

Quarterly Industry Update

As of March 31, 2016

Industry: Monoclonal Antibodies



Industry Summary

Cogent Valuation identified Monoclonal Antibodies 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. Over the last year since March 31, 2015, the median 52-week share price return of the Monoclonal Antibodies industry was -53.1%. Between March 31, 2014 and March 31, 2016, the median EV/Revenue multiple decreased from 5.8 to 1.5. This industry is not profitable and all other valuation multiples based on profitability metrics were not meaningful.

Comparable Public Company Key Statistics

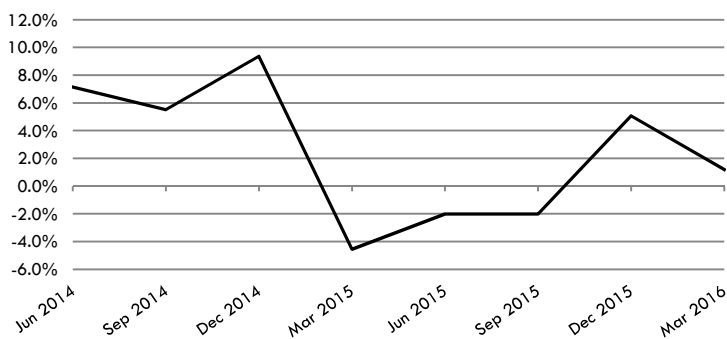
Median 52-Week Return -53.1% Median EV/Revenue Multiple 1.5x Median 3-Year CAGR Return -27.1%

Comparable Public Company Market Price Returns As of March 31, 2016

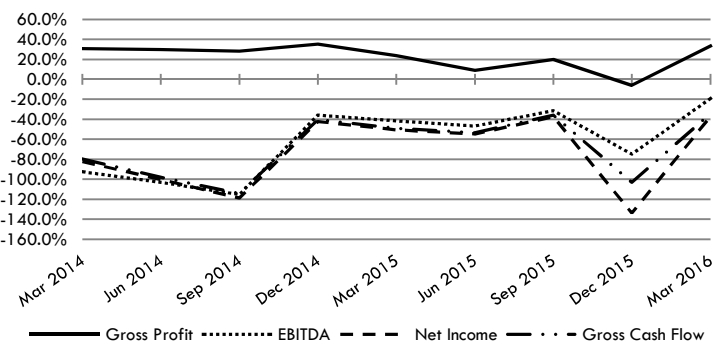
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2015	2014	2013	2012	2011
Alder Biopharmaceuticals Inc.	-25.9%	-25.9%	-15.1%	N/A	N/A	N/A	13.5%	N/A	N/A	N/A	N/A
AVEO Pharmaceuticals, Inc.	-27.0%	-27.0%	-36.6%	-21.6%	-50.0%	-41.4%	50.0%	-54.1%	-77.3%	-53.2%	17.6%
Celldex Therapeutics, Inc.	-75.9%	-75.9%	-86.4%	-53.7%	-31.1%	-1.2%	-14.1%	-24.6%	260.8%	158.1%	-36.9%
Halozyme Therapeutics, Inc.	-45.4%	-45.4%	-33.7%	-13.7%	18.0%	7.1%	79.6%	-35.6%	123.4%	-29.4%	20.1%
Immunomedics Inc.	-18.6%	-18.6%	-34.7%	-22.9%	1.2%	-8.1%	-36.0%	4.3%	57.5%	-12.3%	-7.0%
Infinity Pharmaceuticals, Inc.	-32.9%	-32.9%	-62.3%	-33.4%	-52.3%	-2.2%	-53.5%	22.3%	-60.5%	295.9%	49.1%
Lpath Inc.	-18.1%	-18.1%	-92.5%	-80.2%	-66.7%	-53.2%	-91.9%	-33.8%	-15.6%	-39.4%	33.7%
Omeros Corporation	-2.5%	-2.5%	-30.4%	12.7%	55.0%	13.9%	-36.5%	119.5%	117.5%	31.4%	-52.1%
OncoMed Pharmaceuticals, Inc.	-55.1%	-55.1%	-60.8%	-45.2%	N/A	N/A	3.6%	-26.3%	N/A	N/A	N/A
PDL BioPharma, Inc.	-5.9%	-5.9%	-52.7%	-36.7%	-23.0%	-10.5%	-54.1%	-8.6%	19.9%	13.5%	-0.5%
Peregrine Pharmaceuticals, Inc.	-64.1%	-64.1%	-68.9%	-53.0%	-31.9%	-29.2%	-15.8%	0.0%	5.3%	28.2%	-55.2%
Repligen Corporation	-5.2%	-5.2%	-11.7%	44.4%	57.2%	48.3%	42.9%	45.2%	117.2%	81.0%	-26.0%
Sorrento Therapeutics, Inc.	-38.2%	-38.2%	-53.5%	-35.2%	2.5%	-6.4%	-13.5%	24.3%	116.0%	-25.0%	-66.7%
XOMA Corporation	-41.9%	-41.9%	-78.8%	-61.5%	-39.5%	-22.6%	-63.0%	-46.7%	180.4%	108.7%	-77.6%
Median of Industry Public Companies	-29.9%	-29.9%	-53.1%	-35.2%	-27.1%	-7.3%	-15.0%	-8.6%	86.8%	20.9%	-16.5%

(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:	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016
EV/Revenues Multiple	5.8x	8.0x	6.7x	8.0x	5.9x	5.1x	5.8x	3.1x	1.5x

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Quarterly Industry Update

As of March 31, 2016

Industry: Monoclonal Antibodies



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

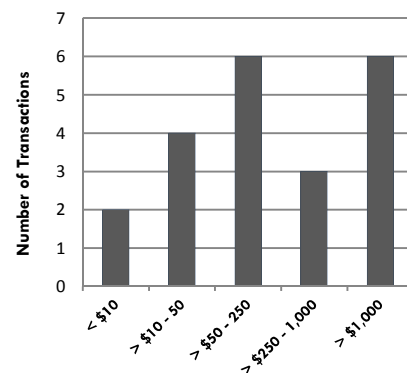
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
3/22/2016	Corvus Pharmaceuticals, Inc.	\$15.00	4.7	\$70.5	\$98.5	\$0.0	\$0.0	(\$13.6)	(\$31.3)	(\$13.5)
2/2/2016	BeiGene, Ltd.	\$24.00	6.6	\$158.4	\$135.6	\$20.6	\$5.5	(\$35.3)	(\$33.6)	(\$33.8)
12/10/2014	ALTEOGEN Inc.	\$23.53	0.9	\$21.2	\$5.4	\$1.1	\$3.7	\$1.6	\$1.3	\$1.6
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	\$26.7	\$0.0	\$18.8	(\$19.8)	(\$20.6)	(\$18.9)
12/2/2013	Xencor, Inc.	\$5.50	12.7	\$70.0	\$20.2	\$0.0	\$10.9	(\$8.4)	(\$59.7)	(\$8.2)
Median of All IPOs		nm	nm	\$75.3	\$62.6	\$0.5	\$8.2	(\$16.7)	(\$32.5)	(\$15.8)

nm: not meaningful, N/A: not applicable

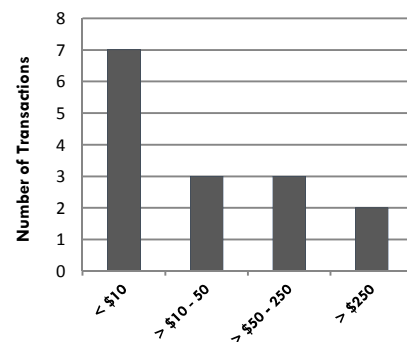
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/Revenues
1/22/2016	Dyax Corp.	Shire Pharmaceuticals	\$5,886.3	100%	\$97.5	57.2x
1/8/2016	Open Monoclonal Tech.	Ligand Pharmaceuticals	\$178.0	100%	N/A	N/A
11/23/2015	AxioMx Inc.	Abcam Plc	\$45.0	100%	N/A	N/A
10/30/2015	BioNovion B.V.	Aduro Netherlands	\$61.3	100%	N/A	N/A
9/11/2015	PacificGMP, Inc.	Abzena Inc.	\$8.4	100%	\$3.0	2.8x
6/1/2015	X-BODY, Inc.	Juno Therapeutics Inc.	\$42.8	100%	N/A	N/A
3/12/2015	KBI Biopharma Inc.	JSR Corporation; CMIC	\$100.0	100%	N/A	N/A
3/3/2015	SuppreMol GmbH	Baxter International Inc.	\$223.9	100%	N/A	N/A
9/23/2014	CFR Pharmaceuticals	Abbott Investments	\$2,659.3	73%	\$782.3	4.3x
4/30/2014	Shanghai PrimeGene	R&D Systems China	\$18.8	100%	\$4.0	4.7x
12/31/2013	Santarus, Inc.	Salix Pharmaceuticals	\$2,154.4	100%	\$337.8	5.9x
2/8/2013	YM BioSciences Inc.	Gilead Sciences Inc.	\$482.9	100%	\$1.1	N/A
8/2/2012	Human Genome Sciences Inc.	GlaxoSmithKline plc	\$3,674.4	100%	\$151.5	21.1x
4/18/2012	Epitomics, Inc.	Abcam Plc	\$153.9	100%	\$24.7	6.2x
3/5/2012	Micromet, Inc.	Amgen Inc.	\$1,016.4	100%	\$21.9	39.1x
2/10/2012	Inhibitex, Inc.	Bristol-Myers Squibb	\$2,579.0	100%	\$2.1	N/A
5/24/2011	MitoSciences Inc.	Abcam Plc	\$6.0	100%	\$2.1	2.9x
10/7/2010	ZymoGenetics, Inc.	Bristol-Myers Squibb	\$938.2	100%	\$162.8	4.5x
4/19/2010	Facet Biotech Corporation	Abbott Laboratories	\$747.4	100%	\$46.1	9.7x
3/4/2010	BioXell S.p.A.	Cosmo Pharmaceuticals	\$40.4	100%	\$0.4	N/A
10/1/2009	CuraGen Corporation	Celldex Therapeutics, Inc.	\$143.5	100%	\$1.2	55.3x
Median of the 21 M&A Transaction Targets			\$178.0	100%	\$21.9	6.1x

Size of M&A Transactions



LTM Revenues Reported



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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