

Above water in Q1

Walter Yang

Biotech stocks remain buoyant, and although funding dipped compared with the preceding two quarters, 1Q09 remained above the dire levels seen last winter. Excluding US partnership monies, the industry pulled

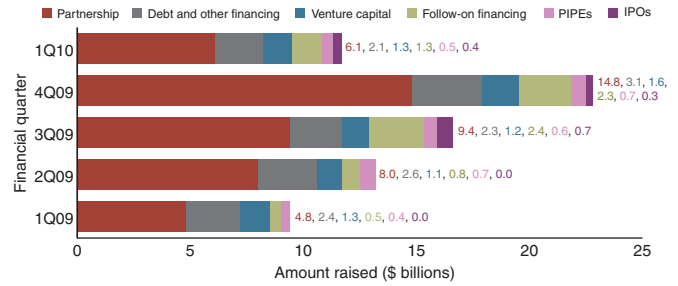
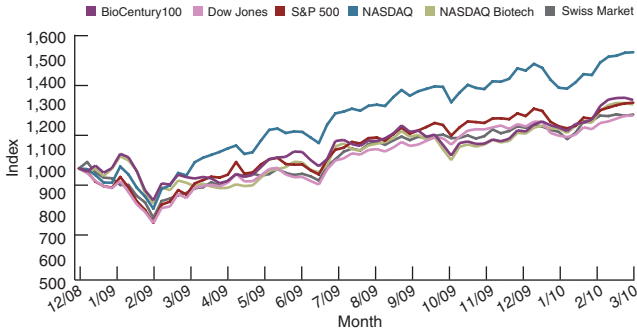
in \$5.5 billion last quarter, down 31% from 4Q09. Six initial public offerings (IPOs) were completed, bringing funding for public floats up 45% to \$391.7 million.

Stock market performance

The biotech indices were up >11%, whereas the Dow, S&P 500 and NASDAQ were up by only 4-6%.

Global biotech industry financing

The industry raised \$11.6 billion in 1Q10, 49% less than in 4Q09; only IPOs were up.



Partnership figures are for deals involving a US company. Source: BCIQ: BioCentury Online Intelligence, Burrill & Co.

Global biotech initial public offerings

Six IPOs trickled in last quarter, raising a total of \$391.7 million.

Global biotech venture capital investment

Private biotechs raised \$1.3 billion in 1Q10, about the same as a year ago, but down 18% from 4Q09.

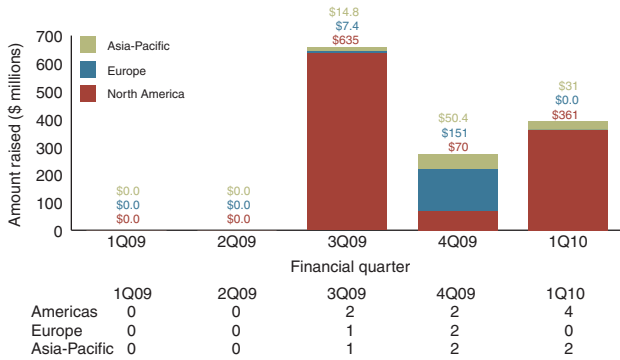
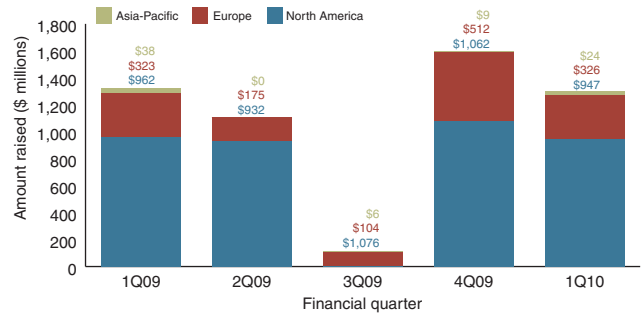


Table indicates number of IPOs. Source: BCIQ: BioCentury Online Intelligence



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Notable Q1 deals

IPOs	Amount raised (\$ millions)	Change in stock price since offer	Date completed
Company (lead underwriters)			
Ironwood (JPMorgan, Morgan Stanley, Credit Suisse)	\$215.6	21%	2-Feb
Aveo (JP Morgan, Morgan Stanley)	\$89.7	0%	11-Mar
Anthera (Deutsche Bank, Piper Jaffray)	\$42.0	0%	1-Mar
CellSeed (Nomura)	\$24.8	-16%	16-Mar
CorMedix (Maxim)	\$13.5	0%	25-Mar
CBio	\$6.2	-68%	8-Feb
Venture capital	Amount raised (\$ millions)	Round number	Date closed
Company (lead investors)			
Archimedes (Novo Growth)	\$98.5	NA	2-Mar
NGM Bio (Tichenor, Column Group)	\$51.0	2	15-Mar
Alnara (MPM)	\$35.0	2	28-Jan
Eleven Bio (Flagship, Third Rock)	\$35.0	1	17-Feb
Genetix (Third Rock)	\$35.0	2	12-Mar
Merus (Novartis, Pfizer, Bay City, Life Sciences Partners)	\$30.7	2	29-Jan

Source: BCIQ: BioCentury Online Intelligence

Mergers and acquisitions

Target	Acquirer	Value (\$ millions)	Date announced
Millipore	Merck KGaA	\$5,600	28-Feb
Facet Biotech	Abbott	\$722	9-Mar
Ception	Cephalon	\$250	23-Feb

Licensing/collaboration

Researcher	Investor	Value (\$ millions)	Deal description
Isis	GlaxoSmith Kline	\$1,500	Discover and develop RNA-targeted therapeutics for rare and infectious diseases
Rigel	AstraZeneca	\$1,300	Worldwide rights to develop and commercialize fostamatinib (R788)
Transgene	Novartis	\$963	Option to obtain an exclusive, worldwide license to develop and commercialize TG4010 for cancer
Galapagos	Roche	\$589	Discover and develop treatments for chronic obstructive pulmonary disease (COPD)
Basilea	Astellas	\$514	Co-develop broad-spectrum, azole antifungal savuconazole worldwide, excluding Japan

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