

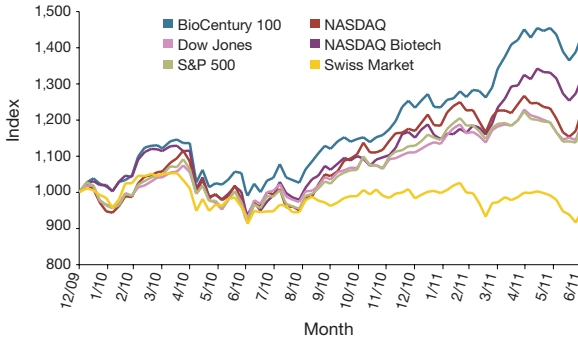
# Biotech on pace for record year

Walter Yang

The biotech industry is on track to raise \$44 billion in 2011—the most ever, including the genomics bubble of 2000. Biotech indexes performed well and the private biotech sector was also up, raising \$2.9 billion. Excluding partnership monies, biotechs

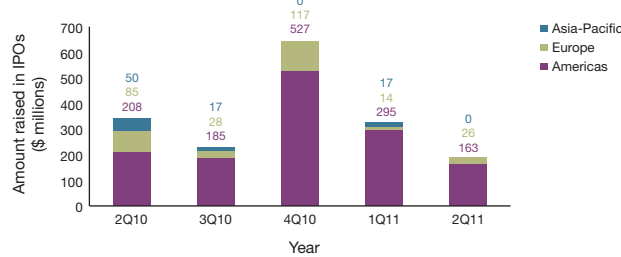
## Stock market performance

The BioCentury 100 and NASDAQ Biotechnology indices were both up >6%, outperforming the Dow and S&P 500.



## Global biotech initial public offerings

Four biotechs raised \$188.9 million via IPOs in 2Q11 versus seven that raised \$325.2 million in 1Q11.



	2Q10	3Q10	4Q10	1Q11	2Q11
Americas	4	3	7	5	2
Europe	5	1	3	1	2
Asia-Pacific	1	1	0	1	0

Source: BCIQ: BioCentury Online Intelligence. Table indicates number of IPOs.

## Notable 2011 deals

### Mergers and acquisitions

Target	Acquirer	Value (\$ millions)	Date announced
Cephalon	Teva	6,800	2-May
Advanced BioHealing	Shire	750	17-May
Inspire Pharmaceuticals	Merck	430	5-Apr
Prism Pharmaceuticals	Baxter	338	18-Apr
Orthovita	Stryker	316	16-May
Bergamo	Amgen	215	8-Apr

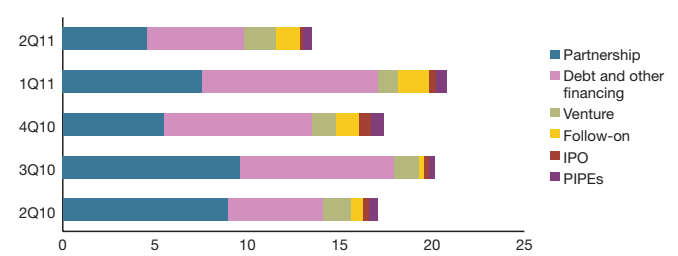
### Licensing /collaboration

Researcher	Investor	Value (\$ millions)	Deal description
Alios BioPharma	Vertex	1,560	Rights to preclinical HCV candidates ALS-2200 and ALS-2158.
Aveo Pharmaceuticals	Johnson & Johnson	555	Develop/commercialize mAbs against macrophage stimulating 1 receptor, c-Met-related tyrosine kinase.
Zealand	Boehringer Ingelheim	>540	Rights to dual agonists of glucagon receptor and glucagon-like peptide-1 receptor.
Biotest	Abbott	480	Develop/commercialize BT-061 (in phase 2 for rheumatoid arthritis and psoriasis).
Molecular Partners	Allergan	420	Develop/commercialize the Darpin MP0112 for ophthalmic indications.
Affectis	Merck KGaA	408	Develop/commercialize small molecules targeting purinergic receptor P2X ligand-gated ion channel 7 in neurodegeneration.

pulled in \$22.1 billion during the first six months; debt deals accounted for more than two-thirds of the total. Initial public offerings remained sluggish, with only 11 companies raising \$514.2 million altogether.

## Global biotech industry financing

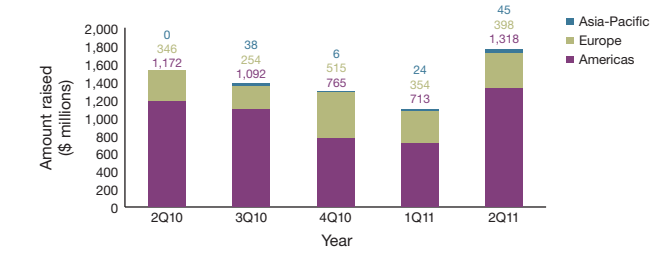
Excluding partnerships, biotechs raised \$8.9 billion in 2Q11, bringing the first half total to \$22.1 billion.



Source: BCIQ: BioCentury Online Intelligence, Burrill & Co. Partnership figures are for deals involving a US company. PIPEs, private investment in public equity; IPO, initial public offering.

## Global biotech venture capital investment

Venture money raised jumped 61% to \$1.8 billion in 2Q11 from \$1.1 billion in 1Q11.



	2Q10	3Q10	4Q10	1Q11	2Q11
Americas	77	48	42	46	60
Europe	26	20	27	30	29
Asia-Pacific	1	4	1	1	3

Source: BCIQ: BioCentury Online Intelligence. Table indicates number of VC investments and includes rounds where the amount raised was not disclosed.

### IPOs

Company (lead underwriters)	Amount raised (\$ millions)	Change in stock price since offer	Date completed
Sagent (Morgan Stanley, Banc of America, Jefferies)	106	69%	20-Apr
Tranzyme (Citigroup)	57	4%	1-Apr
Median Technologies (Aurel BGC)	14	58%	17-May
Moberg Derma AB	12	-18%	20-May

### Venture capital

Company (lead investors)	Amount raised (\$ millions)	Round number	Date closed
Tesaro (Kleiner Perkins Caufield & Byers)	101	2	21-Jun
Intrexon	100	5	31-May
Circassia (Imperial Innovations)	98	4	19-Apr
Merrimack	77	7	13-Apr

Source: BCIQ: BioCentury Online Intelligence. mAbs, monoclonal antibodies.

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