

Sector: Health Care
Sub-Industry: Biotechnology

Summary: This company develops and commercializes pharmaceuticals, imaging and diagnostic systems, and instruments for the treatment, diagnosis, and management of ophthalmic disorders.

Quantitative Evaluations

S&P Quality Ranking : **C**



S&P Fair Value Rank: **NR**

Fair Value Calc: **NA**

S&P Investability Quotient Percentile



OPK scored higher than 61% of all companies for which an S&P Report is available.

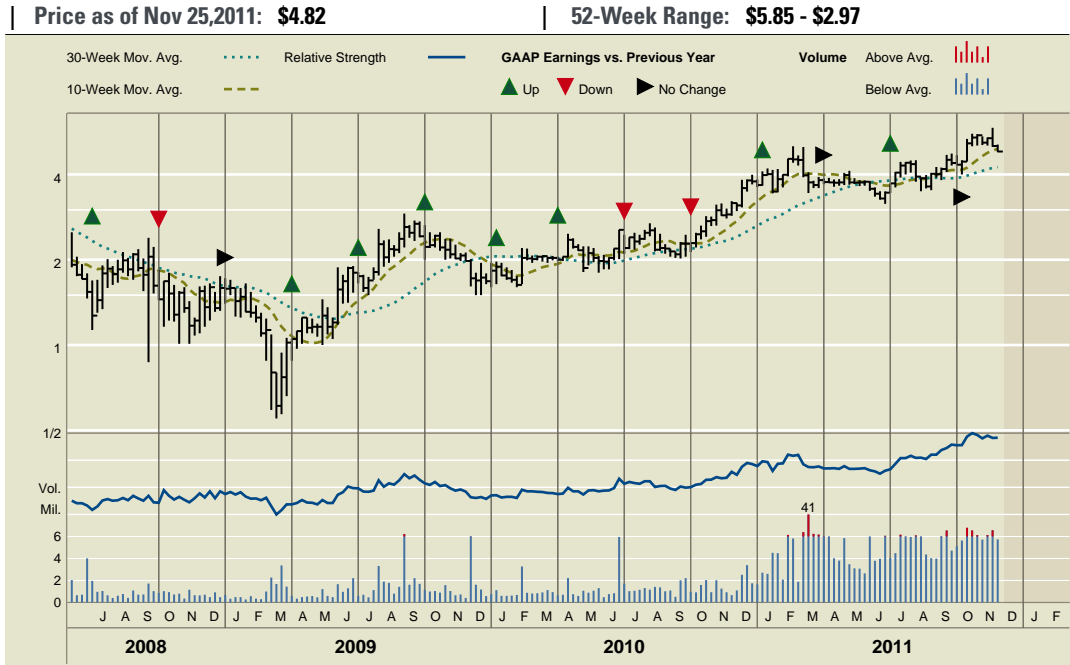
Volatility: **High**



Technical Evaluation: **BULLISH**

Since September, 2011, the technical indicators for OPK have been BULLISH.

Relative Strength Rank: **Strong**



Investment Strategy

Key financial variables to consider in assessing the investment merits of an industrial company are the following:

Sales: What is the trend? Is future sales growth expected to be greater than the past 5-year and 9-year growth average? Accelerating sales growth ultimately provides the fuel behind earnings growth.

Net Margin: As a key measure of company profitability, a rising net margin assesses management capability to wring out more net income from incremental sales.

% LT Debt to Capitalization: A rising percentage implies greater financial risk, all else being equal. Rising debt leverage without a concomitant rise in Return on Equity should raise warning signals of potential cash flow problems. Percentages above 40%-50% should also be considered a warning.

% Return on Equity: A key performance measurement of capital efficiency assesses what investment returns management can earn on a company's existing capital base. A sustained percentage above 20% is considered above average.

Key Growth Rates and Averages

Past Growth Rate (%)	1 Year	3 Year	5 Year	9 Year
Sales	NM	NM	NA	NA
Net Income	NM	NM	NM	NM

Ratio Analysis (Average)

Net Margin	NM	NM	NM	NA
%LT Debt to Capitalization	NA	NA	38.30	19.23
% Return on Equity	NM	NM	NM	NM

Revenues/Earnings Data Fiscal year ending Dec. 31

Revenues (Million \$)	2011	2010	2009	2008	2007	2006
1Q	8.65	7.92	2.30	2.82	--	Nil
2Q	10.14	7.45	2.35	0.88	Nil	Nil
3Q	6.81	7.60	1.50	4.05	Nil	Nil
4Q	--	13.90	7.00	1.69	0.85	Nil
Year	--	36.88	13.15	9.44	0.85	Nil

Earnings per Share (\$)	2011	2010	2009	2008	2007	2006
1Q	-0.02	-0.02	-0.04	-0.06	-3.87	-0.02
2Q	-0.02	-0.03	-0.02	-0.06	-0.09	Nil
3Q	-0.03	-0.03	-0.02	-0.04	0.01	-0.03
4Q	--	Nil	-0.04	-0.05	-0.05	-0.02
Year	--	-0.08	-0.13	-0.21	-2.09	-0.04

Next earnings report expected: **NA**

Historical GAAP earnings are as reported.

Key Stock Statistics

Average Daily Volume	1.681 mil.	Beta	1.22
Market Capitalization	\$1.377 Bil.	Trailing 12 Month EPS	\$-0.08
Institutional Holdings (%)	15	12 Month P/E	NM
Shareholders of Record	332	Current Yield (%)	Nil

Value of \$10,000 Invested five yrs Ago : **\$53,556**

Please read the required disclosures and Reg. AC certification on the last page of this report.

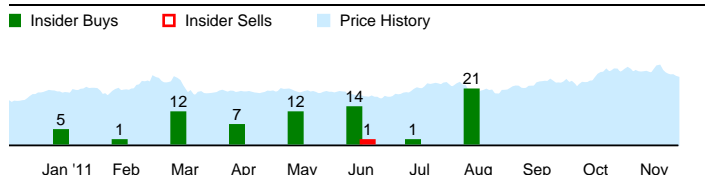
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Wall Street Opinions/Average (Mean) Opinion: Buy

	No. of Ratings	% of Total	1 Mo. Prior	3 Mo. Prior
Buy	2	100	1	1
Buy/Hold	0	0	0	0
Hold	0	0	0	0
Weak Hold	0	0	0	0
Sell	0	0	0	0
No Opinion	0	0	0	0
Total	2	100	1	1

Insider Moves



Dividend Data

No Dividend Data Available

Company Financials Fiscal year ending Dec. 31

Per Share Data & Valuation Ratios (\$)	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Tangible Book Value	0.03	0.16	NM	0.04	0.34	0.39	0.46	0.51	0.89	1.66
Cash Flow	-0.07	-0.12	-0.20	-2.08	-0.03	0.00	-0.13	-0.38	-0.64	-0.55
Earnings	-0.08	-0.13	-0.21	-2.09	-0.04	NA	-0.13	-0.38	-0.67	-0.57
Dividends	Nil	Nil	Nil	NA	Nil	NA	NA	Nil	Nil	Nil
Payout Ratio	Nil	Nil	Nil	NA	Nil	NA	NA	Nil	Nil	Nil
Prices:High	3.99	2.91	3.90	NA	1.09	NA	NA	1.20	3.50	8.25
Prices:Low	1.60	0.55	0.87	NA	0.38	NA	NA	0.27	0.29	2.00
P/E Ratio:High	NM	NM	NM	NA	NM	NA	NA	NM	NM	NM
P/E Ratio:Low	NM	NM	NM	NA	NM	NA	NA	NM	NM	NM

Income Statement Analysis (Million \$)

Revenue	36.9	13.2	9.44	0.85	Nil	NA	Nil	0.01	0.56	1.33
Operating Income	-13.4	-22.6	-35.3	-23.2	-1.12	-1.44	-2.05	-3.02	-7.68	-10.2
Depreciation	3.87	2.36	1.82	0.18	Nil	0.00	0.01	0.06	0.47	0.29
Interest Expense	NA	NA	NA	NA	Nil	0.00	0.00	0.00	0.02	0.01
Pretax Income	-18.8	-30.4	-39.9	-268	-0.65	-0.19	-1.93	-5.79	-10.4	-8.87
Effective Tax Rate	NA	0.97%	0.21%	0.03%	NM	NM	NM	NM	NM	NM
Net Income	-18.9	-30.1	-39.8	-268	-0.65	-0.19	-1.93	-5.79	-10.4	-8.79

Balance Sheet & Other Financial Data (Million \$)

Cash	18.0	42.7	6.68	23.4	8.60	8.90	8.73	10.1	6.74	15.5
Current Assets	54.1	63.8	13.5	29.2	8.75	9.00	10.1	11.3	17.3	26.3
Total Assets	77.9	87.4	21.8	39.6	8.75	9.00	10.1	11.3	17.5	27.6
Current Liabilities	27.6	13.0	7.71	9.72	0.67	0.28	0.24	1.04	1.33	1.30
Long Term Debt	NA	11.9	13.7	13.1	Nil	Nil	Nil	Nil	0.11	0.20
Common Equity	23.0	57.7	0.35	16.8	8.07	8.71	9.82	10.3	16.1	26.1
Total Capital	62.3	74.0	14.2	32.4	8.08	8.72	9.83	10.3	16.2	26.3
Capital Expenditures	0.81	0.17	0.38	0.49	Nil	NA	NA	NA	NA	0.50
Cash Flow	-17.7	-28.6	-38.2	-268	-0.41	0.05	-2.14	-5.95	-10.1	-8.68
Current Ratio	2.0	4.9	1.8	3.0	13.0	32.5	42.1	10.9	12.9	20.2
% Long Term Debt of Capitalization	Nil	16.1	96.8	40.3	Nil	Nil	Nil	Nil	0.7	0.8
% Net Income of Revenue	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
% Return on Assets	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
% Return on Equity	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM

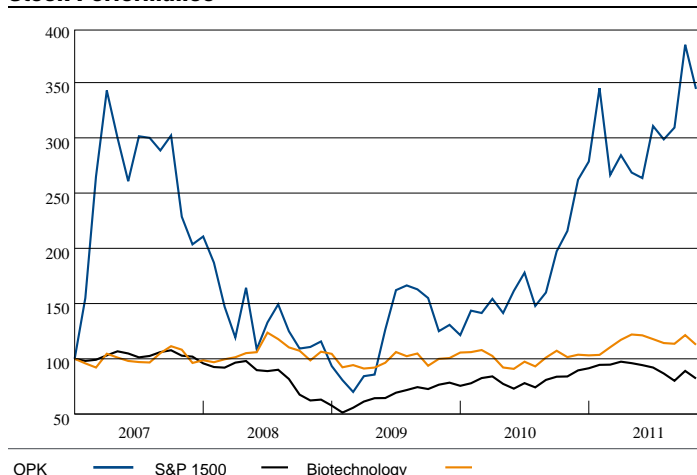
Data as orig. rept;d; bef. results of disc opers/spec. items. Per share data adj. for stk. divs. as of ex-div date. NA-Not Available. NM-Not Meaningful. NR-Not Ranked.

Office: 4400 Biscayne Boulevard, Miami, FL, 33137
Tel: 305-575-4100
Website: <http://www.opko.com>
Chrmn & CEO: P. A. Frost
Vice Chrmn & CTO: J. H. Hsiao

Dir: R. A. Baron, T. E. Beier, P. A. Frost, J. H. Hsiao, R. A. Lerner, J. A. Paganelli, R. C. Pfenniger, Jr., S. D. Rubin, L. Yu
SVP & CFO: S. Upaluri

Secy & General Counsel: K. Inman
Treas & Chief Acctg Officer: A. Logal
Founded: 1991
Domicile: Delaware
Employees: 220

Stock Performance



	Company(%)	Industry(%)	S&P 1500(%)
YTD Return	31.3	8.7	-8.2
One Year Return	55.0	8.2	-3.6
Three Year Return (% Annualized)	52.1	5.1	11.4
Five Year Return (% Annualized)	39.9	1.8	-3.4
Value of \$10,000 Invested 5 Years Ago	\$53,556	\$10,918	\$8,433

Sub-Industry Outlook

Our positive fundamental outlook for the biotechnology sub-industry for the next 12 months reflects our expectation of investor interest as new and novel therapies establish a presence in the marketplace. To date in 2011, the FDA has approved new drugs for indications that had not seen new approved therapies in many years, including auto-immune disorder lupus, chronic hepatitis C virus, and advanced forms of skin cancer. We anticipate a favorable M&A environment, as pharmaceutical firms seek to offset drug patent expirations and large biotechs boost their drug pipelines amid maturing legacy products. Among the larger names, we view cash flow generation as solid, and note that bellwether Amgen earlier this year became the first biotech company to initiate a regular dividend.

The 2010 health care reform act authorized the FDA to establish a regulatory pathway for approving "biosimilar" drugs. We view the 12-year exclusivity period granted to branded drugmakers favorably, and we do not expect "biosimilars" to reach the market for several years. We expect clinical and manufacturing costs to result in more modest price discounts and higher retained market share for branded medicines than typically seen in the pharmaceutical industry. We also see upfront health care reform impacts being largely offset by an increase in patients with health insurance after 2013.

We are encouraged by a solid pace of new drug approvals to date in 2011, though we are wary of declining longer-term trends in R&D productivity across the biopharma industry. We also see the FDA's inconsistency in approving drugs and

communicating its decisions as an industry overhang. Longer term, we expect wider adoption of biomarker research and genetic-targeted clinical studies to help shorten development timelines and curb expense and drug price growth. We view cancer, infectious diseases and autoimmune treatments as primary growth areas, although we see intense competition in most areas.

We recommend that investors concentrate core holdings on established, profitable companies with broad pipeline growth prospects, as smaller biotechs tend to be more volatile, particularly those with limited cash reserves. We would seek companies with at least two years of operating capital and multiple pipeline value drivers, as it is common for those relying on a single catalyst or value driver to suffer significant share price declines on an unfavorable outcome.

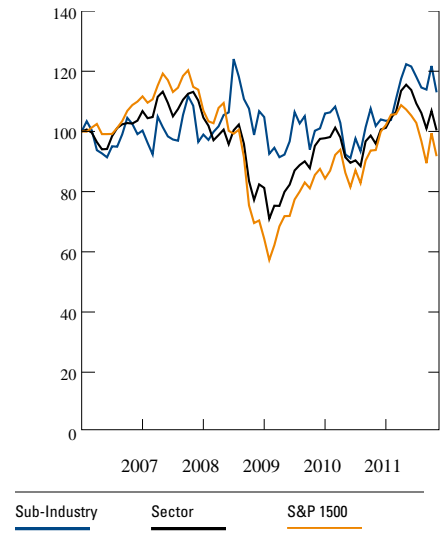
Year to date through November 4, the S&P Biotech Index rose 13.8%, versus a 0.4% decline for the S&P 1500 Composite Index. In 2010, the S&P Biotech Index rose 2.9%, versus a 14.2% advance in the S&P 1500.

--Steven Silver

Stock Performance

GICS Sector: Health Care
Sub-Industry: Biotechnology

Based on S&P 1500 Indexes
Month-end Price Performance as of 10/31/11



NOTE: All Sector & Sub-Industry information is based on the Global Industry Classification Standard (GICS)

Sub-Industry : Biotechnology Peer Group*: Based on market capitalizations within GICS Sub-Industry

Peer Group	Stock Symbol	Stk.Mkt. Cap. (Mil. \$)	Recent Stock Price(\$)	52 Week High/Low(\$)	Beta	Yield (%)	P/E Ratio	Fair Value Calc.(\$)	Quality Ranking	S&P IQ %ile	Return on Revenue (%)	LTD to Cap (%)
Opko Health	OPK	1,377	4.82	5.85/2.97	1.22	Nil	NM	NA	C	61	NA	NA
AVEO Pharmaceuticals	AVEO	648	14.99	21.55/13.00	NA	Nil	13	NA	NR	25	NA	18.5
Acorda Therapeutics	ACOR	829	20.90	33.48/18.36	0.60	Nil	39	12.60	NR	13	NA	3.9
Amarin Corp ADS	AMRN	964	7.10	19.87/5.15	1.26	Nil	NM	NA	NR	9	NM	NA
Dendreon Corp	DNDN	1,169	7.85	43.96/6.46	NM	Nil	NM	NA	C	43	NA	5.3
Genomic Health	GHDX	752	25.44	28.78/17.82	0.64	Nil	NM	18.70	NR	87	2.4	NA
Halozyne Therapeutics	HALO	836	8.10	9.04/5.54	1.49	Nil	NM	NA	NR	77	NA	NA
InhibiTex Inc	INHX	873	11.15	12.08/2.00	NA	Nil	NM	NA	NR	14	NA	2.1
Ironwood Pharmaceuticals	IRWD	1,083	10.80	16.50/9.97	NA	Nil	NM	NA	NR	43	NA	0.3
Medivation Inc	MDVN	1,444	41.35	44.93/11.00	1.23	Nil	NM	NA	NR	6	NA	NA
Momenta Pharmaceuticals	MNTA	730	14.57	21.00/10.15	NA	Nil	3	NA	NR	78	31.9	NA
Pharmacyclics Inc	PCYC	872	12.69	13.60/4.75	0.98	Nil	NM	NA	C	21	NA	NA
Seattle Genetics	SGEN	1,727	15.02	22.40/12.29	1.05	Nil	NM	NA	C	21	NM	NA
Spectrum Pharmaceuticals	SPP1	733	12.76	13.54/4.42	1.43	Nil	16	NA	C	75	NA	NA
Theravance Inc	THRX	1,495	20.02	28.95/16.44	1.57	Nil	NM	NA	NR	10	NM	114.9

NA-Not Available NM-Not Meaningful NR-Not Rated. *For Peer Groups with more than 15 companies or stocks, selection of issues is based on market capitalization.

S&P Analyst Research Notes and other Company News**August 1, 2011**

On July 27, 2011, Pascal Goldschmidt, M.D resigned as a member of the board of directors of OPKO Health, Inc.

March 9, 2011

OPK announce the pricing of 27 million shares of common stock at a price of \$3.75 per share.

March 3, 2011

OPK announces that it intends to offer and sell \$100M of its common stock in an underwritten public offering.

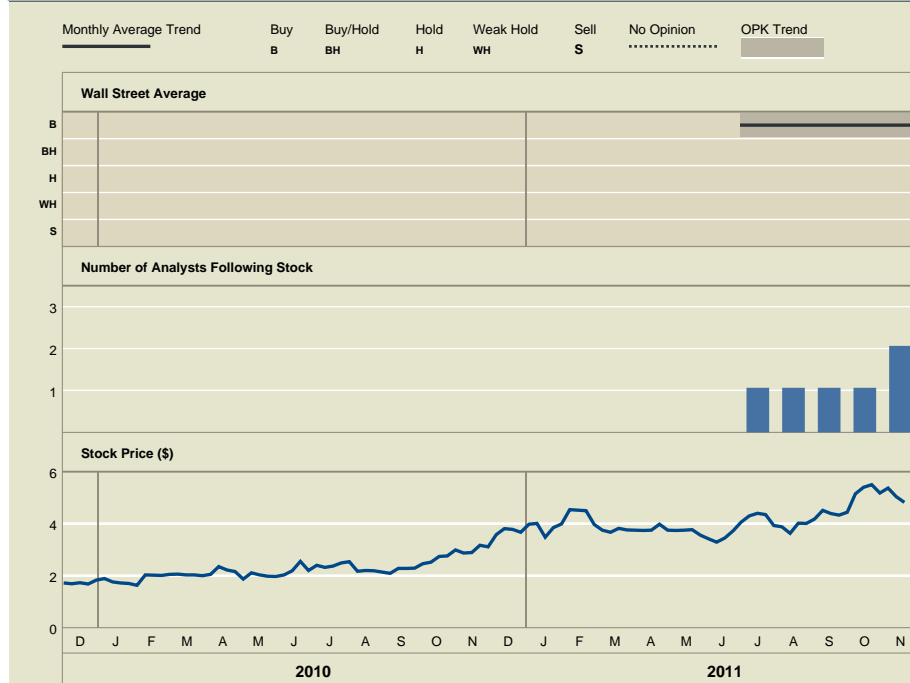
November 10, 2010

OPKO Health, Inc. restated earnings results for the third quarter and nine months ended September 30, 2009 and year ended December 31, 2009. The company's previously issued consolidated financial statements as of and for the year ended December 31, 2009, and interim condensed consolidated financial statements for the quarterly and year-to-date periods ended September 30, 2009 and as of March 31, 2010 and June 30, 2010 should not be relied upon due to improper accounting treatment of its Series D Convertible Preferred Stock issued in September 2009. To properly account for the preferred stock, the company has restated its previously issued consolidated financial statements as of and for the year ended December 31, 2009, and interim condensed consolidated financial statements for the quarterly and year-to-date periods ended September 30, 2009 and as of March 31, 2010 and June 30, 2010. The adjustments will result in changes to the Company's balance sheets at December 31, 2009, March 31, 2010 and June 30, 2010, and the Company's statement of operations for the quarter and nine months ended September 30, 2009, and the year ended December 31, 2009, but will have no impact on the Company's cash or results from operations. For the third quarter ended September 30, 2009, the company's restated net loss attributable to common shareholders was \$10,298,000 or \$0.04 per basic and diluted share against previously reported net loss attributable to common shareholders of \$6,426,000 or \$0.03 per basic and diluted share. For the nine months ended September 30, 2009, the company's restated net loss attributable to common shareholders was \$25,087,000 or \$0.11 per basic and diluted share against previously reported net loss attributable to common shareholders of \$21,215,000 or \$0.09 per basic and diluted share. For the year ended December 31, 2009, the company's restated net loss attributable to common shareholders was \$34,831,000 or \$0.15 per basic and diluted share against previously reported net loss attributable to common shareholders of \$30,959,000 or \$0.13 per basic and diluted share.

June 2, 2010

Opko Health, Inc. announced that at the annual meeting of stockholders of the company held the stockholders elected Thomas E. Beier and Alice Lin-Tsing Yu, M.D., Ph.D. as directors to serve until the company's 2011 annual meeting of stockholders.

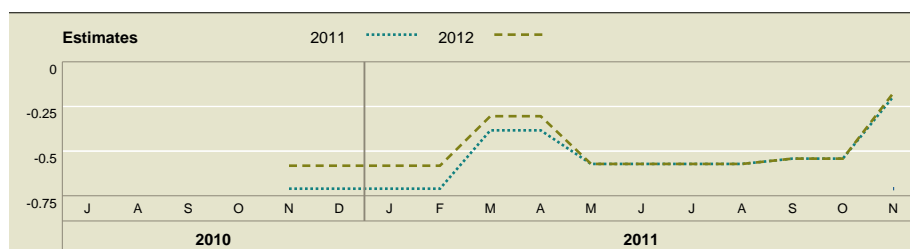
Analysts' Recommendations



Of the total 2 companies following OPK, 2 analysts currently publish recommendations.

	No. of Ratings	% of Total	1 Mo. Prior	3 Mos. Prior
Buy	2	100	1	1
Buy/Hold	0	0	0	0
Hold	0	0	0	0
Weak Hold	0	0	0	0
Sell	0	0	0	0
No Opinion	0	0	0	0
Total	2	100	1	1

Wall Street Consensus Estimates



Fiscal Years	Avg Est.	High Est.	Low Est.	# of Est.	Est. P/E
2012	-0.17	-0.16	-0.18	2	NM
2011	-0.19	-0.19	-0.19	1	NM
2012 vs. 2011	▲ 11%	▲ 16%	▲ 5%	▲ 100%	NA
Q4'12	-0.04	-0.04	-0.05	2	NM
Q4'11	-0.06	-0.04	-0.08	2	NM
Q4'12 vs. Q4'11	▲ 33%	0%	▲ 38%	0%	NA

A company's earnings outlook plays a major part in any investment decision. Standard & Poor's organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years. This graph shows the trend in analyst estimates over the past 15 months.

Wall Street Consensus Opinion

BUY

Companies Offering Coverage

Jefferies & Company, Inc.
Ladenburg Thalmann & Company

Wall Street Consensus vs. Performance

For fiscal year 2011, analysts estimate that OPK will earn \$-0.19. For the 3rd quarter of fiscal year 2011, OPK announced earnings per share of \$-0.03, representing 16% of the total annual estimate. For fiscal year 2012, analysts estimate that OPK's earnings per share will grow by 11% to \$-0.17.

Glossary

S&P Quality Ranking - Growth and stability of earnings and dividends are deemed key elements in establishing S&P's quality ranking for common stocks, which are designed to capsule the nature of this record in a single symbol. It should be noted that, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings. The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

A+	Highest	B	Lower
A	High	B-	Below Average
A-	Above Average	C	Lowest
B+	Average	D	In Reorganization
NR	Not Ranked		

S&P Fair Value Rank - Using S&P's exclusive proprietary quantitative model, stocks are ranked in one of five groups, ranging from Group 5, listing the most undervalued stocks, to Group 1, the most overvalued issues. Group 5 stocks are expected to generally outperform all others. A positive (+) or negative (-) Timing Index is placed next to the Fair Value ranking to further aid the selection process. A stock with a (+) added to the Fair Value Rank simply means that this stock has a somewhat better chance to outperform other stock with the same Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; 4-Stock is moderately undervalued; 3-Stock is fairly valued; 2-Stock is modestly overvalued; 1-Stock is significantly overvalued.

Funds From Operations (FFO) - FFO is Funds from Operations and equal to a REIT's net income, excluding gains or losses from sales of property, plus real estate depreciation.

Fair Value Calculation - The current price at which a stock should sell today as calculated by S&P's computers using our quantitative model based on the company's earnings, growth potential, return on equity relative to the S&P 500 and its industry group, price to book ratio history, current yield relative to the S&P 500, and other factors.

Investability Quotient (IQ) - The IQ is a measure of investment desirability. It serves as an indicator of potential medium-to-long-term return and as a caution against downside risk. The measure takes into account variables such as technical indicators, earnings estimates, liquidity, financial ratios and selected S&P proprietary measures.

Standard & Poor's IQ Rationale:

	Opko Health	Raw Score	Max Value
Proprietary S&P Measures		0	115
Technical Indicators		19	40
Liquidity/Volatility Measures		8	20
Quantitative Measures		63	75
IQ Total		90	250

Volatility - Rates the volatility of the stock's price over the past year.

Technical Evaluation - In researching the past market history of prices and trading volume for each company, S&P's computer models apply special technical methods and formulas to identify and project price trends for the stock.

Relative Strength Rank - Shows, on a scale of 1 to 99, how the stock has performed versus all other companies in S&P's universe on a rolling 13-week basis.

Global Industry Classification Standard (GICS) - An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). GICS is currently comprised of 10 Sectors, 24 Industry Groups, 67 Industries, and 147 Sub-Industries.

Dividends on American Depositary Receipts (ADRs) and American Depositary Shares (ADSs) are net of taxes (paid in the country of origin).

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