

BUYING GOOD HEALTH

HEALTHCARE STOCK PITCH(ES) – OCTOBER 30 2014

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HOLDINGS REVIEW (AGAIN³)

CUBIST PHARMACEUTICALS

RE-ENTRY PRICE AND RECENT PERFORMANCE

CUBIST PHARMACEUTICALS

RE-ENTRY PRICE... NEXT TIME WE WILL BE READY

INVESTMENT THESIS

Cubist Pharma is an attractive investment opportunity due to its strong pipeline and productive R&D activities

Cubist will continue to diversify its product portfolio and achieve success with its current product offering

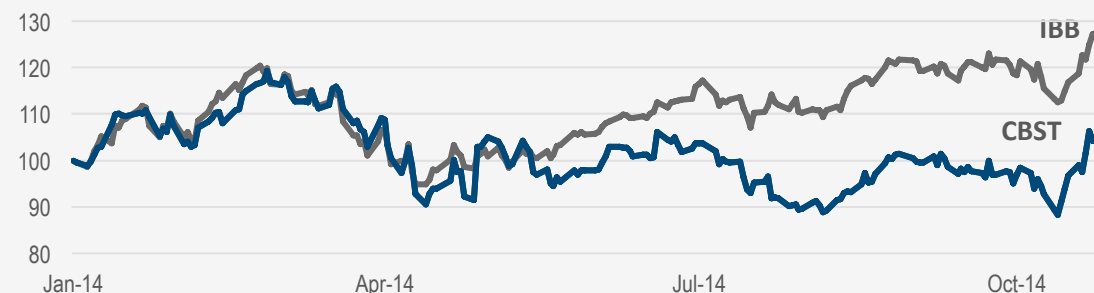
=Stable investment in the near future

MARKET SUMMARY

Share Price	\$72.00
Market Capitalization	\$5.45B
52-Week Range	\$58.50 - 82.12
Beta	1.09
EPS	\$0.23

Market summary data as of 10/28/2014. 2014 DCM Estimate EPS shown.

CUBIST VS. US BIOTECH - YTD



(RE)VALUATION

WORST CASE:
\$71
BASE CASE: \$90

INVESTMENT
THESIS HOLDS +
STRONG Q3

\$65 RE-ENTRY
PRICE

TSO₃ INC.

PATIENCE PAID OFF... NOW WHAT

TSO₃ INC.

PATIENCE PAID OFF... NOW WHAT

INVESTMENT THESIS

TSO₃ has an industry-changing sterilization product that makes them an extremely attractive acquisition target given FDA approval

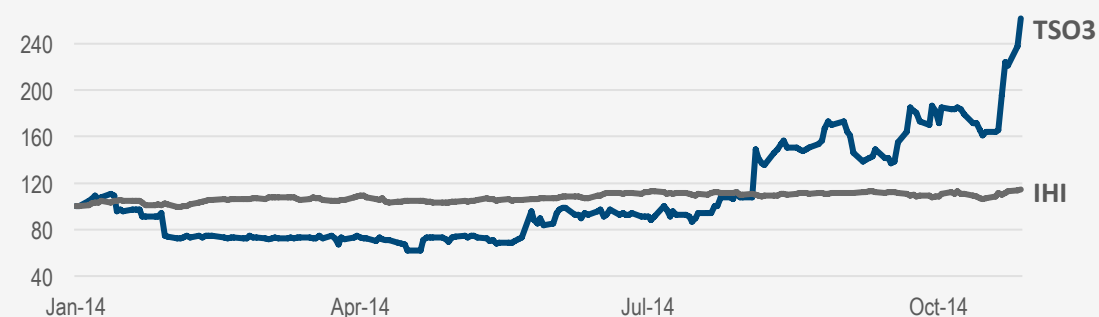
With sufficient cash to last until ~2016 and an approval expected before the end of 2014 we are cautiously optimistic

MARKET SUMMARY

Share Price	\$1.53
Market Capitalization	\$111.7M
52-Week Range	\$0.40 – 1.77
Beta	0.41
EPS	(\$0.12)

Market summary data as of 10/28//2014.

TSO³ VS. US MEDICAL DEVICES - YTD



NEWS

22-Oct-2014

- FDA review progress continues to be made on the file, with the focus centered on the labeling for accessory indicator items

(RE)PITCH 1: ZOETIS

ZOETIS

RE-PITCH FT. FINANCIAL VALUATION

COMPANY DESCRIPTION

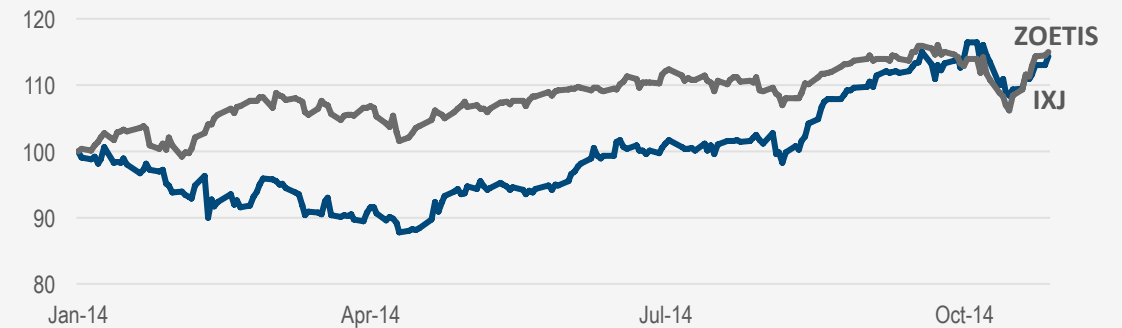
- Global leader in the discovery, development, manufacturing and commercialization of animal health medicines and vaccines
- A Pfizer spin-off, they're the only pure-play in the animal healthcare space

MARKET SUMMARY

Share Price	\$36.64
Market Capitalization	\$18.36B
52-Week Range	\$28.14 – 37.97
Beta	0.93
EPS	\$1.05

Market summary data as of 10/28/2014. 2014 DCM Estimate EPS shown.

ZOETIS VS. GLOBAL HEALTHCARE - YTD



INVESTMENT THESIS

- Positioned to capitalize on growing demand for animal protein and pet ownership as unique industry pure-play
- Market is discounting their ability to succeed as an independent entity given its short history and unproven operational capabilities.

HOW IT CAME TO BE

REVIEW: THE STORY OF CREATION

1. EQUITY CARVE OUT

1-Feb-2013

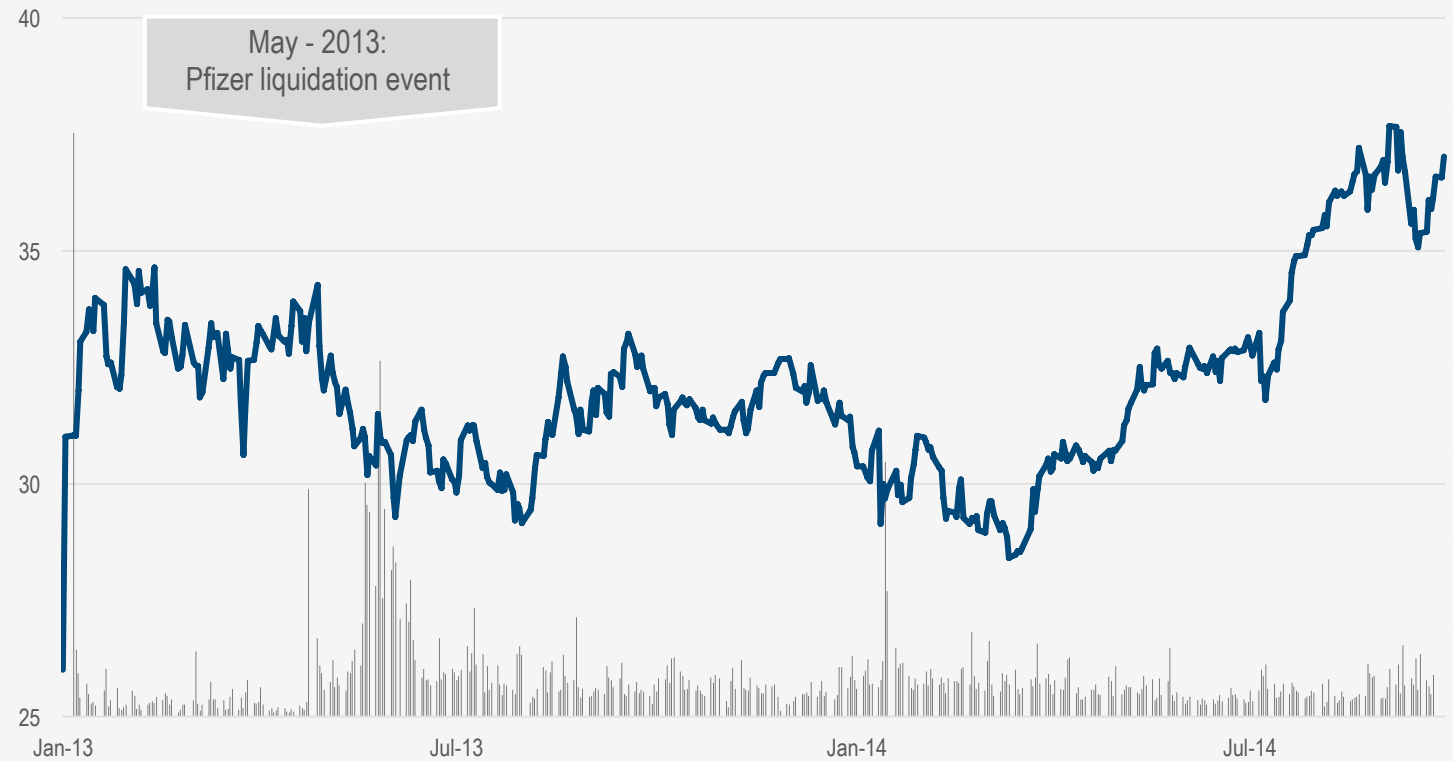
- Zoetis raises \$2.2B in IPO (86.1M Class A shares at \$26)
- Pfizer holds all 414M Class B shares (80% control)

2. SPLIT-OFF

22-May-2013

- Parent shareholders exchange for portion of new company
- Pfizer swaps stake at 7% discount

ZOETIS PRICE PERFORMANCE SINCE IPO



HOW IT CAME TO BE

REVIEW: THE STORY OF CREATION

TRANSITIONAL SERVICES AGREEMENT

Corporate support services as well as agreement to manufacture and supply products for each other

FOCUS AND STRATEGIC FLEXIBILITY

Zoetis can now set its own strategy and remain focused on animal health

R&D AGREEMENT

Collaboration and license agreement, access to Pfizer's compound library for 7 years

GAINING

BRAND, REPUTATION AND CAPITAL BASE

Globally recognized brand "Pfizer Animal Health", loss of scale and financial strength

KNOW-HOW LICENSE AGREEMENT

Pfizer is responsible for filing, prosecuting and maintaining patents that they license to Zoetis

FINANCIAL DATA DISCREPANCIES

Historical data as combined entity does not reflect operations: economies of scale, capital structure

LOSING

NEWS AND THEMES

NEW CATALYSTS FORTIFYING THESIS

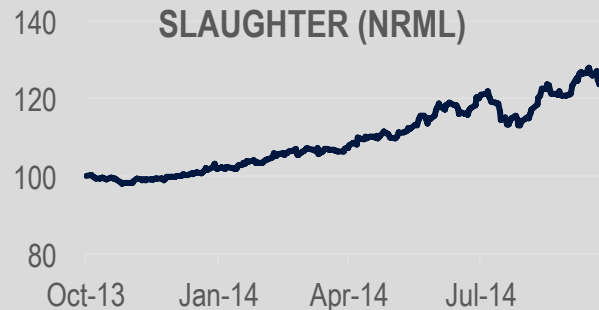
LOTS OF ACTION, LOTS OF OPPORTUNITY

2H 2015

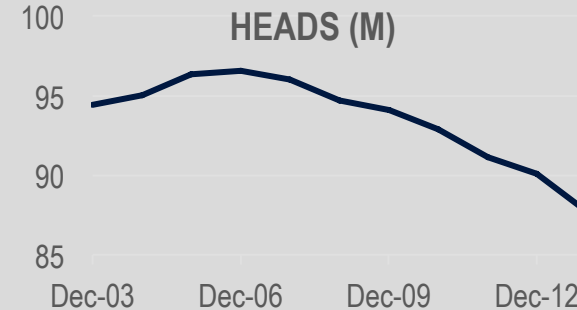
2015: THE GREAT CATTLE HERD REBUILD

Rebuilding cattle herd after historic droughts of 2011-2012 (35%+ Zoetis revenues from cattle)

CATTLE FUTURES –
SLAUGHTER (NRML)



CATTLE STOCK –
HEADS (M)



2015

BAYER TO REFOCUS ON LIFE SCIENCES

New strategic direction, shedding material sciences making potential acquisition of Zoetis a real possibility

1H 2015

ELI LILLY TO BUY NOVARTIS ANIMAL HEALTH

Eli Lilly to pay \$5.4B for Novartis Animal Health (5.0x revenues)... Places ZTS around \$50+ on close

COMPARABLE COMPANIES

COMPARING UNCOMPARABLE COMPANIES

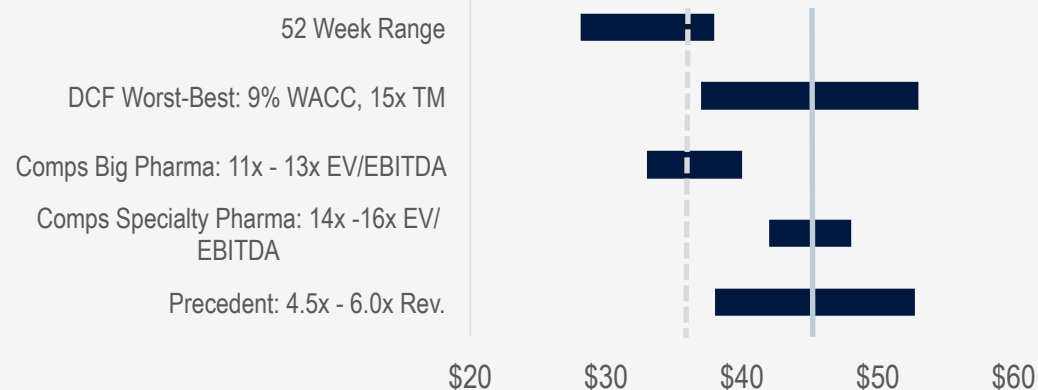
COMPANY	% OF REV. ANIMAL	MARKET CAP. (B)	EV (B)	EV / EBITDA		P / E		EV / SALES	ROE
				LTM	NTM	LTM	NTM	LTM	
ANIMAL WITHIN BIG PHARMA									
Novartis	1.9%	\$244	\$257	15.5x	14.9x	14.6x	17.0x	4.5x	14.0%
Merck	7.6%	\$166	\$176	11.7x	11.0x	29.0x	55.5x	4.0x	11.7%
Bayer	3.3%	\$111	\$124	9.5x	9.9x	56.0x	-	2.3x	18.4%
Eli Lilly	9.3%	\$74	\$74	13.3x	13.4x	14.9x	21.9x	3.6x	20.4%
Average	5.5%			12.5x	12.3x	18.5x	17.1x	3.6x	16.1%
SPECIALTY PHARMA									
Allergan	(Botox)	\$55	\$53	15.2x	14.7x	35.0x	22.6x	7.9x	20.58%
Shire	(Adderall)	\$38	\$39	13.4x	13.3x	57.4x	56.4x	6.7x	24.23%
Cubist	(gram -)	\$5	\$6	44.2x	18.3x	86.4x	33.0x	4.8x	4.47%
Average				24.3x	15.4x	59.6x	37.3x	6.5x	16.43%
Zoetis	100%	\$18	\$21	20.0x	14.7x	25.1x	21.6x	4.6x	51.2%

Market data as of 10/28/2014.

VALUATION SUMMARY

ATTRACTIVE DESPITE PRICE APPRECIATION

SUMMARY



RECOMMENDATION: BUY

DCM Target Price	\$45
Upside	25%
Catalysts/themes	<ol style="list-style-type: none"> 1. M&A 2. Eli-Novartis deal close 3. Cattle inventory build 4. Bayer strategic refocus

VALUATION

		Discount Rate				
		7%	8%	9%	10%	11%
Terminal Multiple	13.5	\$45	\$43	\$41	\$39	\$37
	14.0	\$47	\$44	\$42	\$40	\$38
	14.5	\$48	\$46	\$44	\$42	\$40
	15.0	\$50	\$47	\$45	\$43	\$41
	15.5	\$52	\$49	\$47	\$44	\$42
	16.0	\$53	\$51	\$48	\$46	\$44
	16.5	\$55	\$52	\$50	\$47	\$45

(US\$M)

	2014	2015	2016	2017	2018
Revenues	4,926.5	5,321.8	5,701.0	6,060.1	6,442.5
EBIT	1,143.9	1,597.7	1,793.9	1,976.4	2,172.4
Net Income	752.6	1,073.7	1,250.6	1,379.4	1,517.7
Diluted EPS	1.5	2.1	2.5	2.7	3.0
Gross Profit Margin %	65.0%	70.0%	70.0%	70.0%	70.0%

PITCH 2: VASCULAR SOLUTIONS

INTERNAL ENVIRONMENT

VASCULAR SOLUTIONS

COMPANY OVERVIEW

SUMMARY

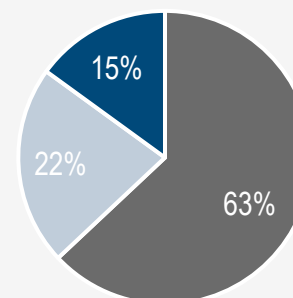
- Medical devices company focused on clinical solutions for coronary and peripheral vascular procedures
- Operates US and internationally through 91 direct sales representatives in the US and established independent distributor network covering nearly 50 countries

MARKET SUMMARY

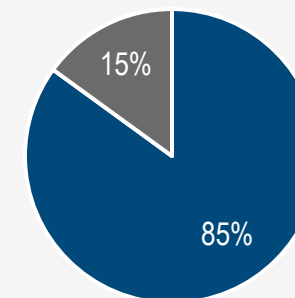
Share Price	\$28.95
Market Capitalization	\$497.2M
52-Week Range	\$18.35 – 29.01
Beta	1.02
EPS	\$1.20

Market summary data as of 10/28/2014. 2014 DCM estimate EPS shown.

2013 REVENUE BREAKDOWN BY SEGMENT

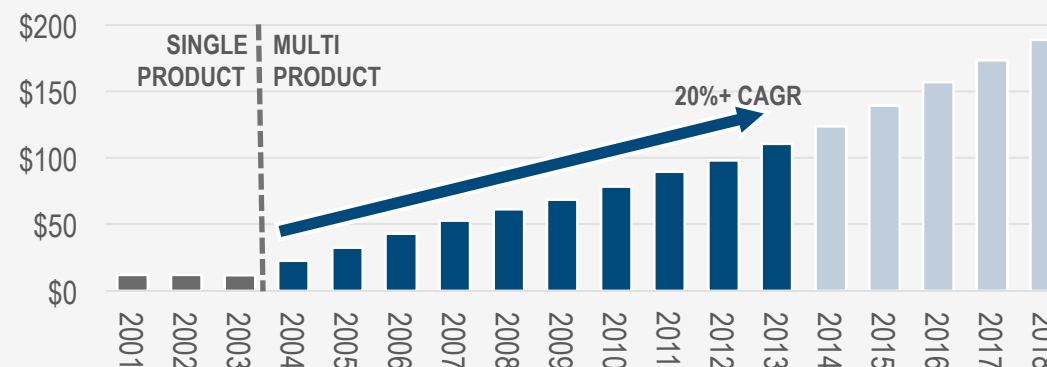


■ Catheters ■ Hemostats ■ Vein Products



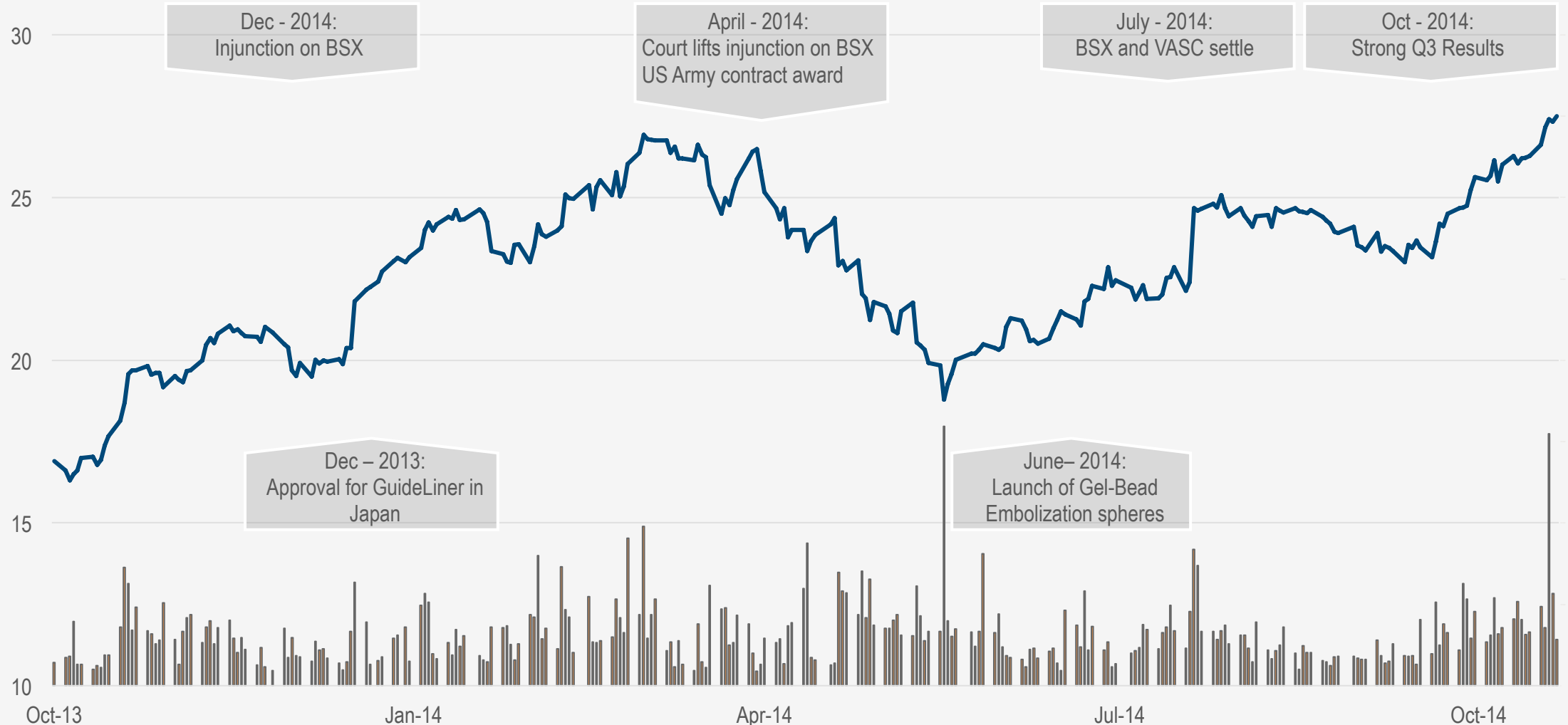
■ US ■ International

REVENUE GROWTH (M)



1Y TRADING PERFORMANCE

BACK ON TRACK POST BSX LEGAL STUMBLE



INVESTMENT THESIS

THREE WORDS: SOLID, SOLID, SOLID

BEST-IN-BIZ MANAGEMENT

CEO and co-founder Howard Root is longest tenured, current CEO at any company in medtech space

INTERNAL

HITTING LOTS OF SINGLES AND DOUBLES WINS GAMES

No one product accounts for more than 20% of revenue + steady cadence of new product launches (~10/year)

MARGIN GAME STRONG

Lean business model: drive operating leverage such that they are able to grow EPS at a higher rate than revenue growth

MONEY TALKS

10th Consecutive year of >10% revenue growth in what has been US Healthcare's most turbulent 10 years on record

CARVED OUT MEDTECH NICHE

VASC is an outlier – a product of its smaller size, it is a steady grower with above average profit margins overlooked by investors

MEDTECH GROWTH UNDER ACA – TAX BURDEN

Investors are overly discounting VASC due to slow secular growth and the introduction of the new medical device excise tax (2013)

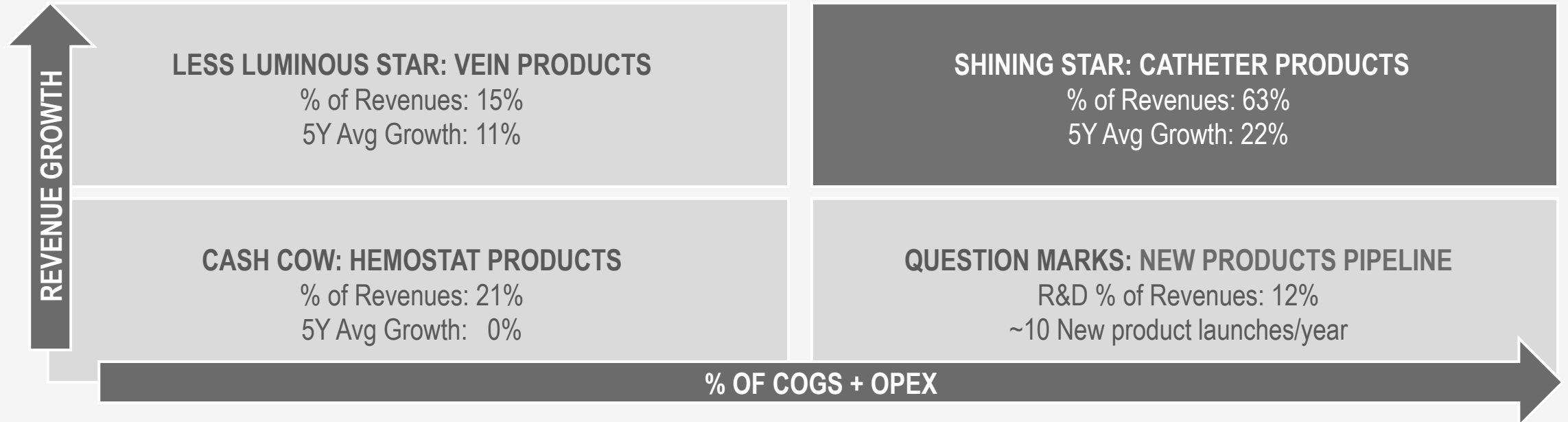
SAFE SPACE

The industry negatives (excise tax, secular growth) crushing the big players hardly impact VASC due to unique size, revenue growth and profitability

EXTERNAL

SEGMENT OVERVIEW

MARKETING 101: 2013 NUMBERS BY SEGMENT

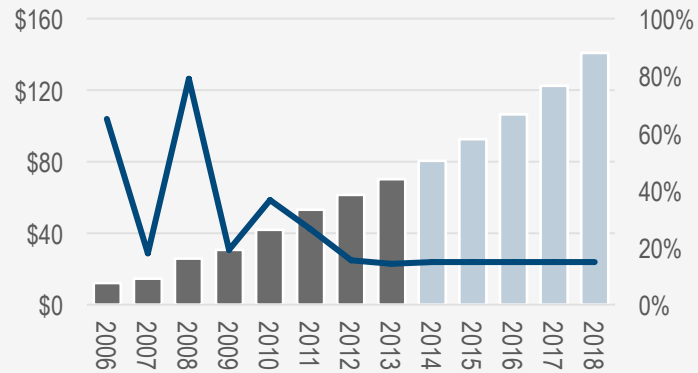


MANAGEMENT HAS DEMONSTRATED A CONSISTENT ABILITY TO ALLOCATE EXPENSES PROPORTIONALLY TO REVENUE CONTRIBUTION AND GROWTH POTENTIAL AS TO MAXIMIZE GROWTH WITHOUT SACRIFICING MARGINS

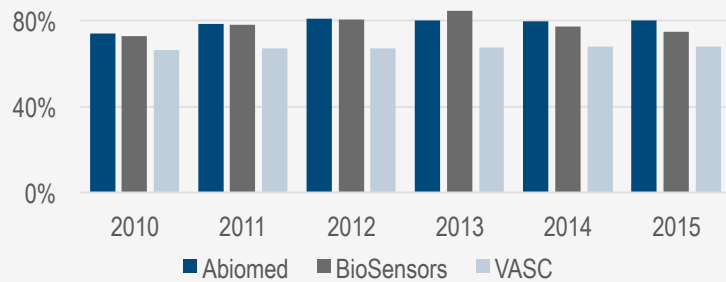
SEGMENT OVERVIEW

CATHETER PRODUCTS: SETTING THE PACE

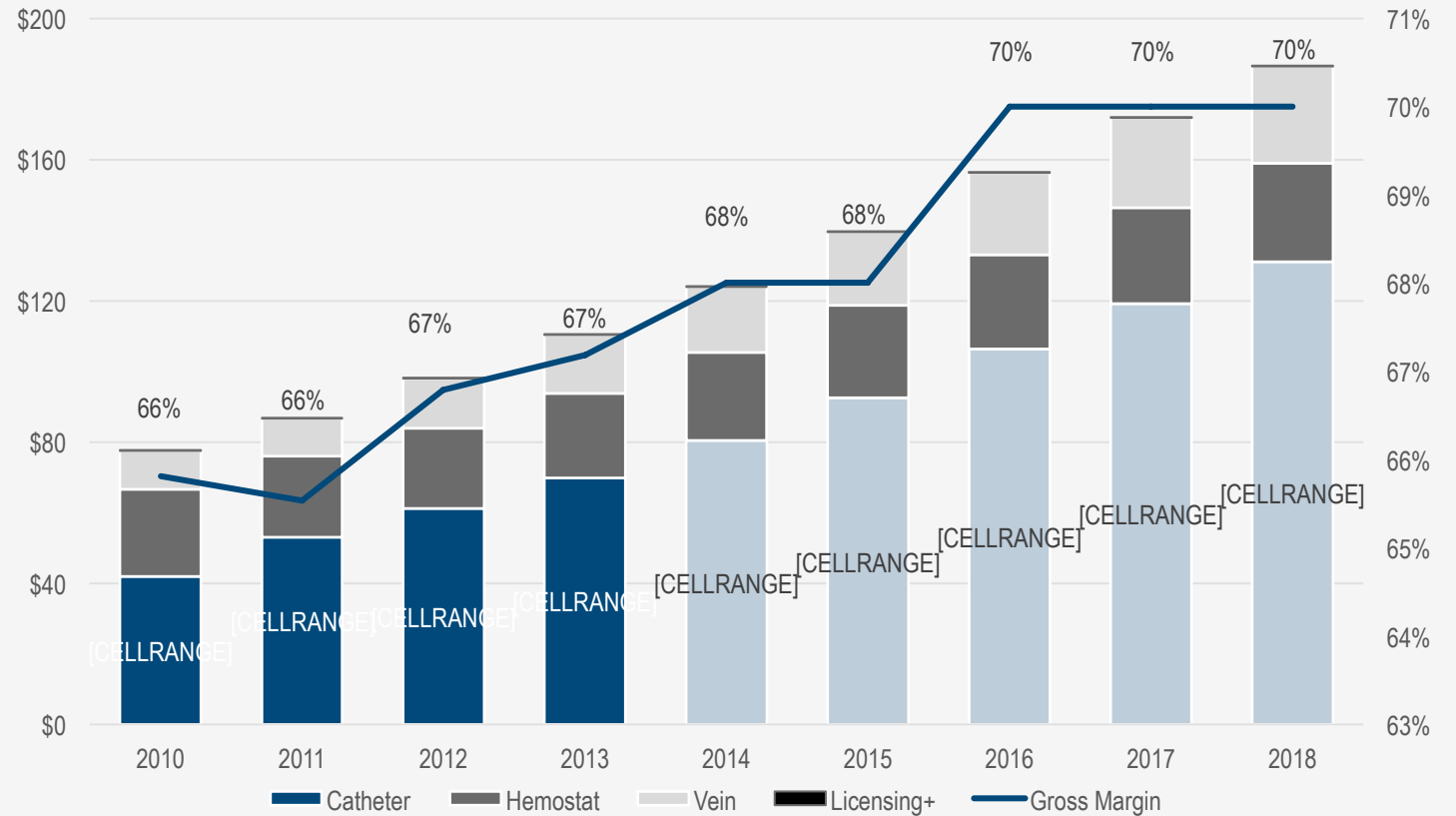
REVENUE GROWTH



GROSS MARGIN EXPANSION



CHANGING PRODUCT MIX LEADS TO INCREASED MARGINS



WHERE THERE IS HEALTHCARE...

DEFENDING THE FORTRESS: BOSTON SCIENTIFIC LITIGATION

TAMING GUIDEZILLA

In May 2013 patent infringement complaint against Boston Scientific (GuideLiner vs. Guidezilla)

OUTCOME: SETTLEMENT

In July 2014 settlement is reached and although confidential it was clearly a win for VASC

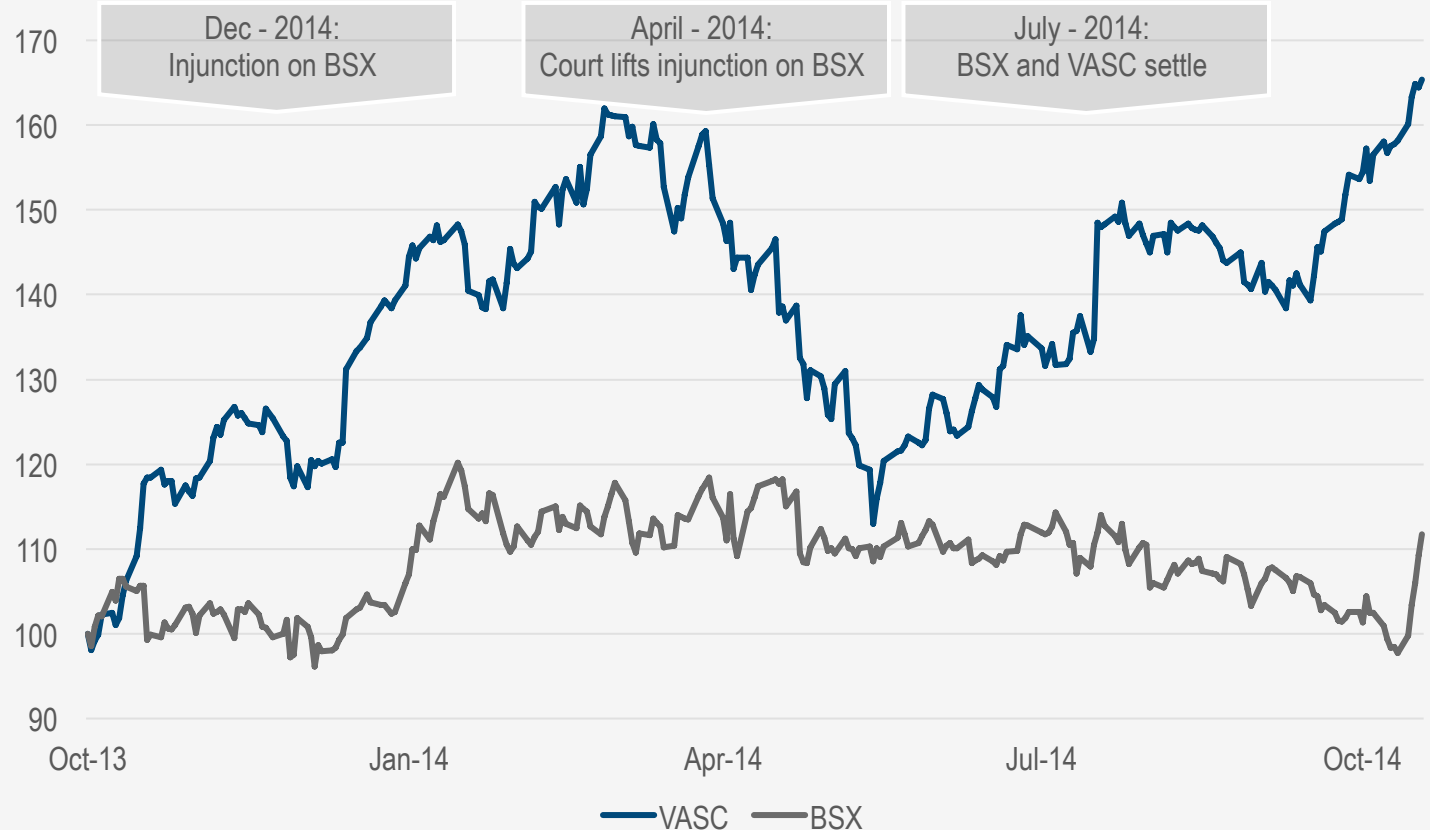
WHY IT MATTERS

GuideLiner Sales 2013 \$20.8M

% of revenues 18.8%

Market potential \$50M+

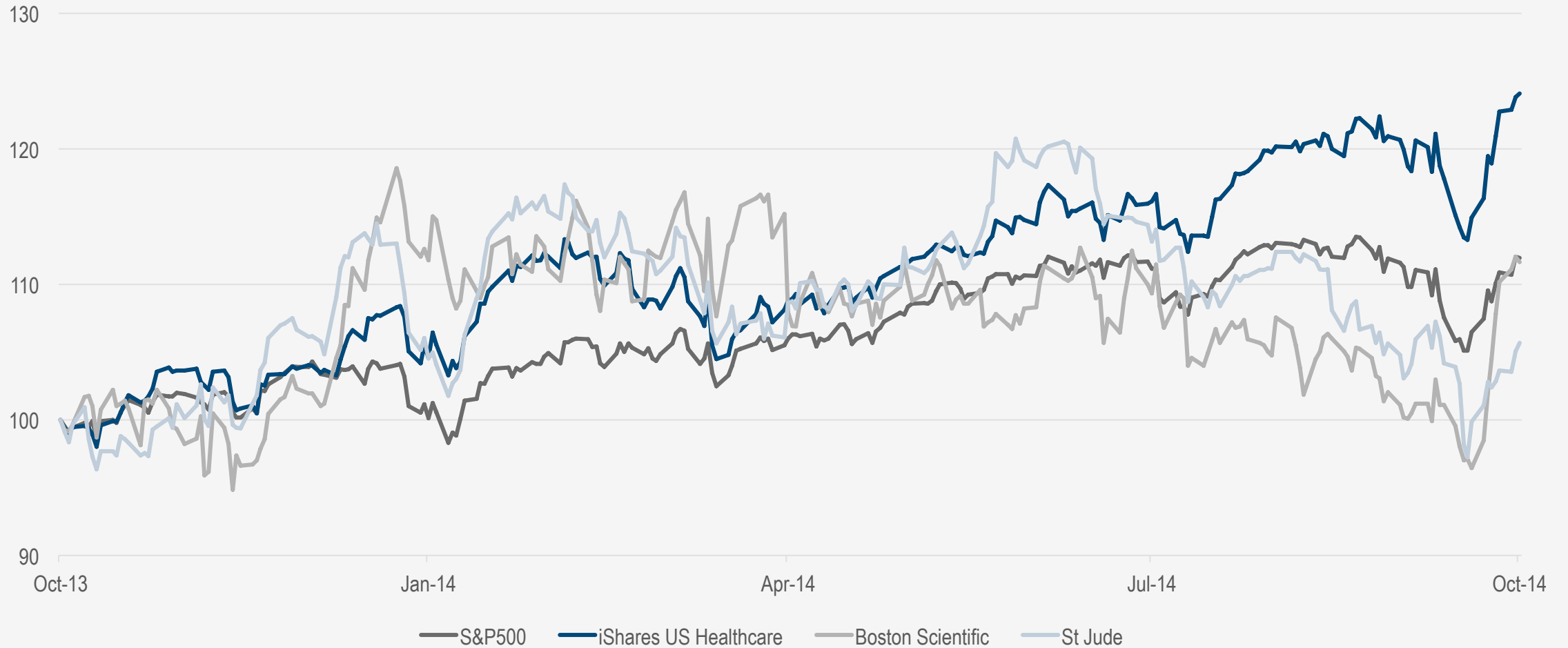
IDENTIFYING RISKS: BIG VS. SMALL COMPANIES



EXTERNAL ENVIRONMENT

1Y PRICE PERFORMANCE

MEDTECH AND THE GREAT SEPARATION OF JULY 2014



ACA MEDICAL DEVICE TAX

CHANGING THE PACE OF THE INDUSTRY AND SPARKING M&A

NEW TAX UNDER ACA (2013)

↓ Manufacturers, producers and importers of medical devices pay a 2.3% tax on sales in the US

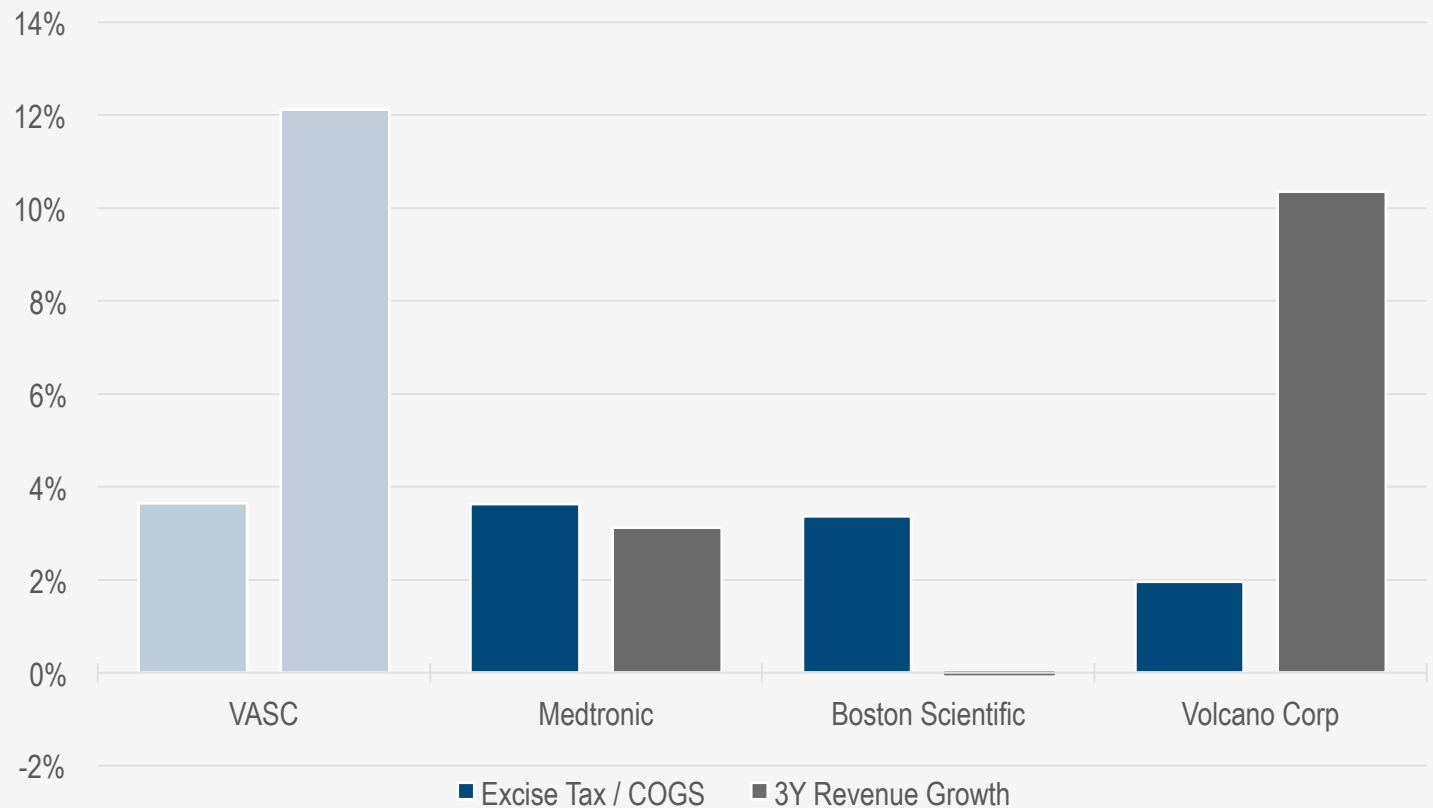
M&A TO COMPENSATE

↓ Larger companies are looking to tuck-in smaller companies to offset higher OpEx with growth

IMPACT FOR VASC

VASC 2013: 12% revenue growth + operating margins of 17% despite tax – attractive to a larger player looking for growth...

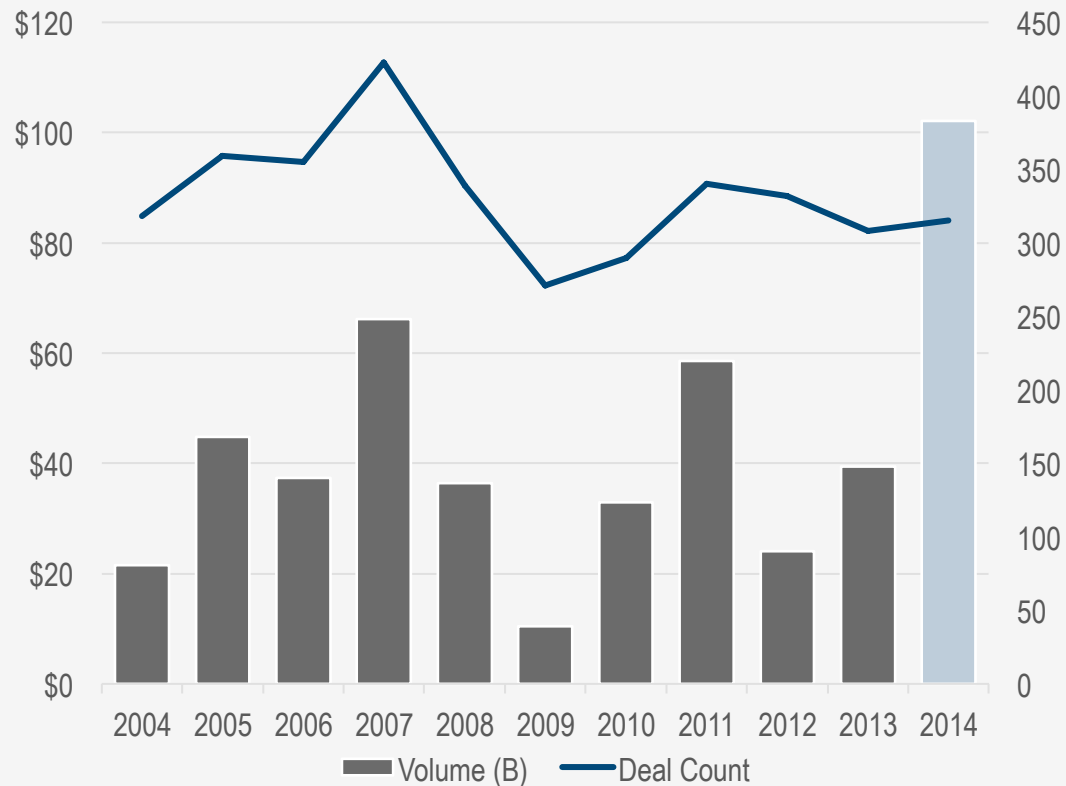
ALL PAY THE TAX NOT ALL CAN COMPENSATE WITH GROWTH



MEDTECH M&A

BREAKING RECORDS IN THE PURSUIT OF GROWTH

MEDICAL DEVICE M&A – 10Y



MEDICAL DEVICE EXCISE TAX

Almost a third of large players attribute R&D cuts to the new tax and are buying up smaller innovative players to compensate

LEVERAGE AGAINST HOSPITALS: PART 1

Under ACA hospital consolidation has been rampant; big players with non-critical devices are looking to increase size and acquire critical need devices

LEVERAGE AGAINST HOSPITALS: PART 2

Large players have historically relied on price increases and now face pricing pressure – buying up small players to offset with growth

US MEDICAL DEVICE M&A TOPS 10 YEAR HIGH

2014 Deal volume at high with still time to go...

VALUATION

COMPARABLE COMPANIES

BEST OF BOTH WORLDS: CATHETER STYLE GROWTH WITH AN INTEGRATED ROE

COMPANY	MARKET CAP (M)	EV (M)	EV / EBITDA		P / E		1Y PEG	EV / SALES	ROE	3Y REVENUE CAGR
			LTM	NTM	LTM	NTM		LTM		
CATHETER BUSINESS										
Abiomed	\$978	\$857	80.8x	46.1x	89.6x	71.1x	8.4x	4.5x	4.73%	16.03%
BioSensors Intl	\$859	\$635	9.1x	7.1x	25.5x	17.0x	2.1x	1.9x	3.01%	29.00%
Merit Medical Systems	\$644	\$883	13.1x	11.6x	29.2x	19.3x	1.4x	1.8x	4.64%	7.70%
Angiodynamics	\$581	\$707	15.7x	11.9x	56.2x	22.0x	1.6x	2.0x	0.82%	16.59%
Volcano Corp	\$521	\$726	-	19.3x	-	-	-	1.8x	-10.98%	4.65%
AVERAGE			29.7x	19.2x	50.1x	32.4x	3.3x	2.4x	0.44%	14.8%
LARGE INTEGRATED MEDTECH										
Medtronic	\$65,000	\$64,030	10.9x	9.9x	16.9x	15.8x	2.1x	3.7x	15.80%	2.27%
Coviden	\$41,000	\$44,450	17.6x	14.2x	22.8x	20.3x	2.3x	4.2x	15.46%	-4.02%
Boston Scientific	\$17,221	\$21,230	19.8x	11.2x	28.9x	14.6x	2.0x	2.9x	4.34%	-2.14%
St Jude Medical	\$17,210	\$19,790	14.4x	10.8x	15.5x	14.5x	1.4x	3.5x	20.94%	-0.66%
AVERAGE			15.7x	11.5x	21.0x	16.3x	1.9x	3.6x	14.14%	-1.14%
Vascular Solutions	\$472	\$431	17.9x	15.5x	36.7x	30.9x	1.9x	3.5x	12.24%	7.08%

Market data as of 10/28/2014.

PRECEDENT TRANSACTIONS

PAYING A PREMIUM FOR A NICHE TUCK-IN

DATE	TARGET	ACQUIRER	TOTAL VALUE (M)	PREMIUM	TV / REVENUE
12/8/2013	Covidien PLC	Given Imaging LTD	\$869.4	32.50%	4.7x
12/4/2013	Getinge AB	Pulsion Medical Systems	\$150.4	14.27%	3.9x
10/13/2013	Bristol Myers Squibb Co	ZymoGenetics Inc	\$725.2	99.45%	4.5x
9/27/2012	Medtronic	China Kanghui Holdings Inc	\$653.5	22.45%	12.2x
4/5/2012	Covidien PLC	Oridion Systems Ltd	\$294.8	72.07%	4.3x
6/16/2010	Covidien PLC	Somanetics Corp	\$291.9	38.30%	5.4x
5/8/2009	Covidien PLC	Vnus Medical Technologies Inc	\$409.2	35.23%	3.8x
AVERAGE			\$484.9	44.90%	5.5x

PRODUCT REVENUE GROWTH

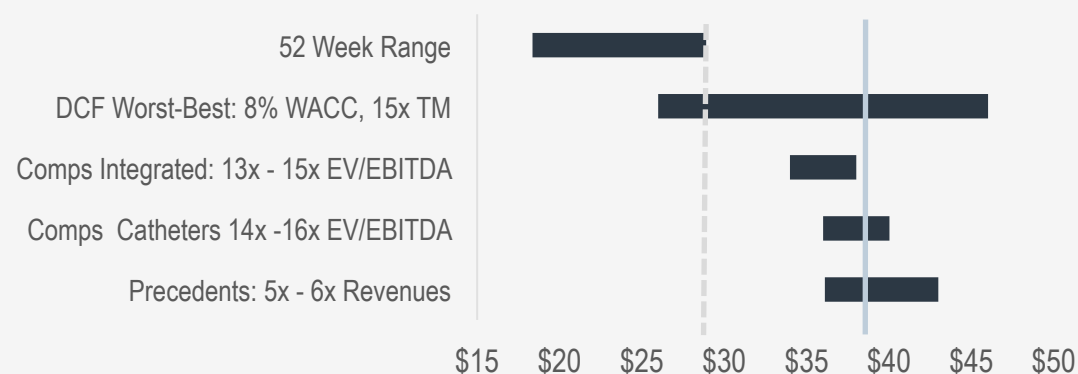
IMPRESSIVE TO SAY THE LEAST

SEGMENT	2007	2008	2009	2010	2011	2012	2013	5Y	2014	2015	2016	2017	2018
Catheter	18%	79%	19%	37%	27%	16%	14%	22%	15%	15%	15%	15%	12%
Hemostat	14%	-4%	4%	0%	-6%	-2%	5%	0%	2%	2%	2%	2%	2%
Vein	22%	18%	11%	-4%	-4%	34%	17%	11%	15%	12%	12%	10%	10%
License & Collaboration	22%	13%	12%	16%	12%	13%	12%	13%	7%	7%	5%	5%	5%
Total Product	22%	13%	12%	16%	12%	13%	12%	12%	12%	13%	12%	10%	8%

VALUATION SUMMARY

ATTRACTIVE DESPITE PRICE APPRECIATION

SUMMARY



RECOMMENDATION: BUY

DCM Target Price	\$38
Upside	35%
Catalysts/themes	<ol style="list-style-type: none"> 1. BSX litigation numbers 2. Medical device tax vote 3. Industry M&A 4. Ex-US growth numbers

VALUATION

		Discount Rate				
		6%	7%	8%	9%	10%
Terminal Multiple	13.5	\$38	\$36	\$34	\$33	\$32
	14.0	\$39	\$37	\$36	\$34	\$33
	14.5	\$40	\$38	\$37	\$35	\$34
	15.0	\$41	\$39	\$38	\$36	\$35
	15.5	\$42	\$40	\$39	\$37	\$36
	16.0	\$43	\$42	\$40	\$38	\$37
	16.5	\$45	\$43	\$41	\$39	\$38

(US\$M)

	2014	2015	2016	2017	2018
Revenues	124,138.8	139,585.1	157,282.9	177,550.1	199,922.3
EBIT	23,278.5	29,886.9	35,120.1	42,903.4	51,594.5
Net Income	16,289.3	20,925.8	24,589.0	30,037.3	36,121.0
Diluted EPS	0.9	1.2	1.4	1.7	2.0
Gross Profit Margin %	70.0%	70.0%	70.0%	70.0%	70.0%

WRAP UP

CATALYSTS/RISKS

IT'S ALL ABOUT CALCULATED RISKS

INDUSTRY DISCOUNTS: INVESTOR THOUGHTS

FURTHER HEALTHCARE REFORM LEGISLATION

Additional taxes or changes to reimbursement policy could prove a punishing blow to an already stumbling medical device industry

CONTINUALLY HIGHER LITIGATION EXPENSES

Should the company continue to see success in product like GuideLiner, sustained higher litigation expenses could weigh on margins

SLOWING SECULAR GROWTH IN US

Medtech growth flat lining in recent years under pricing pressures and hospital spending austerity measures in US

COMPANY SPECIFIC COUNTER-CATALYSTS

NOV 2014: US REPEALS MEDICAL DEVICE EXCISE TAX

Clinton in open discussion with medtech industry on benefits of repealing tax; republicans need to win senate vote next month

Q4 2014: RESEARCH BEING OVERLY HARSH IN BSX ESTIMATES

Research pricing in litigation expense based on original settlement timeline of Q4 2014; we foresee better than expected numbers

MARKET NICHE + EX-US PRESENCE

Steady pipeline of new "critical surgery" products + sustaining numbers out of Japan and Europe (40% YoY growth)

VALUE REALIZATION: INCREASING SIZE BY GROWTH, ATTENTION FROM BIGGER PLAYERS (EX: LEGAL) AND REALIZATION OF CATALYSTS

INVESTMENT THESIS

THREE WORDS: SOLID, SOLID, SOLID

BEST-IN-BIZ MANAGEMENT

CEO and co-founder Howard Root is longest tenured, current CEO at any company in medtech space

INTERNAL

HITTING LOTS OF SINGLES AND DOUBLES WINS GAMES

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MONEY TALKS

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SAFE SPACE

The industry negatives (excise tax, secular growth) crushing the big players hardly impact VASC due to unique size, revenue growth and profitability

EXTERNAL

NOW WHAT?

GOING FORWARD

NIP TUCK: GIVING THIS SECTOR A MAKEOVER

**SELL HEALTHCARE ETF
+\$72,913**

Currently holding ETF, Cubist and TSO₃ with a need for more and more stable holdings

Inflow of approximately \$72,913 that we will split based on conviction between ZTS and VASC

**BUY ZOETIS 2% POSITION
BUY VASC 4% POSITION**

Zoetis is a large stable company that we feel is a strong sector performer (they'd be a sector outperformer if they weren't the only company in the sector)

VASC is a solid company that will gain investor attention as others in the space stagnate

**WAIT FOR TSO₃, THEN SELL
MONITOR CUBIST FOR PRICE
DROP THEN RE-ENTER**

TSO₃ approval eminent, hoping they get bought out if not we sell

Cubist still attractive and we would look to increase our position should the price drop below \$65 given unchanged investment thesis

**IT'S NOT A QUESTION OF
STAYING HEALTHY. IT'S A
QUESTION OF FINDING A
SICKNESS YOU LIKE**

- JACKIE MASON

APPENDIX

CUBIST PHARMACEUTICALS

RE-ENTRY PRICE AND RECENT PERFORMANCE

CUBIST PHARMACEUTICALS

ALL THESIS TENETS HOLD, STRONG Q3 EARNINGS

INVESTMENT THESIS

Cubist Pharma is an attractive investment opportunity due to its strong pipeline and productive R&D activities

Cubist will continue to diversify its product portfolio and achieve success with its current product offering

= Stable investment in the near future

RECOMMENDATION: HOLD

DCM Revised Target Price

\$90

Upside

30%

Catalysts

1. CXA-201 Approval
2. Hospira legal outcome
3. M&A

VALUATION

		Discount Rate				
		7%	8%	9%	10%	11%
Terminal Multiple	14.5	\$90	\$86	\$82	\$78	\$75
	15.0	\$93	\$88	\$84	\$81	\$77
	15.5	\$95	\$91	\$87	\$83	\$80
	16.0	\$98	\$94	\$90	\$86	\$82
	16.5	\$101	\$96	\$92	\$88	\$84
	17.0	\$104	\$99	\$95	\$91	\$87
	17.5	\$107	\$102	\$97	\$93	\$89

(US\$M)

	2014	2015	2016	2017	2018
Revenues	1,204.1	1,463.8	1,785.0	2,242.2	2,048.6
EBIT	88.1	265.4	507.8	899.4	677.1
Net Income	33.2	152.9	317.6	585.9	423.6
Diluted EPS	0.3	1.6	3.3	6.2	4.4
Gross Profit Margin %	73.0%	75.5%	77.9%	80.7%	76.7%

BIOTECH BULLS

THEMES FUELING BIOTECH BOUNCE BACK

FDA INTERCHANGEABILITY DESIGNATION

- US FDA has authority to deem a biosimilar as “interchangeable” with original branded drug
- Currently under review: guidelines on how to establish the interchangeability designation
- A high clinical bar that calls on extensive R&D would make biosimilar encroachment less of a threat to biotech

BREAKTHROUGH THERAPY DESIGNATION

- In July 2012, the FDA created the Breakthrough Therapy Designation to accelerate development of new drugs for difficult-to-treat critical illnesses
- As more companies master the BTD process and submit applications, a new status quo in drug approval timelines may emerge

M&A: PHARMA DIPPING INTO BIOTECH

- Large pharma companies viewing biotech as a discovery engine is leading to competitive licensing and M&A deals
- Catalyst for pipeline reassessments across early-stage biotechs with innovative platforms

DATE	TARGET	ACQUIRER	TOTAL VALUE	PREMIUM TO 1-MONTH AVG PX
8/24/2014	InterMune	Roche Holding	\$7,808	54%
4/23/2012	Ardea Biosciences	AstraZeneca	\$1,123	51%
4/19/2012	Human Genome Sciences	GlaxoSmithKline	\$3,013	84%
6/30/2010	Abraxis BioScience	Celgene	\$2,733	23%
3/1/2010	OSI Pharmaceuticals	Astellas Pharma	\$3,259	61%
2/28/2010	EMD Millipore	Merck KGaA	\$6,806	42%

TSO₃ INC.

PATIENCE IS A VIRTUE

TSO₃ INC.

PATIENCE IS A VIRTUE

INVESTMENT THESIS

TSO₃ has an industry-changing sterilization product that makes them an extremely attractive acquisition target given FDA approval

With sufficient cash to last until ~2016 and an approval expected before the end of 2014 we are cautiously optimistic

RECOMMENDATION: HOLD

DCM Target Price	\$1.75
Upside	60%
Catalysts	1. Regulatory updates 2. Regulatory updates 3. Regulatory updates

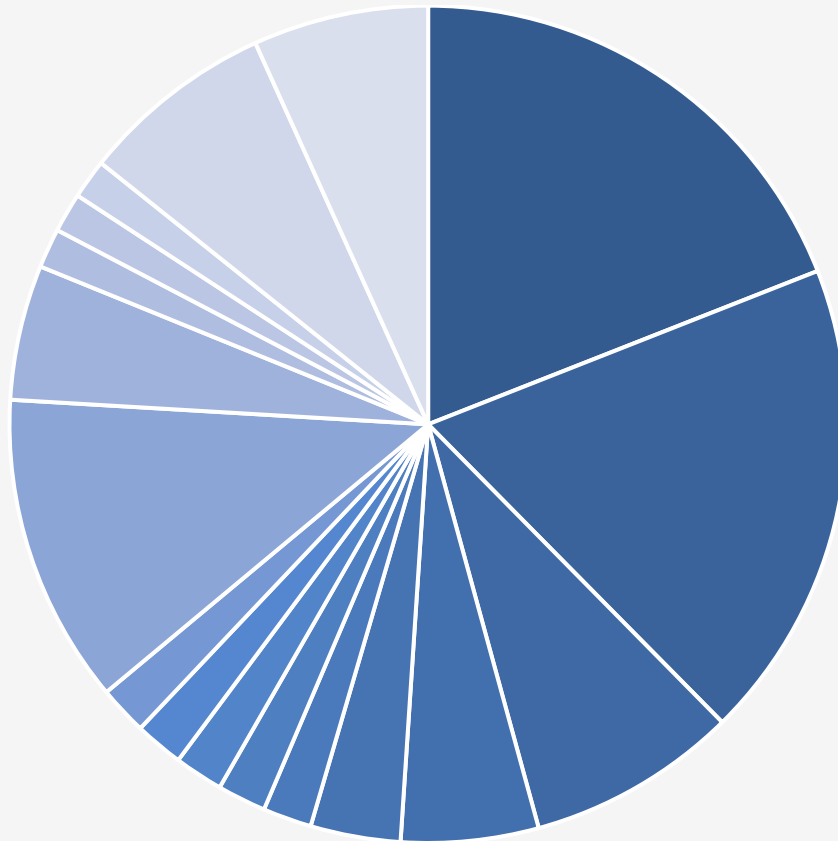
POSSIBLE OUTCOMES

- 1 Obtains FDA approval and announces supply chain agreement
- 2 Obtains FDA and gets bought out by large player (Johnson & Johnson, 3M, Getinge...)
- 3 Gets bought out by large player before receiving FDA approval
- 4 Does not get FDA approval

VASCULAR SOLUTIONS

REVENUE BY PRODUCT

HOLY DIVERSIFICATION BATMAN



- GuideLiner - 19%
- Pronto - 18%
- Micro-Introducers - 8%
- Langston - 5%
- SmartNeedle - 3%
- Venture - 2%
- Guardian - 2%
- SuperCross - 2%
- Snares - 2%
- Minnie - 2%
- D-Stat Dry - 12%
- D-Stat Flow - 5%
- Vasc Band - 2%
- D-Stat Radial - 2%
- Accumed wrist splint - 2%
- ClosureFAST - 7%
- Varai-Lase - 7%

PRODUCT MARKET PENETRATION

PAYING A PREMIUM FOR A NICHE TUCK-IN

PRODUCT	SEGMENT	MARKET INTRODUCTION	2013 SALES (M)	ESTIMATED MARKET POTENTIAL
GuideLiner	Catheter	2009	\$20.8	>\$50
Pronto	Catheter	2003	\$20.3	\$100
Micro-Inducers	Catheter	2003	\$8.9	\$75
Langston	Catheter	2004	\$5.8	>\$10
SmartNeedle	Catheter	2010	\$3.8	>\$5
Venture	Catheter	2013	<\$3	>\$5
Guardian	Catheter	2007	<\$3	\$100
SuperCross	Catheter	2011	<\$3	>\$20
Snares	Catheter	2008	<\$3	>\$40
Minnie	Catheter	2009	<\$3	\$30
D-Stat Dry Thrombix	Hemostat	2003	\$13.1	\$50
D-Stat Flowable	Hemostat	2002	\$5.7	\$10
Vasc Band radial hemostat	Hemostat	2013	<\$3	\$50
D-Stat Radial	Hemostat	2004	<\$3	\$25
Accumed wrist split	Hemostat	2012	<\$3	\$15
ClosureFAST	Vein	2012	\$8.2	>\$20
Vari-Lase Kits	Vein	2003	\$7.4	>\$200

INORGANIC GROWTH

WHY BOTHER DOING IT OURSELVES

DATE	SUCCESSFULLY INTEGRATING ACQUIRED PRODUCTS AND SERVICES
September 2013	Initial payments to Northeast Scientific Inc. for the acquisition of exclusive eight-year rights
December 2012	Acquired Teirstein Edge device organizer and AngioAssist docking station assets from Shepherd Scientific Inc
August 2012	Acquired Venture wire control catheter from St Jude Medical
June 2012	Acquired Accumed wrist positioning splint from Accumed Systems Inc
January 2012	Acquired rights, patents and intellectual property related to Pronto catheter from Dr. Pedro Silva
December 2011	Acquired exclusive five-year rights to sell ClosureFAST catheter in the US from Northeast Scientific Inc
January 2011	Acquired Guardian hemostasis valve assets form Zerusa Limited

PRODUCT REVENUE GROWTH

IMPRESSIVE TO SAY THE LEAST

