3Q13—IPOs continue to roar

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Public markets continued their swoon over biotech. Up 21% in 3Q13, the BioCentury 100 surpassed on October 1 its all-time high set in March 2000. Public offerings also continued their roll, new issues raising \$1.3 billion (\$2.9 billion since January now approaching 2007's \$3.1-billion

Stock market performance

The BioCentury 100 and NASDAQ Biotechnology indices were both up 21% in 3Q13 versus an 18% gain in the S&P 500.

Notable 3Q12 deals

IPOs			
Company (lead underwriters)	Amount raised (\$ millions)	Change in stock price since offer	Date completed
Ophthotech (Morgan Stanley; JPMorgan)	192	35%	24-Sep
Intrexon (JPMorgan; Barclays)	184	48%	8-Aug
Agios (JPMorgan; Goldman Sachs)	122	55%	23-Jul
Foundation Medicine (Goldman Sachs; JPMorgan)	106	120%	24-Sep
Acceleron Pharma (Citigroup; Leerink)	96	48%	19-Sep
OncoMed (Jefferies; Leerink)	94	-10%	18-Jul
Onconova (Citigroup; Leerink)	89	76%	25-Jul

Venture capital			
Company (lead investors)	Amount raised (\$ millions)	Round number	Date closed
Dicerna (RA Capital)	60	3	1-Aug
NGM ^a	50	3	18-Jul
Tyra ^a	49	4	29-Jul
Otonomy (OrbiMed)	46	3	4-Sep
Argos (Pharmstandard)	43	5	26-Aug
Civitas (Bay City Capital)	38	2	11-Sep
ObsEva (Sofinnova Partners; Sofinnova Ventures; Novo A/S)	35	1	29-Aug
Audentes (OrbiMed)	30	1	18-Jul

Mergers and acquisitions			
Target	Acquirer	Value ^b (\$ millions)	Date announced
Onyx	Amgen	10,400	25-Aug
Elan	Perrigo	8,600	29-Jul
Astex	Otsuka	886	5-Sep
Trius	Cubist	818	30-Jul
Optimer	Cubist	801	30-Jul

Licensing/collaboration			
Researcher	Investor	Value ^b (\$ millions)	Deal description
Abylynx	AbbVie	840	Develop ALX-0061 nanobody against IL-6 receptor (CD126) to treat inflammatory diseases
FibroGen	AstraZeneca	815	Develop FG-4592 inhibitor of hypoxia-inducible factor prolyl hydroxylase for anemia in US, China and other select markets
Camurus	Novartis	700	Exercised option to acquire exclusive license to CAM2029 long-acting octreotide to treat patients with acromegaly and neuroendocrine tumors
Compugen	Bayer	540	Develop antibody-based cancer immunotherapies against two undisclosed immune checkpoint regulators discovered by Compugen
Immunocore	GlaxoSmithKline	521	Develop recombinant T-cell receptor bi-specific molecules against multiple undisclosed targets selected by GSK for cancer and infectious diseases

^aLead investor not disclosed. ^bValues include milestones. Source: BCIQ: BioCentury Online Intelligence.

high) and follow-ons up 24% from 3Q12. Overall funding (excluding partnership) declined by 12% to \$11.5 billion (compared with 3Q12), largely due to fewer jumbo debt deals. Venture money decreased 33% to \$1.2 billion from a year ago.

Global biotech industry financing

Excluding partnerships, biotechs raised \$11.5 billion in 3Q13, off 12% from a year ago, but up 11% from 2Q13.

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

Global biotech initial public offerings

Thirty-six companies raised \$2.6 billion via IPOs in the past two quarters.

	3Q12	4Q12	1Q13	2Q13	3Q13
Americas	2	4	5	12	15
Europe	1	3	0	5	2
Asia-Pacific	1	3	1	2	0

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

Global biotech venture capital investment

Private biotechs raised \$1.2 billion in 3Q13, down 29% from a year ago and down 33% from 2Q13.

	3Q12	4Q12	1Q13	2Q13	3Q13
Americas	47	76	63	67	65
Europe	20	24	29	46	26
Asia-Pacific/Other	3	5	5	2	3

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

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