

5th January 2016

Healthcare

ERYTech

Price EUR25.62

Yann Godfrin is leaving the company to pursue new opportunities

Fair Value EUR51 (+99%)

BUY

Bloomberg	ERYP FP
Reuters	ERYP.PA
12-month High / Low (EUR)	40.0 / 23.5
Market Cap (EUR)	201
Avg. 6m daily volume (000)	30.00

	1 M	3 M	6 M	31/12/14
Absolute perf.	-10.1%	-15.4%	-15.7%	-5.4%
Healthcare	-1.7%	5.4%	-1.2%	14.6%
DJ Stoxx 600	-4.8%	5.7%	-5.5%	6.8%

	2014	2015e	2016e	2017e
P/E	NS	NS	NS	NS
Div yield (%)	NM	NM	NM	NM

ANALYSIS

- Erytech announces that Yann Godfrin (Chief Scientific Officer and one of the co-founders – implying that most of his work was lately focused on early-stage candidates) is leaving the company to pursue new opportunities. He will nonetheless continue to support the company as a consultant.
- Yann was key in the development of Erytech as the inventor of the encapsulation technology (“ERYCAPS”), but his departure should not be overstated. Erytech is becoming a quite mature biotech company as: 1/ we expect the commercialisation of its first drug by the end of this year; and 2/ the vast majority of the value lies in GRASPA/ERY-ASP in haematological malignancies, for which we expect several new clinical trials (which will be supervised by Dr Iman El-Hariry).

VALUATION

- Buy rating reiterated with a FV of EUR51.

NEXT CATALYSTS

- H1 16: Possible US listing + Initiation of several new clinical trials.
- H2 16: Phase II results for ERY-ASP in pancreatic cancer + Marketing authorization for GRASPA ALL.

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Distribution of stock ratings

BUY ratings 56.9%

NEUTRAL ratings 34.6%

SELL ratings 8.5%

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