

# Quarterly Industry Update

As of June 30, 2015

Industry: Monoclonal Antibodies



## Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Monoclonal Antibodies industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Since June 30, 2014, the median 52-week share price return of the Monoclonal Antibodies industry has increased by 3.4%. In the last quarter, the median price-to-earnings multiple decreased from 3.4x to 3.3x.

## Comparable Public Company Key Statistics

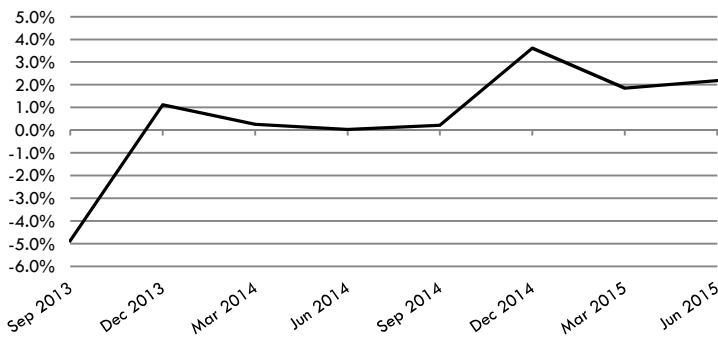
Median 52-Week Return	7.3%	Median EV/Revenue Multiple	4.6x	Median Price/Earnings Multiple	3.3x
Median 3-Year CAGR Return	21.6%	Median EV/EBITDA Multiple	negative	Median EV/Gross CF Multiple	3.4x

## Comparable Public Company Market Price Returns (As of June 30, 2015)

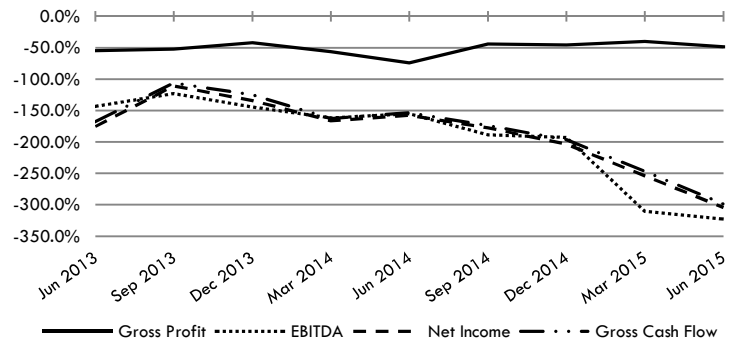
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
Alder Biopharmaceuticals Inc.	82.1%	83.5%	163.9%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AVEO Pharmaceuticals, Inc.	107.1%	20.0%	-4.9%	-16.6%	-47.7%	-24.5%	-54.1%	-77.3%	-53.2%	17.6%	N/A
Celldex Therapeutics, Inc.	38.2%	-9.5%	54.5%	27.1%	69.5%	40.8%	-24.6%	260.8%	158.1%	-36.9%	-11.8%
Dyax Corp.	88.5%	58.2%	176.0%	176.7%	131.7%	63.5%	86.6%	116.5%	155.9%	-37.0%	-36.3%
Halozyme Therapeutics, Inc.	134.0%	58.1%	128.5%	68.5%	36.6%	26.2%	-35.6%	123.4%	-29.4%	20.1%	34.9%
Immunomedics Inc.	-15.4%	6.0%	11.2%	-13.6%	4.5%	5.6%	4.3%	57.5%	-12.3%	-7.0%	11.5%
Infinity Pharmaceuticals, Inc.	-35.2%	-21.7%	-14.1%	-17.8%	-6.9%	13.1%	22.3%	-60.5%	295.9%	49.1%	-4.0%
Lpath Inc.	-90.2%	-88.8%	-93.0%	-75.0%	-62.5%	-42.5%	-33.8%	-15.6%	-39.4%	33.7%	11.3%
Omeros Corporation	-27.4%	-18.3%	3.4%	88.9%	21.6%	19.4%	119.5%	117.5%	31.4%	-52.1%	17.4%
OncoMed Pharmaceuticals, Inc.	3.4%	-12.7%	-3.4%	N/A	N/A	N/A	-26.3%	N/A	N/A	N/A	N/A
PDL BioPharma, Inc.	-16.6%	-8.6%	-33.6%	-8.7%	-1.0%	2.7%	-8.6%	19.9%	13.5%	-0.5%	-9.2%
Peregrine Pharmaceuticals, Inc.	-5.8%	-3.0%	-30.3%	0.8%	34.3%	-9.4%	0.0%	5.3%	28.2%	-55.2%	-22.3%
Receptos, Inc.	55.1%	15.3%	346.1%	209.1%	N/A	N/A	322.6%	N/A	N/A	N/A	N/A
Repligen Corporation	108.4%	35.9%	81.1%	123.8%	112.5%	66.7%	45.2%	117.2%	81.0%	-26.0%	14.1%
XOMA Corporation	8.1%	6.6%	-15.5%	3.4%	9.2%	-9.0%	-46.7%	180.4%	108.7%	-77.6%	-51.1%
<b>Median of Industry Public Companies</b>	<b>8.1%</b>	<b>6.0%</b>	<b>3.4%</b>	<b>3.4%</b>	<b>15.4%</b>	<b>9.4%</b>	<b>-4.3%</b>	<b>87.0%</b>	<b>29.8%</b>	<b>-16.5%</b>	<b>-4.0%</b>

(Multiple year periods are calculated as the average annual return.)

## Median Quarterly Revenue Growth of All Monoclonal Antibodies Companies



## Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



## Median Public Company Multiples of the Monoclonal Antibodies Industry

Date:	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015
EV/Revenues Multiple	6.5x	8.2x	5.6x	5.1x	7.9x	6.2x	7.9x	8.3x	4.6x
EV/EBITDA Multiple	8.6x	9.8x	9.0x	7.8x	16.5x	25.6x	18.3x	negative	negative
Price/Earnings Multiple	9.4x	10.1x	15.8x	13.8x	25.6x	32.6x	41.7x	3.4x	3.3x
EV/Gross Cash Flows Multiple	7.3x	8.1x	13.1x	11.1x	21.8x	25.5x	54.9x	3.8x	3.4x

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# Quarterly Industry Update

As of June 30, 2015

Industry: Monoclonal Antibodies



## Industry Initial Public Offerings (dollars in millions, except share prices)

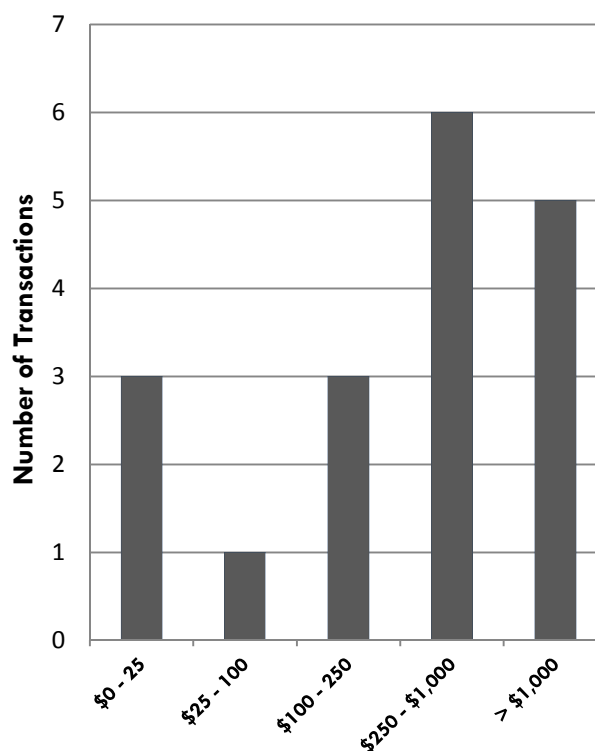
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
12/10/2014	ALTEOGEN Inc.	\$23.53	0.9	\$21.2	N/A	N/A	FALSE	\$1.4	\$1.3	\$1.5
11/13/2014	FibroGen, Inc.	\$18.00	8.1	\$145.8	\$344.4	\$114.1	\$133.9	(\$22.6)	(\$35.7)	(\$18.1)
5/8/2014	Alder Biopharmaceuticals Inc.	\$10.00	8.0	\$80.0	\$16.6	\$0.0	\$19.0	(\$19.6)	(\$20.3)	(\$18.7)
12/2/2013	Xencor, Inc.	\$5.50	12.7	\$70.0	\$20.2	\$0.0	\$10.9	(\$8.4)	(\$59.7)	(\$8.2)
10/10/2013	MacroGenics, Inc.	\$16.00	5.0	\$80.0	\$42.0	\$0.0	\$52.9	\$2.4	\$0.8	\$3.5
7/17/2013	OncoMed Pharmaceuticals, Inc.	\$17.00	4.8	\$81.6	\$66.2	\$0.0	\$20.5	(\$24.7)	(\$26.2)	(\$23.3)
5/8/2013	Receptos, Inc.	\$14.00	5.2	\$72.8	\$21.2	\$0.0	\$8.8	(\$20.8)	(\$21.4)	(\$20.3)
1/31/2013	KaloBios Pharmaceuticals, Inc.	\$8.00	8.8	\$70.0	\$24.5	\$9.8	\$6.1	(\$23.2)	(\$23.5)	(\$23.0)
2/14/2012	Adocia Société Anonyme	\$20.87	1.6	\$33.2	\$22.9	\$3.4	\$4.9	(\$7.5)	(\$8.4)	(\$7.1)
3/11/2010	AVEO Pharmaceuticals, Inc.	\$9.00	9.0	\$81.0	\$59.8	\$19.7	\$20.7	(\$39.9)	(\$44.1)	(\$38.6)
<b>Median of All IPOs</b>		<b>nm</b>	<b>nm</b>	<b>\$76.4</b>	<b>\$24.5</b>	<b>\$0.0</b>	<b>\$19.0</b>	<b>(\$20.2)</b>	<b>(\$22.5)</b>	<b>(\$18.4)</b>

nm: not meaningful

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
9/23/2014	CFR Pharmaceuticals	Abbott Investments	\$2,659.3	73%
4/30/2014	Shanghai PrimeGene	R&D Systems China	\$18.8	100%
12/31/2013	Santarus, Inc.	Salix Pharmaceuticals	\$2,154.4	100%
2/8/2013	YM BioSciences Inc.	Gilead Sciences Inc.	\$482.9	100%
8/2/2012	Human Genome Sciences Inc.	GlaxoSmithKline plc	\$3,674.4	100%
4/18/2012	Epitomics, Inc.	Abcam Plc	\$153.9	100%
3/5/2012	Micromet, Inc.	Amgen Inc.	\$1,016.4	100%
2/10/2012	Inhibitex, Inc.	Bristol-Myers Squibb	\$2,579.0	100%
5/24/2011	MitoSciences Inc.	Abcam Plc	\$6.0	100%
10/7/2010	ZymoGenetics, Inc.	Bristol-Myers Squibb	\$938.2	100%
4/19/2010	Facet Biotech Corporation	Abbott Laboratories	\$747.4	100%
3/4/2010	BioXell S.p.A.	Cosmo Pharmaceuticals	\$40.4	100%
10/1/2009	CuraGen Corporation	Celldex Therapeutics, Inc.	\$143.5	100%
9/23/2008	Arius Research Inc.	Roche Holding AG	\$142.7	100%
5/8/2008	Jazz Pharmaceuticals	EUSA Pharma, Inc.	\$22.6	100%
12/13/2007	Recip AB	Meda AB	\$491.0	100%
8/2/2007	Tanox Inc.	Genentech, Inc.	\$921.7	100%
4/16/2007	MORPHOTEK INC.	Eisai Corporation	\$325.0	100%
<b>Median of All Transaction Targets</b>			<b>\$486.9</b>	<b>100%</b>

## Size of Merger and Acquisition Transactions (dollars in millions)



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