2Q13—an IPO revival

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Biotech stock indices continued their climb to new heights, posting >20% in 1H13. Industry raised \$1.2 billion from 19 IPOs in 2Q13, including listings from Cambridge, Mass.-based innovators bluebird bio and Epizyme. The last time IPOs pulled in >\$1 billion

Stock market performance

The BioCentury 100 and NASDAQ Biotechnology indices were up 6–9%, whereas the Dow and S&P 500 were up only 2%.

Global biotech venture capital investment

Private biotechs raised \$1.9 billion in 1Q13, up 2x from 1Q12 and up 38% from a year ago.

	2Q12	3Q12	4Q12	1Q13	2Q13
Americas	63	47	77	62	67
Europe	34	20	24	29	45
Asia-Pacific	5	3	5	5	2

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

Global biotech industry financing

Excluding partnerships, biotechs raised \$10.2 billion in 2Q13, up 42% from \$7.2 billion in 2Q12.

Source: BCIQ: BioCentury Online Intelligence, Burrill & Co.

Notable 2Q13 deals

Company (lead underwriters)	Amount raised (millions)	Change in stock price since offer	Date completed
PTC Therapeutics (JPMorgan; Credit Suisse)	\$144.4	0%	20-Jun
Portola Pharmaceuticals (Morgan Stanley; Credit Suisse)	\$140.4	69%	22-May
Chimerix (Morgan Stanley; Cowen)	\$117.9	73%	11-Apr
bluebird bio (JPMorgan; BofA Merrill Lynch)	\$116.1	47%	18-Jun
Prosensa (JPMorgan; Citigroup)	\$89.7	48%	27-Jun
Epizyme (Citigroup; Cowen; Leerink)	\$88.7	88%	30-May
Receptos (Credit Suisse; Leerink; BMO Capital Markets)	\$85.0	42%	8-May
Esperion Therapeutics (Credit Suisse; Citigroup)	\$80.5	1%	26-Jun

was 2Q07, when 22 new listings raised \$1.4 billion. Together with a nearly fourfold uptick in follow-on deals, \$10.2 billion was raised this quarter, excluding partnership monies. Venture money was also up to \$1.9 billion.

Global biotech initial public offerings

19 companies raised \$1.2 billion via IPOs in 2Q13 versus three raising \$163.5 million in 2Q12.

	2Q12	3Q12	4Q12	1Q13	2Q13
Americas	2	2	4	5	13
Europe	1	1	3	0	4
Asia-Pacific	0	1	3	1	2

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

Notable 2Q13 deals (continued)

Company (lead investors)	Amount raised (millions)	Round number	Date closed
Intrexon (not disclosed)	\$150	6	1-May
Symphogen (Novo A/S; PKA) ^a	\$53	5	2-May
Trevena (Forest Laboratories)	\$60	3	9-May
Natera (OrbiMed; Harmony Partners)	\$55	5	1-May
Auris Medical (Sofinnova Partners; Sofinnova Ventures)	\$51	3	16-Apr
Karyopharm Therapeutics (undisclosed private investor)	\$48	2	20-May
Effector Therapeutics (U.S. Venture Partners; Abingworth; Novartis Venture Funds; SR One)	\$45	1	20-May

Mergers and acquisitions

Target	Acquirer	Value ^b (millions)	Date announced
Life Technologies	Thermo Fisher Scientific	\$13,600	15-Apr
Pearl Therapeutics	AstraZeneca	\$1,150	10-Jun
Aragon Pharmaceuticals	Johnson & Johnson	\$1,000	17-Jun
SARcode Bioscience	Shire	\$675	25-May

Licensing/collaboration

Researcher	Investor	Value ^b (millions)	Deal description
MorphoSys	Celgene	\$818	Global co-development and co-commercialization in Europe of MorphoSys' multiple myeloma anti-GM-CSF monoclonal antibody (mAb) (MOR202)
CytomX	Pfizer	\$635	Develop and commercialize multiple oncology drugs conjugated to probody (mAb with CDRs occluded by disease protease-sensitive mask)
MorphoSys	GlaxoSmithKline	\$579	Exclusive, global rights to develop and commercialize anti-GM-CSF mAb (MOR103) in inflammatory diseases
Seattle Genetics	Bayer	\$520	Global rights to auristatin-based antibody-drug conjugate technology in multiple cancer targets
Forma Therapeutics	Celgene	>\$515	Discover, develop and commercialize drugs that regulate protein homeostasis for multiple diseases, with emphasis on cancer
Cytokinetics	Astellas	\$490	Develop and commercialize small-molecule skeletal muscle activators to treat muscle weakness conditions (plus rights to CK-2127107 in non-neuromuscular indications)
Trevena	Forest Laboratories	\$460	Exclusive option on global development and commercialization rights of small molecule beta-arrestin stimulator/angiotensin II (AT-1 receptor) antagonist in acute heart failure

^aSeries E extension. ^bValues include milestones. Source: BCIQ: BioCentury Online Intelligence.

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