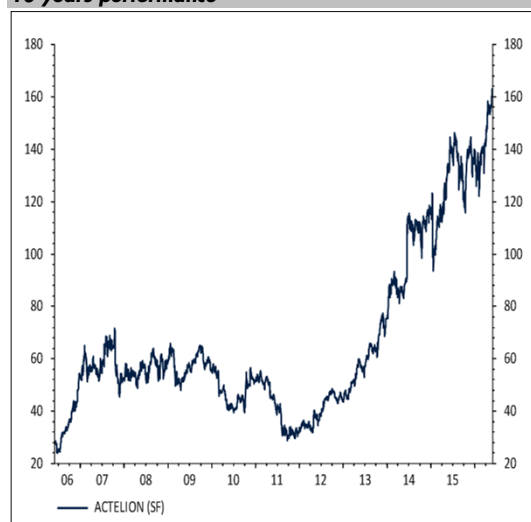


Stock information

Price	31.05.2016	CHF	163.10
Capitalisation		CHF (mn)	18'614
Average volume (000/day)			380.4
52 weeks High / Low			163.1 / 115.9
ISIN		CH0010532478	
Bloomberg Code		ATLN VX	

10 years performance



Graphic IAM - Source Thomson Reuters

1 year relative performance



Graphic IAM - Source Thomson Reuters

Relative and absolute performances

In %	Absolute	Relative *
1 month	6.2	2.5
3 months	18.1	10.4
YTD	18.0	20.2
2015	22.3	19.6
2014	55.2	42.2

*compared to the Swiss Performance Index (SPI)

Description

Founded in 1998 by former employees of Roche, Actelion focuses its R&D on endothelium. This organ lines the inside of blood vessels. It affects blood flow and controls the passage of certain substances from the blood to various organs such as kidneys or brain.

After its IPO in 2000, the firm launched its first drug Tracleer in 2001 in an indication against pulmonary hypertension. This market still accounts for the bulk of sales. The firm sells two other smaller drugs. In 2003, Actelion acquired the license to market Zavesca against Gaucher disease. In 2006, it purchased the rights to sale Ventavis in the United States. Ventavis comes as a complement to Tracleer.

In 2013, Almorexant, the successor of Tracleer, which is also more efficient, was cleared for sale in the USA.

Investment case

The marketing of Opsumit (Almorexant), the follow up drug to Tracleer, will enable Actelion to defend its franchise in hypertension.

In 2016, the firm is starting the sale of Selexipag, an other drug in pulmonary hypertension. Actelion is no longer a mostly one product company.

Per share (CHF)

	2013	2014	2015	2016e	2017e
Earnings	3.92	5.11	4.91	5.29	5.90
Variation	52.5%	30.4%	-3.9%	7.8%	11.4%
Earnings (IBES)	3.92	5.11	4.91	7.08	7.53
P/E	15.1	19.6	33.2	30.8	27.6
P/B	4.0	6.0	14.0	13.2	11.8
P/FCF	11.9	82.3	29.3	27.0	24.8
Dividend	1.2	1.3	1.5	1.6	1.8
Pay-out ratio	31%	25%	31%	30%	30%
Dividend yield	2.0%	1.3%	1.2%	1.0%	1.1%

Strengths

- Strength of R&D.

Weaknesses

- Actelion is essentially a single product company.

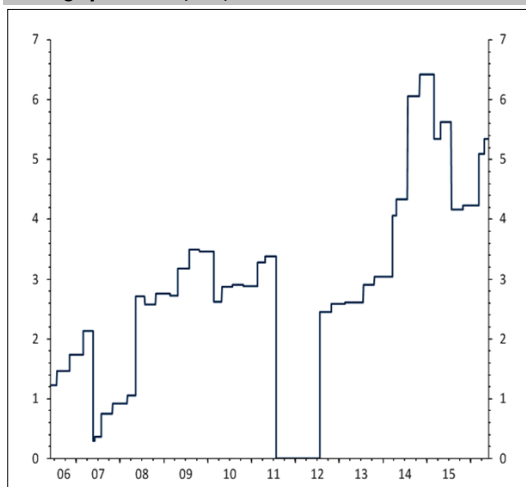
Opportunities

- Extension of the pulmonary hypertension franchise.
- Development of new franchises following a R&D success.

Threats

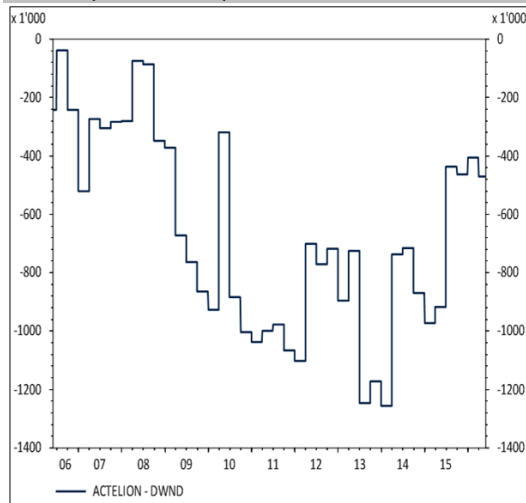
- Competition from bio-similar of Tracleer from 2015.
- Risk of failure of clinical trials

Earnings per share (CHF)



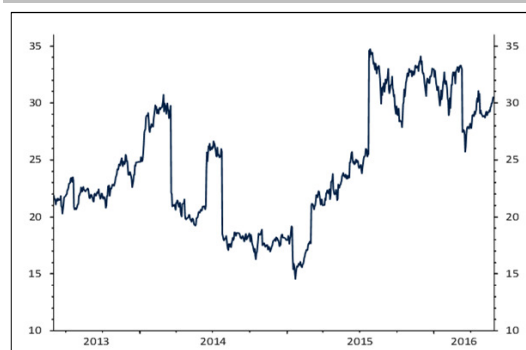
Graphic IAM - Source: Thomson Reuters

Net debt (thousand CHF)



Graphic IAM - Source: Thomson Reuters

Ratio Price / Earnings



Graphic IAM - Source: Thomson Reuters

Key figures (mn CHF), Dec 31st

	2013	2014	2015	2016e	2017e
Earnings	1'786	1'958	2'045	2'020	2'110
variation	3.3%	9.6%	4.5%	-1.2%	4.5%
Operating costs	1'174	1'224	1'247	1'212	1'245
EBITDA	612	734	798	808	865
EBIT	482	570	656	674	730
Earnings before taxes	430	537	635	674	730
Net earnings	453	594	548	579	627
Minorities	0	0	-4	0	0
Shareholders earnings	453	594	552	579	627
Current assets	2'020	1'726	963	994	1'101
Net fixed assets	1'010	1'021	952	956	976
Total assets	3'030	2'748	1'915	1'951	2'077
Equity	1'709	1'920	1'315	1'356	1'464
Working capital	1'048	1'062	542	579	666
Net debt	-635	-924	-338	-390	-505
Operating cash flow	592	159	658	756	794
Capex and R&D	427	462	483	85	85
Free cash flow	574	141	626	661	699

Performance ratio

	2013	2014	2015	2016e	2017e
Operating margin	27.0%	29.1%	32.1%	33.4%	34.6%
Net margin	25.3%	30.3%	27.0%	28.7%	29.7%
Equity yield	26.5%	30.9%	42.0%	42.7%	42.9%
NWC / Sales	58.7%	54.2%	26.5%	28.6%	31.6%
Net debt / EBIT	-131.6%	-162.1%	-51.5%	-57.9%	-69.2%
Net debt / Equity	-37.2%	-48.1%	-25.7%	-28.8%	-34.5%
D&A / PPE	8.4%	9.9%	9.4%	8.8%	8.8%
Capex. / D&A	25%	25%	21%	101%	99%
Capex / Sales	23.9%	23.6%	23.6%	4.2%	4.0%
FCF / Net earnings	126.9%	23.8%	113.4%	114.1%	111.3%

* without R&D

Peers (in chf)

Name	Cap.	P/E current	P/E year +1	Div yield	Perf YTD
ACTELION	18614.3	23.0	21.7	1.0%	18.0%
GILEAD SCIENCES	114951.1	7.2	7.1	2.2%	-23.9%
ROCHE HOLDING	183298.4	17.7	16.2	3.1%	-2.6%

Shareholders

Free float	92.2%	Chairman: Jean-Pierre Garnier
Rudolf Maag	4.7%	CEO: Jean-Paul Clozel
Jean-Paul Clozel	3.1%	CFO: André Muller

Management

Products sales

	2013	2014	2015	2016e	2017e
Marketed products					
Tracleer	1532	1481	1212	600	300
Zavesca	96	103	92	80	60
Ventavis	110	112	105	90	40
Veletri	37	64	83	70	70
Valchor		11	27	70	100
Macitentan / Opsumit	5	180	516	900	1000
New or R&D Products					
Selexipag / Upravi	0	0	0	200	500