2015—another banner year for biotech

Walter Yang

Excluding partnership monies, biotechs raised \$110 billion in 2015, more than double 2014's second-largest total of \$54.9 billion. Follow-on offerings reached new heights of \$29.7 billion, and debt accounted for \$52.7 billion, driven by a handful of large caps, including a \$10 billion

note by Gilead. Initial public offerings were \$8 billion, down from 2014's \$9 billion high but ahead of the \$3.3 billion 5-year average. Private financings reached a record \$12.2 billion, led by a \$450 million round by Moderna.

Stock market performance

The BioCentury 100 gained 5% on the year, while the NASDAQ Biotech index jumped 11%.

Global biotech industry financing

Excluding partnerships, biotechs raised \$110 billion, double 2014's \$54.9 billion.

Source: BCiQ: BioCentury Online Intelligence.

Global biotech initial public offerings

83 companies raised \$8 billion via IPOs, down from 116 (\$9.1 billion) in 2014.

	2010	2011	2012	2013	2014	2015
Americas	18	11	12	42	75	49
Europe	10	4	7	9	32	25
Asia-Pacific	5	9	6	9	9	9

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

Global biotech venture capital investment

Private biotechs raised \$12.2 billion, up 32% from \$9.2 billion in 2014.

	2010	2011	2012	2013	2014	2015
Americas	257	241	259	280	314	313
Europe	122	124	119	140	141	126
Asia-Pacific/Other	15	18	15	20	24	24

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

Notable 2015 deals

IPOs			
Company (lead underwriters)	Amount raised (\$ millions)	Change in stock price since offer ¹	Date completed
Inovalon (Goldman Sachs, Morgan Stanley, Citigroup)	685	-37%	11-Feb
3SBio (Morgan Stanley, Goldman Sachs, Citic Securities, China International Capital)	569	20%	10-Jun
Axovant (Jefferies, Evercore, RBC Capital)	362	20%	10-Jun
Shanghai Haohai (UBS)	305	-14%	23-Apr
NantKwest (BofA Merrill Lynch, Citigroup, Jefferies, Piper Jaffray)	238	-31%	28-Jul
Venture capital			
Company (lead investors)	Amount raised (\$ millions)	Round number	Date closed
Moderna Therapeutics ²	450	ND	6-Jan
Immunocore ²	320	1	16-Jul
Pharmaron (CITIC M&A Fund; Legend Capital)	280	ND	11-Dec
Denali Therapeutics ²	217	1	14-May
Adaptive Biotechnologies (Matrix Capital)	195	6	6-May
Mergers and acquisitions			
Target	Acquirer	Value ^{3,4} (\$ millions)	Date announced
Allergan ⁵	Pfizer	\$160,000	29-Oct
Pharmacyclics	AbbVie	\$21,000	4-Mar
Salix	Valeant	\$11,400	23-Feb
Synageva	Alexion	\$8,788	6-May
Receptos	Celgene	\$7,321	14-Jul

Licensing/collaboration

Researcher	Partner	Value ⁴ (\$ millions)	Deal description
Hanmi Pharmaceutical	Sanofi	4,341	Exclusive rights to develop and commercialize long-acting diabetes compounds
Ionis Pharmaceuticals	AstraZeneca	4,065	Antisense therapeutics against undisclosed targets for cardiovascular, metabolic and renal diseases
Regeneron	Sanofi	2,665	Co-develop immuno-oncology candidates, including PD-1 inhibitor REGN2810, and a pipeline of preclinical mAbs and bispecific antibodies
CRISPR Therapeutics	Vertex	2,625	Discover and develop treatments using CRISPRs
uniQure	Bristol-Myers Squibb	2,357	Exclusive access to uniQure's gene therapy platform for multiple disease targets

¹As of Dec. 31, 2015. ²Lead investors not disclosed. ³Value includes milestones. ⁴Value at completion if deal closed in 2015. ⁵Proposed enterprise deal value. ND, not determined.

Source: BCiQ: BioCentury Online Intelligence

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