



## VolatilityDNA Alert

April 6, 2011

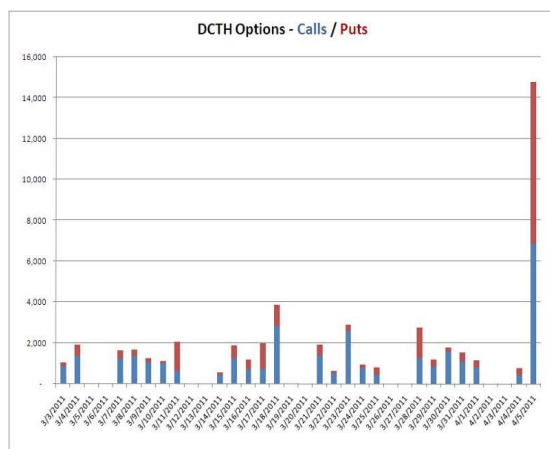
Equity - DCTH - Delcath Systems Inc., - \$7.64 Equity Volatility Range: \$6.00 to \$9.00

Potential Event: Resubmission of NDA to FDA.

Risks: Medium

Investors,

We are seeing multiple indications of a potential volatile movement for Delcath Systems Inc., from our proprietary investment program and believe DCTH will experience a volatile movement in either direction; below \$6.00 or above \$9.00 within the next two months. The option chart below shows the increase in derivative trading over the last several weeks which we believe is based on an impending volatile move for DCTH.



Delcath Systems, Inc. (Delcath), incorporated in August 1988, is a development-stage company that has developed a system designed to administer high dose chemotherapy and other therapeutic agents to diseased organs or regions of the body. The Company focuses on the development of its product, the Delcath Percutaneous Hepatic Perfusion System (the Delcath PHP System), which provides regional therapy by isolating the circulatory system of the liver in order to directly deliver high doses of therapeutic agents, while controlling the systemic exposure of those agents. The Delcath PHP System is minimally invasive and repeatable. In its initial application, the Delcath PHP System isolates the liver from the patient's general circulatory system in order to deliver high doses of melphalan hydrochloride, an approved chemotherapeutic drug, directly to the liver.

As of December 12, 2009, the Company was conducting a Phase III trial and a multi-arm Phase II trial of the Delcath PHP System with melphalan in patients with liver cancers. The Delcath PHP

System is not approved by the United States Food and Drug Administration (FDA), and it cannot be marketed in the United States without prior FDA approval. Its trial is a randomized Phase III multi-center study led by the National Cancer Institute (NCI) for patients with metastatic ocular and cutaneous melanoma in the liver. The FDA has granted the Delcath PHP System with melphalan Fast Track designation for the treatment of hepatic tumors secondary to melanoma. It has also been granted four orphan drug designations, including for the drug melphalan for the treatment of patients with ocular and cutaneous melanoma.

As of October 20, 2009, the Company enrolled all of the 92 patients called for under a Special Protocol Assessment (SPA) granted by the FDA. It is also conducting a separate Phase II clinical trial of the Delcath PHP System with melphalan in patients with primary and metastatic hepatic malignancies (liver cancer), stratified into four arms: neuroendocrine tumors (carcinoid and islet cell tumors), hepatocellular carcinoma (primary liver cancer), ocular or cutaneous melanoma (eye or skin cancer who have been previously treated with regional therapy using melphalan), and metastatic adenocarcinoma (glandular cancer).

Currently trading at approximately \$7.70, we believe, based on our proprietary program, a volatile movement to below \$6.00 or above \$9.00 within the next several days is forthcoming. DCTH trades on average 500,000 shares per day but recently trading as much as 900,000 and has traded down from \$10 back in January.

#### ADDITIONAL METRICS:

#### RELATED COMPANIES:

<u>Ticker</u>	<u>Company name</u>	<u>Exchange</u>	<u>Price</u>	<u>Change</u>	<u>Chg %</u>	<u>Earnings per share</u>	<u>P/E ratio</u>	<u>Mkt Cap</u>
DCTH	Delcath Systems, Inc.	NASDAQ	7.70	+0.06	0.79%	-1.19		330.93M
ICUI	ICU Medical, Incorporated	NASDAQ	44.98	+0.62	1.40%	2.24	20.10	614.71M
ANGO	AngioDynamics, Inc.	NASDAQ	15.35	+0.36	2.40%	0.49	31.25	382.88M
PODD	Insulet Corporation	NASDAQ	20.60	+0.09	0.44%	-1.54		940.91M
RVP	Retractable Tech., Inc.	AMEX	1.60	0.00	0.00%	0.06	26.82	38.38M
BAX	Baxter International Inc.	NYSE	54.28	+0.63	1.17%	2.41	22.50	31.10B

#### Good luck investing.

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**VolatilityDNA** is a subset of **MarketDNA** and utilizes the power of **MarketDNA** but without directional recommendation from us. **VolatilityDNA** is designed to notify traders of upcoming volatility within an equity prior to the actual movement.

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