

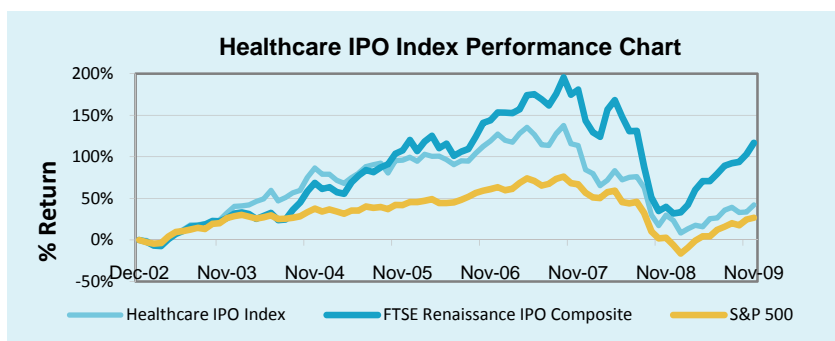
The Renaissance Healthcare IPO Index gained 2% in the fourth quarter, underperforming the FTSE Renaissance IPO Composite Index and the other major equity indices. Helping Index returns was medical staffing company IPC (IPCM) after making two acquisitions which are expected to further fuel its already strong growth profile. Much of the reason for the Index's underperformance this quarter was the negative return of healthcare billing software provider MedAssets, whose shares traded down 8% after issuing lower than expected 2010 guidance. Also weighing in on performance was pediatric nutrition provider and top Index constituent Mead Johnson Nutrition (MJN), whose shares lost 3% over the quarter ahead of the full spin-off by parent Bristol-Myers Squibb (BMY).

Thirteen healthcare IPOs came to market in 2009, raising over \$3 billion (16% of the year's proceeds). The Renaissance Healthcare IPO Index gained a mere 9.5% this year, mainly due to the poor performances of medical device makers CardioNet (BEAT) and Masimo (MASI), and workers' comp insurer Employers Holdings (EIG), which together generated a negative weighted return of 13.4%. Nevertheless, the pipeline continues to swell as the market recovers, with many healthcare IPOs in line to tap the market in 2010.

	Performance				
	Renaissance Health IPO Index	FTSE Renaissance IPO Composite	S&P 500	Russell 2000	NASDAQ Composite
Week	0.5%	0.4%	-1.0%	-1.4%	-0.7%
QTD	2.1%	12.7%	5.5%	3.5%	6.9%
YTD	9.5%	54.9%	23.5%	25.2%	43.9%
1-yr	9.5%	54.9%	23.5%	25.2%	43.9%
3-yr	-35.1%	-11.2%	-21.4%	-20.6%	-6.1%
Alpha	--	-11.8%	-5.9%	-8.4%	-12.2%
Sharpe	-0.57	-0.09	-0.41	-0.26	-0.06

Alpha indicates the unique returns of the Healthcare IPO Index against major equity indices. Results are based on 36 trailing monthly data points.

Top 10 Holdings	
1. Mead Johnson Nutrition (MJN)	Personal Products/Nutrition
2. Talecris Biotherapeutics (TLCR)	Biotechnology/Therapeutics
3. IPC (IPCM)	Medical Staffing/Hospitalists
4. Emdeon (EM)	Software & Systems/Billing Software
5. Select Medical Holdings (SEM)	Healthcare Facilities/Specialty Centers
6. Vitamin Shoppe (VSI)	Personal Products/Vitamins & Wellness
7. Medidata (MDSO)	Healthcare Technology/Software & Systems
8. AGA Medical Holdings (AGAM)	Medical Devices/Stents
9. Team Health Holdings (TMH)	Hospital Services/Ambulance & ER Staffing
10. CardioNet (BEAT)	Medical Devices/Monitoring Systems



Best Contributing Sector	
Medical Staffing	0.5%
Worst Contributing Sector	
Software & Systems	-0.8%
Strongest Quarterly Performers*	
Vitamin Shoppe (VSI)	16.9%
China Nepstar (NPD)	14.8%
Team Health Holdings (TMH)	9.1%
Weakest Quarterly Performers*	
Nanosphere (NSPH)	-13.8%
Cumberland Pharmaceuticals (CPIX)	-13.0%
CardioNet (BEAT)	-12.6%

*Excludes stocks with prices below \$5.00

Summary Statistics	
Index Value	142.16
Number of Holdings	15
Size Characteristics (\$000)	
Total Index Market Cap	\$19,178
Total Index Float Cap	\$5,404
Average Constituent Float Cap	\$360
Largest Constituent	\$1,517
Company Concentration	
Top Ten Holdings	92.8%
Large Cap >\$5B	7%
Mid Cap \$1B-\$5B	20%
Small Cap \$250M-\$1B	53%
Micro Cap <\$250M	20%
Fundamental Characteristics	
Price/Sales	1.6x
Price/Earnings	18.2x
Price/Book	10.3x
Debt/Equity	96.3%
Dividend Yield	0.6%
Risk Measures*	
R-Squared	0.63
Beta	0.94

*as compared to the S&P 500

About the Index

Renaissance Capital, based in Greenwich, CT, has developed and maintains the Renaissance Healthcare IPO Index. Further information about the Index can be obtained from our website www.renaissancecapital.com/index.