

Biotech resilient in Q3

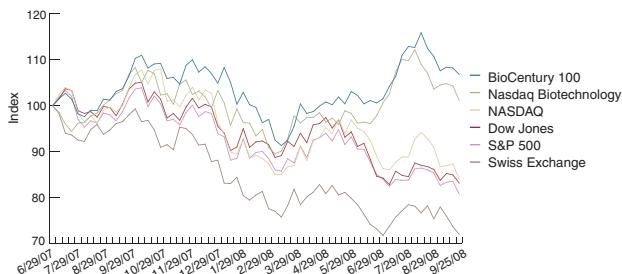
Stacy Lawrence

Despite the dismal economic climate, biotech stocks, financing, acquisitions and partnerships remained relatively solid. Although biotech indices have climbed only slightly since the beginning of 3Q07, they have performed much better than the broader indices, which plunged. Large

bids to acquire Genentech (S. San Francisco, CA, USA) and ImClone (New York) also generated interest in the sector. Financing is unlikely to outstrip the \$53 billion high in 2007, but last quarter actually managed to improve over a recent low in 2Q08.

Biotech stock market performance

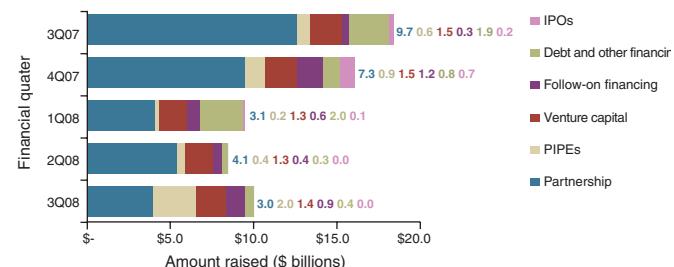
Amidst economic and market turmoil, biotech indices solidly outperformed broader market indices.



Source: BCIQ: BioCentury Online Intelligence, Multex

Global biotech industry financing

Total financing rebounded by 16% last quarter, driven by a \$1.5 billion private investment in public equities (PIPEs) for Australian biotech CSL.



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

Venture capital

Company	Amount invested (\$ millions)	Round number	Date closed
Portola	130.0	3	9-Jul
Pacific Biosciences	100.0	5	14-Jul
Proteolix	79.0	3	8-Sep
ESBATech	62.5	2	7-Aug
Anthera	48.0	2	13-Aug
Intercept	45.5	1	29-Jul
Proteostasis	45.0	1	25-Aug

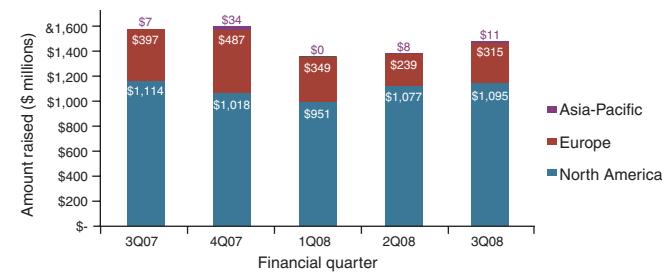
Licensing/collaboration

Researcher	Investor	Value (\$ millions)	Deal description
Actelion	GlaxoSmithKline	3,200.0	Co-develop and co-commercialize phase 3 insomnia candidate almorexant outside of Japan
Cellzome	GlaxoSmithKline	1,500.0	Discover, develop and market kinase-targeted therapeutics to treat inflammatory diseases
Medivation	Pfizer	725.0	Develop and commercialize phase 3 dimebon to treat Alzheimer's disease
PDL BioPharma	Bristol-Myers Squibb	710.0	Co-develop and commercialize phase 1 elotuzumab (HuLuc63) to treat multiple myeloma
Immunomedics	Nycomed	620.0	Develop and commercialize phase 1/2 subcutaneous veltuzumab in non-cancer indications
Ablynx	Merck Serono	490.6	Co-discover and co-develop nanobodies against two undisclosed targets in cancer and immunology
PTC Therapeutics	Genzyme	437.0	Develop and commercialize phase 2b PTC124 to treat genetic diseases due to nonsense mutations
Amgen	Ortho-McNeil-Janssen	435.0	Develop and commercialize a phase 1 undisclosed human antibody against nerve growth factor (NGF)
CV Therapeutics	Menarini	385.0	Develop and commercialize approved Ranexa ranolazine in select areas outside the US to treat stable angina pectoris

Source: BCIQ: BioCentury Online Intelligence, Deloitte Recap

Global biotech venture capital investment

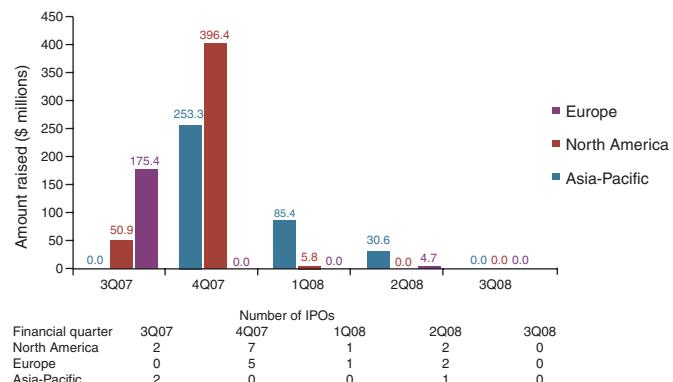
VC financings actually rose the last two quarters from a low in 1Q08.



Source: BCIQ: BioCentury Online Intelligence

Global biotech initial public offerings

Not a single biotech initial public offering (IPO) made it out last quarter.



Source: BCIQ: BioCentury Online Intelligence

Mergers and acquisitions

Target	Acquirer	Value (\$ billions)	Date announced
Genentech	Roche	43.7	21-Jul
Talecris Biotherapeutics	CSL	3.1	12-Aug
Sciele Pharma	Shionogi	1.1	2-Sep
Speedel	Novartis	0.9	10-Jul
Lev Pharmaceuticals	ViroPharma	0.6	15-Jul