

Asterand*

Healthcare
ATD (FTSE FULL LIST)

Taking it in stride

Asterand continues to grow its core human-based tissue supply business, despite facing significant headwinds from an industry in transition—the global pharmaceutical sector has significantly reduced its 09 R&D spend. With a recent acquisition already generating new sales, the group is now poised to benefit from significant cross-selling opportunities.

Investment Case

- Results in line with our expectations
- Further expansion of tissue supply network
- Recent acquisition presents significant cross-selling opportunities
- Target price increase to 25p, indicating 39% upside

2009 full year results

Buy Upside
39%

What's Changed

2010E EPS from 0.4p to 0.5p
Price Target from 24p to 25p

Price 18p
Target Price 25p



Source: Proquote

Shares in issue	113.2m
Net Debt/(Cash)	£(4.3)m
Market Cap	£20.4m
Enterp. Value	£16.1m
Next Event	Interim Results – Aug. 2010
<small>Net Debt is current year estimated</small>	

*Daniel Stewart acts as Broker to Asterand

Forecasts (£m) 12/08A 12/09A 12/10E 12/11E

Turnover	15.2	12.0	16.0	19.2
EBITDA	3.1	0.2	0.8	1.9
PBT	2.9	(0.0)	0.7	1.7
Tax (%)	3	15	9	31
EPS (p)	2.4	0.2	0.5	0.8
DPS (p)	0.0	0.0	0.0	0.0

Ratios (x) 12/08A 12/09A 12/10E 12/11E

P/E	7.4	111.4	35.1	21.4
EV/EBITDA	5.2	101.6	19.7	8.3
Yield (%)	n/a	n/a	n/a	n/a

Data is adjusted

Company Description

Human tissue and associated research services provider.
www.asterand.com