



13 August 2007

**Biota Holdings Limited (BTA)**

Speculative Buy

Reports FY07 NPAT of \$20.2 Million; Court Case a Key Focal Point in FY08

\$1.72

Thomas Duthy *PhD MBA*  
tduthy@taylorcollison.com.au  
+61 2 9232 1688**FY07 Key Points**

Biota has reported a FY07 NPAT of \$20.2m (EPS 11.2 cents), a significant turnaround from the \$11.3m NPAT loss in FY06.

Research revenues from Biota's two license partners MedImmune and Boehringer Ingelheim was \$7.3m; in line with expectations.

Litigation expense of \$10.4m was 35% ahead of our expectations, though offset by lower than expected R&D expenditure of \$8.2m.

Closing cash of \$62.2m with significant positive OCF of \$21.0m.

FY08 management guidance of modest growth in Relenza™ royalties with profitability and positive cash flows maintained.

**Summary**

<b>Market Capitalisation (M)</b>	<b>\$325.4</b>
<b>Share Price</b>	<b>\$1.72</b>
Shares on Issue (M)	183.3
52 Week High	\$1.93
52 Week Low	\$1.13
<b>Valuation Per Share (fully diluted)</b>	<b>\$2.60</b>
12 Month Price Target	\$2.60
<b>Cash (M) as at 30/06/07</b>	<b>\$62.2</b>

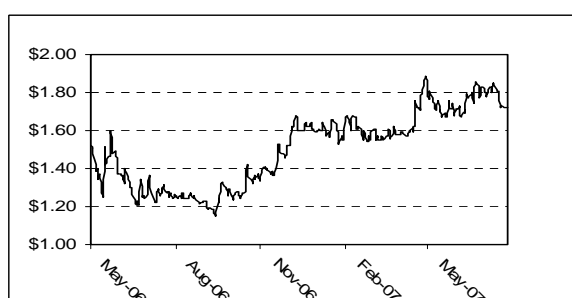
**Key Financials (A\$'000)**

Year End	FY06 Actual	FY07 Actual	FY08 Est.
Relenza Royalties	5,189	39,789	53,260
Partnering Income*	2,243	5,726	6,923
<b>Total Revenue</b>	<b>14,967</b>	<b>57,300</b>	<b>82,265</b>
Litigation Expense	(4,397)	(10,426)	(15,000)
Total Op. Expenses	(17,314)	(29,724)	(47,583)
R&D Expenses	(7,685)	(8,198)	(13,345)
<b>EBITD (ex Abs)</b>	<b>(10,134)</b>	<b>21,571</b>	<b>26,307</b>
EBIT	(11,120)	20,026	23,098
Adj. NPAT	(8,864)	22,533	26,206
<b>Reported Profit</b>	<b>(11,306)</b>	<b>20,180</b>	<b>22,333</b>
Adj. EPS (c)	(5.4)	12.5	14.3
Reported EPS (c)	(6.9)	11.2	12.2
Adj. PE Ratio (x)	n/a	<b>13.8</b>	<b>12.0</b>

\* Upfront/Milestones only (ex-R&amp;D income)

**Our View**

- Biota has reported a maiden profit of \$20.2m, in-line with our expectations and highlights the significant royalty uplift from continued government stockpiling of the influenza drug Relenza™. Relenza™ royalties of \$39.8m were in line with estimates and up very significantly (667%) pcp. More details on the VCP and CSIRO royalty buy-outs were evident in the preliminary report with Biota recognising a PV provision for future payment to VCP/CSIRO of targeted Relenza™ sales of \$6.3m and capitalised a \$13.8m pre-payment intangible to be amortised over 7 years, reflecting patent life. Actual cash outlay from the 2x buybacks was \$5.5m for the FY. On our forward numbers to FY14 on patent expiry, the PV of future CSIRO/VCP payments was \$38.0m, further verifying the 2x buy-backs were value accretive for Biota.
- We have increased our FY08 expectations for litigation expense to \$15.0m based on mgt guidance. In our view sunk expenditure of \$18.5m (pro-forma \$33.5m) coupled with a potential contingent liability of \$17.4m as at the FY (risk sharing with Company's advisers) continues to remain an overhang on Biota's scrip, particularly given the continued (and growing) negative impact on forecast EPS. However, we still take the view that settlement is the most likely outcome to the dispute and as such, expect the \$15.0m litigation expense guidance as a worst case. We have not factored into our FY08 estimates any settlement one-offs.
- In our view, GSK's 3Q CY07 Relenza™ sales now become a crucial indicator for annual capacity, which has been challenging to ascertain to date given sales volatility qoq. We have trimmed our FY08 Relenza™ expectations by 7.6% to \$53.3m (assumes volumes of 30.4m) in line with the low end of previous GSK volume guidance and comments that CY07 capacity was "mostly" pre-sold. We maintain our FY09 Relenza™ expectations of \$52.7m, with 64.9% of such estimates dependant on new govt orders (e.g. UK, Japan) coupled with seasonal sales. We are forecasting an adjusted FY08 NPAT of \$26.3 million, representing EPS of 14.3 cents and a PE multiple of 12.0x. Including significant items, we expect Biota to report an NPAT of \$22.3m. Despite the lumpiness of qoq Relenza™ royalties, FY08 is shaping up as another strong year for Biota with the current valuation effectively discounting any notion of a settlement with GSK during FY08; an event we consider probable. We maintain our Speculative Buy recommendation and 12 month target of \$2.60.

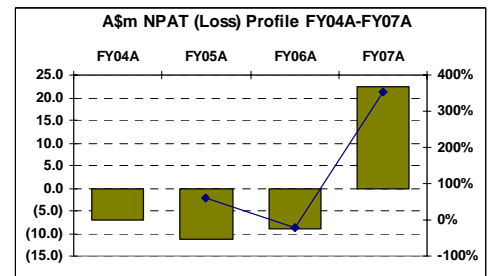
**Share Price Graph (A\$)**

## FY07 Overview

Biota remains the premier anti-viral drug development company in Australia. Over the last FY, revenues have grown significantly, principally due to royalties from the anti-influenza drug, Relenza™. Sizeable government stockpiling in the event of a pandemic influenza outbreak and capacity expansion by Biota's licensee, GlaxoSmithKline (GSK) remains the key driver.

### Relenza™ – Significant Royalty Growth on pcp

Biota has reported an FY07 NPAT of \$20.2 million, a significant turnaround on the NPAT loss of \$11.3 million in FY06 (see across). The result was primarily driven by royalties on sales of the influenza drug Relenza™ by GlaxoSmithKline (GSK). GSK has significantly expanded capacity since the beginning of CY06 when capacity was just 1 million treatment courses. We note, according to our estimates, that 14.65 million treatment courses have yet to be fulfilled.

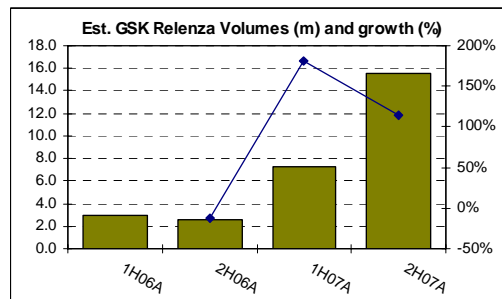


Source: Company

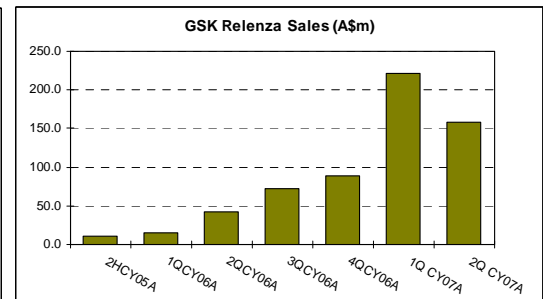
Reported FY07 NPAT loss of \$20.2 million.

We believe annual Relenza™ capacity by GSK could be in excess of 30 million treatment courses. GSK management has indicated previously that capacity could be increased to 30-45 million in CY07, subject to demand. We have provided a snapshot of GSK's sales and estimated volumes (assuming an average price of A\$25 per treatment course) below. In average AUD terms, global Relenza™ sales were A\$540.4 million for the FY07 period, up from \$67.7 million in FY06.

Global Relenza™ sales of \$540.4 million for FY.



Source: TC estimates

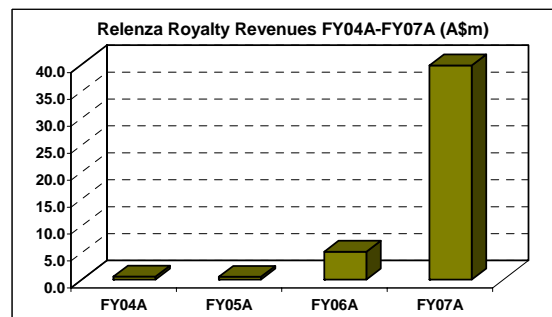


Source: Biota

Biota's recognised royalties were up 667% pcp to \$39.8 million, driven largely by early government stockpiling orders being fulfilled. We note the surprise in the 4Q07 royalties which lead to a downgrade in our FY expectations (see Report dated 30 July) and subsequently to Biota's own guidance. Despite this, growth was significant on pcp. As mentioned, on our estimates we believe there are approximately 14.65 million treatment courses yet to be fulfilled by GSK,

Recognised royalties of \$39.8m, up 667% pcp.

14.65m treatment course potentially outstanding.



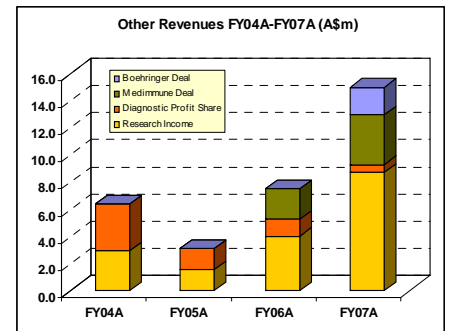
Source: Company

representing potential future revenues to Biota of approximately \$25.6 million. This figure specifically excludes any retail sales contribution to overall Relenza™ sales, which has commenced in the US and Australia and most likely Europe. Furthermore, we have identified several governments such as the UK and Japan, who currently have only stockpiled Tamiflu® to protect the population in the event of a pandemic. In our view, this shortcoming in Relenza™ stockpiling will drive future orders based on (1) resistance of H5N1 influenza against Tamiflu® and (2) safety concerns with Tamiflu® use.

### Other Revenue Segments

Profit share from sales of the influenza diagnostic FLU OIA<sup>®</sup> was \$0.5 million, which was down 57.9% pcp and well below our estimates. The product has clearly entered the decline state of the product life cycle, and as such we have reduced our forward profit share to \$0.4 million in FY08 and FY09. The Company also recognised a further \$5.7 million resulting from the upfront payments from both MedImmune (now part of AstraZeneca) and Boehringer Ingelheim. We expect further revenue recognition of \$3.2 million in FY08 of these payments, coupled with the \$3.4 million from the MedImmune milestone payment announced this quarter.

*Further recognition of upfront payments from licensees.*



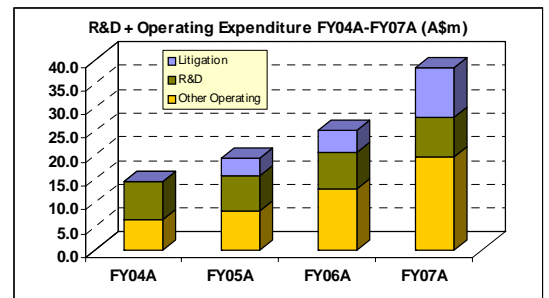
Source: Company, TC estimates

The US government grants (NIH derived) and more particularly the MedImmune, Boehringer milestone payments and payments associated with reimbursement of R&D expenses made by Biota are subject to the Company meeting project milestones for LANI, FLUNET and RSV, respectively. Therefore, such revenues beyond FY08 particularly are by no means guaranteed.

### FY07 Operating Expenditure and Cash Flow Analysis

Excluding depreciation and amortisation, operating and R&D expenditure increased 53% on FY06, which was principally the result of accelerated product development. We note in the case of the RSV and HCV programs, such expenditure is offset by MedImmune and Boehringer Ingelheim, respectively, effectively rendering both programs cost neutral to Biota. Further expenditure in pre-clinical FLUNET and clinical LANI (BTA9881) is also offset by two crucial US government grants worth US\$14.1 million. Therefore, only Biota's HRV program (entering Phase 2 during FY08) and early basic research remain unfunded. As a percentage of total operating expenditure (ex R&D, D&A) litigation expense grew from 25.4% in FY06 to 35.7% in FY07.

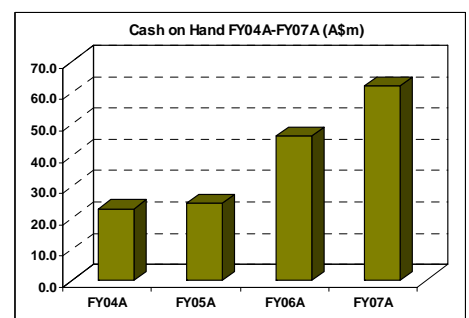
*Litigation expense grew to 35.7% of total operating expenditure.*



Source: Company

Cash on hand increased 34.6% on pcp to \$62.2 million. Free cash flows attributable to operations was a healthy \$21.0 million. We are forecasting free cash flows of \$21.0 million in FY08 principally on flow through of Relenza<sup>™</sup> royalties from existing government stockpiling orders progressively fulfilled by GSK. With respect to capital returns to shareholders, given the unpredictable nature of Relenza<sup>™</sup> royalties and continued GSK litigation, we do not expect management to undertake any capital management activities during FY08. However, should the GSK litigation settle, with a one-off significant lump sum to Biota, we believe Biota directors will consider all capital return alternatives.

*Closing cash of \$62.2 million.*



Source: Taylor Collison

We consider the royalty buy-backs from both VCP and CSIRO completed during FY07 as an excellent capital management initiative, given our view on the accretive impact on cash PV being in the order of \$38.0 million (gross) or \$26.2 million (ex 2 million scrip issue) net, equating to \$0.14 per ordinary share. As mentioned in previous notes, we consider both buy-backs as a prelude to potential settlement with GSK.

## Financial Claim Against GSK Lifted to A\$564-\$708 Million

*Amended claim set to \$564-\$704m.*

Biota lodged the Particulars of its Losses and Damages claim against GlaxoSmithKline (GSK) for failing to support ("best endeavours") the influenza drug Relenza™ in late July. Biota estimated its losses were in the range of A\$564 million to A\$704 million, net of cumulative royalties paid by GSK to Biota to date, which was broadly in line with our previous estimate of at least A\$600 million.

As flagged to the market previously, the revised financial claim was attributable to a revision in estimates of the global stockpiling market, which Biota underestimated by at least 50%. The global stockpiling market stands at US\$5.6 billion, well ahead of the US\$3.0 billion Biota had initially estimated. We understand the high end (ceiling) of the claim was made on assumptions made that GSK would develop an alternative (and superior) inhalation device other than the Diskhaler™ (which did not eventuate), with the present Diskhaler™ device assumptions alone forming the floor of the claim.

*Sunk cost into litigation of \$18.5m as at FY07.*

Total sunk litigation expense to FY07 was \$18.5 million. In our view sunk expenditure coupled with a potential contingent liability of \$17.4 million as at the FY (risk sharing with Company's advisers) continues to remain an overhang on Biota's scrip, particularly given the continued (and growing) negative impact on forecast EPS. However, we still take the view that settlement is the most likely outcome to the dispute as has been observed between Roche and Gilead over Tamiflu®, which resulted in an upfront payment, backdated royalties and a new royalty rate. However, we have not factored into our revenue assumptions a settlement for FY08 or FY09 at this juncture.

We have increased our FY08 expectations for litigation expense to \$15.0 million as per management guidance. Our previous sensitivity analysis has indicated that settlement (net of costs, taxes) of \$90-\$150 million and a royalty rate of 10-14% will result in a revised price target of \$3.22 to \$4.00.

## Pipeline Analysis

*BTA9881 moves to Phase 1a with MedImmune.*

Biota's early stage pipeline continues to develop. The Company, with partner MedImmune announced its lead drug BTA9881 against respiratory syncytial virus (RSV) has commenced a Phase 1a human clinical trial. The trial will primarily assess the safety and tolerability of BTA9881 in 72 healthy adult volunteers via oral, single dose escalating, double-blinded, placebo-controlled study conducted in Australia. Results are expected late 4Q CY07.

Commencement of the trial triggered a US\$3.0 million milestone payment from MedImmune. We note that under the terms of the license deals, clinical trial costs will be met by MedImmune. We are targeting a late FY12 market approval for BTA9881, based on similar clinical development timelines for Synagis® in this indication (CY06 sales US\$1.1 billion).

*CS-8958 also to Phase 1 in the UK, Phase 2 in Japan.*

In the 4Q07 Biota announced it would also initiate a Phase 1 study of CS-8958 (LANI) in the UK, using the recently in-licensed inhaler from Hovione. Daiichi-Sankyo expects to start a Phase 2 study in Japan in October, with regulatory approval filings in Japan slated for end CY09. Biota is currently seeking a ROW license partner for LANI. On a risk-adjusted basis, we currently value LANI at A\$75.3 million.

However, to place LANI in perspective, investors should be aware that Biocryst Pharmaceuticals (NASDAQ:BCRX) recently executed a license deal with Shionogi & Co for peramivir in only Japan and South Korea worth US\$130m and a 10-20% royalty. However, unlike LANI, peramivir has to be injected and has a significant dosing disadvantage to LANI.

*NIH grants to underpin development of LANI, FLUNET.*

As highlighted above, the Company continues to receive significant government grants with respect to its early stage pipeline. In FY07 the Company received a 4 year US\$8.5 million grant from the US NIH to fund development of the Company's FLUNET compounds, which are a particular small molecule class of LANI. This is in addition to the 3 year US\$5.6 million grant for LANI awarded in 2004. As discussed, we expect more significant utilisation of the US\$8.5 million grant in FY08 and FY09 as LANI (CS8958) and FLUNET develop.

The Company plans to commence a Phase 2 study of its candidate HRV drug BTA798 during FY08 in the UK or US with results expected in late FY08, early FY09. Given the nature of the trial and the amount of preparative work required, Biota estimate the trial to cost up to \$15 million, the majority of which will be recognised in FY08. Unlike LANI, HCV, RSV programs, HRV remains un-partnered and as such all costs are borne by Biota.

The Company has provided some guidance that partnering options will be considered after Phase 2. In our view, this is effectively a moving target and we believe that should significant Relenza™ royalties continue into FY08, FY09 then Biota will probably take BTA798 further into clinical development. We have not factored either option into our FY09 model until more certainty exists with development. We consider at this juncture in HRV's development that a US\$120 million license deal is possible.

Given the early stage nature of the license deal with Boehringer Ingelheim we do not expect Biota to recognise any milestone payments attributable to the HCV program during FY08, though collaborative R&D revenues will continue (to the extent that neither party terminates the agreement). We have built in a milestone payment of \$4.0 million in FY09, recognising the overall pre-clinical success of anti-viral drugs in general. We assume such a payment is therefore linked to generating a lead for human clinical trials, potentially during FY09.

*No HCV milestone payments slated in FY08.*

## Outlook

We note that Biota effectively has offsetting revenues for the majority of its operating expenses, including R&D. Specific offsetting revenues from partnering deals for RSV and HCV representing combined FY08 expenditure of \$13.5 million. For LANI and FLUNET development, the Company will utilise its NIH grants, which we believe will be \$5.0 million in FY08.

In our view, GSK's 3Q CY07 Relenza™ sales now become a crucial indicator for annual capacity, which has been challenging to ascertain to date given sales volatility qoq. We have trimmed our FY08 Relenza™ expectations by 7.6% to \$53.3m (assumes volumes of 30.4m) in line with the low end of previous GSK volume guidance and comments that CY07 capacity was "mostly" pre-sold. We maintain our FY09 Relenza™ expectations of \$52.7m, with 64.9% of such estimates dependant on new govt orders (e.g. UK, Japan) coupled with seasonal sales.

We are forecasting an adjusted FY08 NPAT of \$26.3 million, representing EPS of 14.3 cents and a PE multiple of 12.0x. Including significant items, we expect Biota to report an NPAT of \$22.3m. Despite the lumpiness of qoq Relenza™ royalties, FY08 is shaping up as another strong year for Biota with the current valuation effectively discounting any notion of a settlement with GSK during FY08; an event we consider probable. We maintain our Speculative Buy recommendation and 12 month target of \$2.60.

*Adjusted FY08 NPAT forecast of \$26.3m.*

## Biota Holdings Limited - Summary of Forecasts

BTA \$1.72

PROFIT & LOSS SUMMARY (A\$'000)					
Period	FY05A	FY06A	FY07A	FY08E	FY09E
Relenza Royalties	530	5,189	39,789	53,260	52,696
Partnering (License) Income	0	2,243	5,726	6,923	9,096
Research income (inc Grants)	1,554	4,021	8,740	18,539	9,500
<b>Total Revenue</b>	<b>5,049</b>	<b>14,967</b>	<b>57,300</b>	<b>82,265</b>	<b>76,938</b>
<i>Growth (pcp)</i>	-37.3%	196.4%	282.8%	43.6%	-6.5%
<b>Net Operating Revenue</b>	<b>(6,859)</b>	<b>(2,347)</b>	<b>27,576</b>	<b>34,683</b>	<b>62,631</b>
R&D Expenses	(7,337)	(7,685)	(8,198)	(13,345)	(12,500)
<b>EBITDA*</b>	<b>(11,785)</b>	<b>(10,134)</b>	<b>21,571</b>	<b>26,307</b>	<b>44,933</b>
Depreciation	(867)	(986)	(1,228)	(1,288)	(1,473)
Amortisation	0	0	(317)	(1,921)	(1,921)
<b>EBIT*</b>	<b>(12,652)</b>	<b>(11,120)</b>	<b>20,026</b>	<b>23,098</b>	<b>41,540</b>
Net Interest	1,289	2,256	2,507	3,108	5,198
<b>Pre-Tax Profit*</b>	<b>(11,363)</b>	<b>(8,864)</b>	<b>22,533</b>	<b>26,206</b>	<b>46,737</b>
Tax Expense	0	0	2,347	4,204	(2,146)
Minorities	0	0	0	0	0
<b>NPAT Adj.*</b>	<b>(11,363)</b>	<b>(8,864)</b>	<b>22,533</b>	<b>26,206</b>	<b>44,591</b>
<i>Growth (pcp)</i>	n/a	n/a	n/a	16.3%	70.2%
Net Adjustments	(3,700)	(2,442)	(2,353)	(3,872)	6,368
<b>Reported Profit</b>	<b>(15,063)</b>	<b>(11,306)</b>	<b>20,180</b>	<b>22,333</b>	<b>50,959</b>

PER SHARE DATA					
Period	FY05A	FY06A	FY07A	FY08E	FY09E
Adjusted EPS (c) *	(9.2)	(5.4)	12.5	14.3	24.3
<i>Growth (pcp)</i>	n/a	n/a	n/a	14.3%	70.2%
<b>Reported EPS (c)</b>	<b>(12.2)</b>	<b>(6.9)</b>	<b>11.2</b>	<b>12.2</b>	<b>27.8</b>
<i>Growth (pcp)</i>	n/a	n/a	n/a	8.8%	128.2%
Dividend (c)	0.0	0.0	0.0	0.0	0.0
Franking	0%	0%	0%	0%	0%
Gross CF per Share (c)	(9.3)	(3.9)	9.6	13.4	9.2
NTA per share (c)	21.1	28.5	32.2	49.7	88.5

VALUATION MULTIPLES					
Period	FY05A	FY06A	FY07A	FY08E	FY09E
Adjusted PE Ratio (x)*	n/a	n/a	13.8	12.0	7.1
PE Ratio (x)	n/a	n/a	15.4	14.1	6.2
Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EV/EBITD (x)	(26.6)	(29.3)	11.1	8.4	3.9
EV/EBIT (x)	(23.0)	(24.1)	12.6	10.0	4.4

CAPITAL RAISING ASSUMPTIONS					
Period	FY05A	FY06A	FY07A	FY08E	FY09E
Shares Issued (m)	n/a	41.0	0.0	0.0	0.0
Issue Price (A\$)	n/a	0.76	0.0	0.0	0.0
Cash Raised (A\$m)	n/a	31.0	0.0	0.0	0.0

KEY RATIOS					
Period	FY05A	FY06A	FY07A	FY08E	FY09E
EBITD/Sales Margin %	-233.4%	-67.7%	37.6%	32.0%	58.4%
EBIT/Sales Margin %	-250.6%	-74.3%	34.9%	28.1%	54.0%
Current ratio (x)	6.3	4.9	5.3	7.7	8.7
Net Debt : Equity (%)	-92.7%	-98.5%	-86.9%	-81.1%	-96.0%
ROE (%)	-43.6%	-18.9%	38.1%	30.1%	36.9%
Dividend Payout Ratio (%)	0.0%	0.0%	0.0%	0.0%	0.0%

\* Excluding litigation expense, HCV/RSV license upfront/milestone payments, FITB (ex FY09)

BALANCE SHEET SUMMARY (A\$'000)					
Period	FY05A	FY06A	FY07A	FY08E	FY09E
Cash	24,753	46,183	62,156	83,160	133,668
Receivables	972	5,864	9,350	13,162	12,310
Inventories	0	0	0	0	0
Other	0	0	0	0	0
<b>Total Current Assets</b>	<b>25,725</b>	<b>52,047</b>	<b>71,506</b>	<b>96,323</b>	<b>145,978</b>
Investments	0	0	0	0	0
Inventories	0	0	0	0	0
Property Plant & Equip	4,702	5,512	5,152	7,364	6,891
Intangibles	0	0	13,447	11,526	9,605
Deferred Tax Assets	0	0	2,349	6,551	0
Other	0	0	0	0	0
<b>Total Non-Current Assets</b>	<b>4,702</b>	<b>5,512</b>	<b>20,948</b>	<b>25,441</b>	<b>16,496</b>
<b>TOTAL ASSETS</b>	<b>30,427</b>	<b>57,559</b>	<b>92,454</b>	<b>121,764</b>	<b>162,475</b>
Accounts Payable	3,171	4,034	6,004	8,227	11,541
Borrowings	366	0	0	0	0
Provisions	556	516	1,097	792	1,435
Other (Inc Def Rev)	0	6,011	6,457	3,418	3,851
<b>Total Current Liab</b>	<b>4,093</b>	<b>10,561</b>	<b>13,558</b>	<b>12,436</b>	<b>16,826</b>
Borrowings	366	0	0	0	0
Provisions	40	100	6,339	6,339	6,339
Other (Inc Def Rev)	0	0	1,022	433	0
<b>Total Non-Current Liab</b>	<b>298</b>	<b>100</b>	<b>7,361</b>	<b>6,772</b>	<b>6,339</b>
<b>TOTAL LIABILITIES</b>	<b>4,391</b>	<b>10,661</b>	<b>20,919</b>	<b>19,208</b>	<b>23,165</b>
<b>TOTAL EQUITY</b>	<b>26,036</b>	<b>46,898</b>	<b>71,535</b>	<b>102,556</b>	<b>139,309</b>

CASH FLOW SUMMARY (A\$'000)					
Period	FY05A	FY06A	FY07A	FY08E	FY09E
<b>EBIT (excl Abs/Extr)</b>	<b>(12,652)</b>	<b>(11,120)</b>	<b>20,026</b>	<b>23,098</b>	<b>41,540</b>
Add: Depreciation	867	986	1,228	1,288	1,473
Amortisation	0	0	317	1,921	1,921
Change in Pay.	(78)	863	1,970	2,223	3,314
Less: Tax paid	0	0	2,347	4,204	(2,146)
Net Interest	1,289	2,256	2,507	3,108	5,198
Change in Rec.	(361)	(5,374)	(3,486)	(3,812)	852
Change in Prov.	(568)	(20)	(6,820)	305	(643)
Change in FITB	0	0	(2,349)	(4,202)	0
Change in Inv.	0	0	0	0	0
Change in Def. Rev.	0	6,011	1,468	(3,628)	0
<b>Gross Cashflows</b>	<b>(11,503)</b>	<b>(6,398)</b>	<b>17,208</b>	<b>24,504</b>	<b>51,508</b>
Capex	(4,323)	(1,985)	(893)	(3,500)	(1,000)
<b>Free Cashflows</b>	<b>(15,826)</b>	<b>(8,383)</b>	<b>16,315</b>	<b>21,004</b>	<b>50,508</b>
Dividends Paid	0	0	0	0	0
<b>Net Cash Flow</b>	<b>(15,826)</b>	<b>(8,383)</b>	<b>16,315</b>	<b>21,004</b>	<b>50,508</b>

## Disclaimer

Taylor Collison Limited ("Taylor Collison") may from time to time provide corporate advice or other services for, or solicit business from Biota Holdings Limited ("Biota"). For Biota's securities, Taylor Collison may make a market and may sell or buy on a principal basis. The directors and employees of Taylor Collison may from time to time hold shares in Biota.

This report is a private communication to clients and intending clients and is not intended for public circulation or publication or for the use of any third party, without the approval of Taylor Collison. While the report is based on information from sources that Taylor Collison considers reliable, its accuracy and completeness cannot be guaranteed. This report does not take into account specific investment needs or other considerations, which may be pertinent to individual investors, and for this reason clients should contact Taylor Collison to discuss their individual needs before acting on this report. Those acting upon such information and recommendations without contacting one of our advisors do so entirely at their own risk.

### **Taylor Collison Limited** **Sharebrokers and Investment Advisers**

A.B.N. 53 008 172 450  
AFSL No. 247083

Participant of the Australian Stock Exchange Group

Level 2, 12 Pirie Street  
Adelaide, South Australia, 5000  
G.P.O. Box 2046, Adelaide, South Australia, 5001  
Telephone: 08 8217 3900 Facsimile: 08 8231 3506  
Email: [broker@taylorcollison.com.au](mailto:broker@taylorcollison.com.au)

Level 2, 55 Hunter Street  
Sydney, New South Wales, 2000  
G.P.O. Box 4261, Sydney, New South Wales, 2001  
Telephone: 02 9232 1688 Facsimile: 02 9232 1677  
Email: [sydney1@taylorcollison.com.au](mailto:sydney1@taylorcollison.com.au)

[www.taylorcollison.com.au](http://www.taylorcollison.com.au)

ESTABLISHED 1928