^	KG	Outperform	Cal.	\$11.17	1.24	1.11 <sup>A</sup>	1.02	1.12	11.0	10.0	249.2	2,784
Medicis Pharmaceutical Corp. ^	MRX	Market Perform	Cal.	\$23.23	1.49	1.66 <sup>A</sup>	1.89	1.93	12.3	12.0	63.0	1,463
Palomar Medical Technologies	PMTI	Market Perform	Cal.	\$9.00	0.00	(0.10) <sup>A</sup>	(0.21)	0.28	NM	32.1	18.3	165
Shire Pharmaceuticals	SHPGY	Outperform	Cal.	\$64.42	3.87	3.17 <sup>A</sup>	3.58	4.33	18.0	14.9	194.9	12,555
Sucampo Pharmaceuticals	SCMP	Outperform	Cal.	\$3.44	0.59	(0.01)	0.54	0.70	6.4	4.9	41.8	144
Syneron Medical Ltd	ELOS	Outperform	Cal.	\$9.50	0.20	(0.86)	(0.16)	0.60	NM	15.8	34.5	328
Valeant Pharmaceuticals International^	VRX	Market Perform	Cal.	\$36.67	0.88	2.22 <sup>A</sup>	2.64	2.98	13.9	12.3	83.9	3,077
Warner Chilcott ^	WCRX	Outperform	Cal.	\$26.18	1.45	1.76	3.45	3.81	7.6	6.9	251.0	6,571

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**Leerink Swann LLC Coverage List by Sector**

Prices as of close on:

February 25, 2010

**Medical Supplies and Devices**

**Rick Wise, CFA**

Danielle Antalffy

Miroslava Minkova

Richard Newitter

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Abbott Laboratories	ABT	Outperform	Cal.	\$54.12	\$3.32	\$3.73 <sup>A</sup>	\$4.25	\$4.80	12.7	11.3	1,560.0	\$ 84,427
AGA Medical	AGAM	Outperform	Cal.	\$13.46	0.23	0.57 <sup>A</sup>	0.54	0.68	24.9	19.8	51.0	686
Baxter International, Inc.^	BAX	Outperform	Cal.	\$57.09	3.38	3.81 <sup>A</sup>	4.25	4.75	13.4	12.0	611.0	34,882
C.R. Bard, Inc.^	BCR	Market Perform	Cal.	\$83.19	4.42	5.09 <sup>A</sup>	5.60	6.14	14.9	13.5	96.2	8,003
Becton, Dickinson and Company^	BDX	Outperform	Sept.	\$78.52	4.46	4.95 <sup>A</sup>	5.13	5.65	15.3	13.9	237.4	18,641
Boston Scientific Corporation ^	BSX	Outperform	Cal.	\$7.73	0.50	0.50 <sup>A</sup>	0.40	0.50	19.3	15.5	1,510.6	11,677
CardioNet ^	BEAT	Outperform	Cal.	\$5.91	0.39	(0.24) <sup>A</sup>	(0.31)	0.11	NM	53.7	23.9	141
CareFusion Corporation^	CFN	Market Perform	Cal.	\$25.37	1.63	1.54 <sup>A</sup>	1.46	1.67	17.4	15.2	222.2	5,637
Covidien PLC ^	COV	Outperform	Sept.	\$49.59	2.70	2.84 <sup>A</sup>	3.38	3.75	14.7	13.2	499.0	24,745
Hospira, Inc. ^	HSP	Outperform	Cal.	\$52.11	2.53	3.11 <sup>A</sup>	3.30	3.75	15.8	13.9	165.9	8,645
Insulet Corporation~	PODD	Outperform	Cal.	\$14.92	(3.36)	(2.68)	(1.20)	(0.34)	NM	NM	35.2	525
Intuitive Surgical, Inc. ^	ISRG	Market Perform	Cal.	\$343.81	5.12	5.93 <sup>A</sup>	7.90	9.30	43.5	37.0	39.7	13,649
Johnson & Johnson ^	JNJ	Outperform	Cal.	\$63.28	4.55	4.63 <sup>A</sup>	4.95	5.40	12.8	11.7	2,796.5	176,963
MAKO Surgical Corp.	MAKO	Market Perform	Cal.	\$13.25	(2.20)	(1.20)	(0.71)	NE	NM	NM	33.2	440
Medtronic, Inc. ^	MDT	Market Perform	April	\$43.44	2.61	2.92 <sup>A</sup>	3.21	3.60	13.5	12.1	1,109.0	48,175
NuVasive ^	NUVA	Outperform	Cal.	\$29.69	0.10	0.32 <sup>A</sup>	0.66	1.08	45.0	27.5	39.2	1,164
St. Jude Medical, Inc.^	STJ	Outperform	Cal.	\$38.36	2.22	2.43 <sup>A</sup>	2.75	3.12	13.9	12.3	332.7	12,762
Thoratec Corporation+	THOR	Outperform	Cal.	\$28.63	0.58	0.86 <sup>A</sup>	1.05	1.25	27.3	22.9	58.4	1,672
Volcano Corporation^	VOLC	Outperform	Cal.	\$20.60	0.04	(0.30)	0.09	0.28	228.9	73.6	48.5	999
Stryker Corporation ^	SYK	Outperform	Cal.	\$52.84	2.83	2.95 <sup>A</sup>	3.28	3.73	16.1	14.2	399.6	21,115
Wright Medical Group, Inc.^	WMGI	Market Perform	Cal.	\$16.90	0.69	0.63 <sup>A</sup>	0.69	0.86	24.5	19.7	43.8	740
Zimmer Holdings Inc. ^	ZMH	Market Perform	Cal.	\$57.24	4.05	3.94 <sup>A</sup>	4.27	4.70	13.4	12.2	211.2	12,089

Notes: GAAP presented unless noted; ^ EPS excludes 1x items & other charges, + EPS excludes stock option expense & other stock charges, ~operating EPS excludes 1x items & other charges



**Leerink Swann LLC Coverage List by Sector**

Prices as of close on:  
February 25, 2010

**Healthcare Services**

**Jason Gurda, CFA**

**Acute Care**

Neil Bhalodkar

Aaron Gorin

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Community Health Systems, Inc. ^	CYH	Market Perform	Cal.	\$33.48	\$2.24	\$2.67 <sub>A</sub>	\$2.95	\$3.20	11.3	10.5	92.7	\$ 3,104
Health Management Associates, Inc. ^	HMA	Market Perform	Cal.	\$7.15	0.39	0.50	0.55	0.64	13.0	11.2	249.2	1,782
LifePoint Hospitals, Inc.^	LPNT	Market Perform	Cal.	\$30.29	2.55	2.59 <sub>A</sub>	2.70	2.93	11.2	10.3	54.3	1,645
Tenet Healthcare Corp. ^	THC	Outperform	Cal.	\$5.03	(0.05)	0.29 <sub>A</sub>	0.17	0.26	29.6	19.3	500.6	2,518
Universal Health Services, Inc. ^	UHS	Market Perform	Cal.	\$31.01	1.94	2.39 <sub>A</sub>	2.56	2.70	12.1	11.5	98.6	3,058

**Jason Gurda, CFA**

**Long-term Care & Pharmacies**

Neil Bhalodkar

Aaron Gorin

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Omnicare, Inc. ^	OCR	Outperform	Cal.	\$26.31	\$2.12	\$2.50	\$2.65	\$2.82	9.9	9.3	118.0	\$ 3,105
PharMerica Corp. ^	PMC	Market Perform	Cal.	\$17.20	0.95	1.30 <sub>A</sub>	1.41	1.55	12.2	11.1	30.5	525
Skilled Healthcare Group ^	SKH	Outperform	Cal.	\$6.58	1.01	1.02	0.92	1.00	7.2	6.6	36.9	243
Sun Healthcare ^	SUNH	Outperform	Cal.	\$8.80	0.93	1.09	0.96	1.12	9.2	7.9	44.0	387

**Jason Gurda, CFA**

**Labs and providers**

Neil Bhalodkar

Aaron Gorin

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
DaVita, Inc.	DVA	Market Perform	Cal.	\$61.49	\$3.53	\$4.06 <sub>A</sub>	\$4.43	\$4.71	13.9	13.1	103.7	\$ 6,377
LabCorp ^	LH	Market Perform	Cal.	\$73.13	4.57	4.90	5.35	5.91	13.7	12.4	107.5	7,861
Mednax ^	MD	Market Perform	Cal.	\$53.16	3.07	3.71	3.93	4.16	13.5	12.8	47.1	2,504
Quest Diagnostics ^	DGX	Market Perform	Cal.	\$56.69	3.25	3.88 <sub>A</sub>	4.17	4.52	13.6	12.5	186.3	10,561

**Jason Gurda, CFA**

**Managed Care**

Neil Bhalodkar

Aaron Gorin

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Aetna, Inc.^	AET	Market Perform	Cal.	\$29.97	\$3.93	\$2.75 <sub>A</sub>	\$2.60	\$3.05	11.5	9.8	441.5	\$ 13,232
CIGNA ^	CI	Outperform	Cal.	\$33.87	3.41	3.98 <sub>A</sub>	4.05	4.45	8.4	7.6	277.3	9,392
Coventry Health Care ^	CVH	Market Perform	Cal.	\$22.69	2.69	2.21 <sub>A</sub>	2.15	2.45	10.6	9.3	146.9	3,333
Humana, Inc. ^	HUM	Market Perform	Cal.	\$47.13	4.23	6.15 <sub>A</sub>	5.45	5.64	8.6	8.4	169.7	7,998
UnitedHealthcare ^	UNH	Market Perform	Cal.	\$33.45	2.95	3.24 <sub>A</sub>	3.02	3.40	11.1	9.8	1,161.0	38,835
Wellpoint ^	WLP	Outperform	Cal.	\$61.45	5.55	6.07 <sub>A</sub>	6.25	7.01	9.8	8.8	461.1	28,335

Notes: GAAP presented unless noted; ^ EPS excludes 1x items & other charges

**Leerink Swann LLC Coverage List by Sector**

Prices as of close on:

February 25, 2010

**Healthcare Services****George Hill****Healthcare Technology & Distribution**

David Larsen

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Allscripts-Misys, Inc.*	MDRX	Outperform	May	\$17.91	\$0.71	\$0.60 <sup>A</sup>	\$0.65	\$0.74	27.6	24.2	146.0	\$ 2,615
athenahealth, Inc.*	ATHN	Outperform	Cal.	\$43.52	0.53	0.51	0.86	1.38	50.6	31.5	33.7	1,467
Cerner Corporation*	CERN	Outperform	Cal.	\$82.33	2.19	2.43 <sup>A</sup>	2.88	3.45	28.6	23.9	81.6	6,718
Computer Programs & Systems*	CPSI	Market Perform	Cal.	\$36.19	1.48	1.44 <sup>A</sup>	1.45	NE	25.0	NM	11.0	398
Eclipsys Corporation	ECLP	Market Perform	Cal.	\$18.41	0.75	0.65 <sup>A</sup>	0.73	0.84	25.2	21.9	57.0	1,049
eResearch Technology, Inc.~	ERES	Market Perform	Cal.	\$5.86	0.48	0.22 <sup>A</sup>	0.30	0.36	19.5	NM	48.8	286
McKesson Corp.~	MCK	Market Perform	Mar.	\$59.14	3.31	4.29 <sup>A</sup>	4.59	4.65	12.9	12.7	269.4	15,932
Phase Forward, Inc.*	PFWD	Market Perform	Cal.	\$11.94	0.48	0.52 <sup>A</sup>	0.54	0.60	22.1	19.9	43.1	515
Quality Systems, Inc.~	QSII	Outperform	Mar.	\$57.24	1.44	1.62 <sup>A</sup>	1.72	2.40	33.3	23.9	28.7	1,643
Vital Images, Inc.*	VTAL	Market Perform	Cal.	\$14.84	0.18	0.01 <sup>A</sup>	0.11	0.17	134.9	87.3	14.4	214

**Healthcare Services****George Hill****Pharmacy Benefit Management**

David Larsen

Company	Ticker	Rating	Year	Share Price	2008A	2009E	2010E	2011E	P/E		Shares Out (MM)	Mkt Cap (\$MM)
									2010E	2011E		
Express Scripts, Inc.*	ESRX	Outperform	Cal.	\$95.23	\$3.18	\$3.58 <sup>A</sup>	\$5.05	\$6.28	18.9	NM	275.3	\$ 26,217
Medco Health Solutions, Inc.~	MHS	Outperform	Cal.	\$62.92	2.33	2.83 <sup>A</sup>	3.35	4.00	18.8	15.7	475.2	29,900

Notes: GAAP presented unless noted;; ^ EPS excludes 1x items & other charges; + EPS excludes stock option expense & other stock charges; ~operating EPS excludes 1x items & other charges; \* operating EPS excludes stock option expense & other charges; ^pro forma EPS excludes 1x items and other charges

Source: Leerink Swann & Company estimates, FactSet, and company data

# Disclosure 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.

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## Rating Distribution as of 12/31/2009

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Coverage Universe	Percent
Outperform (Buy)	56.0%
Market Perform (Hold/Neutral)	41.3%
Underperform (Sell)	2.7%

Recd Inv. Banking Serv. in Prev. 12 months	Percent
Outperform (Buy)	13.1%
Market Perform(Hold/Neutral)	3.2%
Underperform (Sell)	0.0%

## 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<sup>®</sup> Health Care Index for issuers with a market capitalization of less than \$2 billion and the S&P 500<sup>®</sup> Health Care Index for issuers with a market capitalization over \$2 billion. From October 1, 2006 through January 10, 2009, the relevant benchmark were the Russell 2000<sup>®</sup> Health Care Index for issuers with a market capitalization of less than \$2 billion and the S&P 500<sup>®</sup> Health Care Index for issuers with a market capitalization over \$2 billion

## Definitions of Leerink Swann Ratings prior to October 1, 2006 are shown below:

**Outperform (Buy):** We expect this stock to outperform its benchmark by more than 10 percentage points over the next 12 months.

**Market Perform (Hold/Neutral):** We expect this stock to perform within a range of plus or minus 10 percentage points of its benchmark over the next 12 months.

**Underperform (Sell):** We expect this stock to underperform its benchmark by more than 10 percentage points over the next 12 months.

For the purposes of these definitions the relevant benchmark will be the Russell 2000<sup>®</sup> Health Care Index for issuers with a market capitalization of less than \$2 billion and the S&P 500<sup>®</sup> Index for issuers with a market capitalization over \$2 billion.

# Disclosure Appendix

## Important Disclosures

This information (including, but not limited to, prices, quotes and statistics) has been obtained from sources that we believe reliable, but we do not represent that it is accurate or complete and it should not be relied upon as such. All information is subject to change without notice. This is provided for information purposes only and should not be regarded as an offer to sell or as a solicitation of an offer to buy any product to which this information relates. The past performance of securities does not guarantee or predict future performance. Transaction strategies described herein may not be suitable for all investors. Additional information is available upon request by contacting the Publishing Department at One Federal Street, 37<sup>th</sup> Floor, Boston, MA 02110.

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For price charts, statements of valuation and risk, as well as the disclosures specific to covered companies, client should refer to <https://leerink.bluematrix.com/bluematrix/Disclosure2> or send a request to Leerink Swann LLC Publishing Department, One Federal Street, 37<sup>th</sup> Floor, Boston, MA 02110.

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