

7th March 2016

Healthcare

DBV Technologies

Price EUR45.95

CoFAR6 study results strengthen confidence in EPIT

Fair Value EUR92 (+100%)

BUY

Bloomberg	DBV FP
Reuters	DBV.PA
12-month High / Low (EUR)	81.0 / 38.5
Market Cap (EURm)	1,108
Avg. 6m daily volume (000)	51.50

	1 M	3 M	6 M	31/12/15
Absolute perf.	-1.8%	-29.0%	-30.0%	-30.8%
Healthcare	1.3%	-9.5%	-8.6%	-10.9%
DJ Stoxx 600	4.0%	-7.8%	-3.2%	-6.6%

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

ANALYSIS

- The NIH presented results from the CoFAR6 trial at the AAAAI (American Academy of Allergy, Asthma and Immunology) which replicates results from the VIPES trial. These results strengthen our confidence in a potential positive outcome from the ongoing phase III trial (PEPITES). As a reminder, the study funded by the NIH enrolled 75 patients aged 4 to 25 (4-11yo: n=54; 12-25yo: n=21) and randomised on a 1:1:1 basis to either Viaskin 100, 200µg or. Primary endpoint was the responder rate at 52 weeks, defined by a subject with a peanut protein eliciting dose (PPED) equal or greater to 5,044mg or peanut protein or a 10-fold increase in the cumulative reacting dose (CRD) compared to baseline.
- Results were in-line with Phase IIb with both doses of Viaskin demonstrating statistical significance of 0.005 and 0.003 for the 100µg and 250µg respectively, with efficacy being dose dependant and more pronounced in children aged 4 to 11 years old. Adherence to treatment was 97.2%. Note that drop-out was 8% with no patients in the 250µg discontinuing treatment. We are pleased to see that results from the trial showed statistical significance albeit including a more stringent primary endpoint. Note that the level of peanut protein eliciting dose in the VIPES trial was lower than in the CoFAR6 trial ($\geq 1,000\text{mg}$ PPED or $\times 10$ increase in CRD in the VIPES phase IIb trial vs. $\geq 5,044\text{mg}$ PPED or 10-fold increase in CRD in the CoFAR6 trial).
- At the AAAAI, the NIH also released results from the LEAP-on trial, which assessed the benefit of early introduction of peanuts to reduce the risk of developing peanut allergy. Results showed that patients that were introduced to peanuts early in their life remained protected despite having stopped eating peanuts for 12 months. We believe that DBV could benefit from these findings as it might promote the use of the patch as a safe way to expose paediatric populations to peanut protein. Moreover, long term reduction in prevalence is not likely to have an impact on peak sales (EUR1.5bn), which should be reached only four years after launch according to our estimates.

VALUATION

- We reiterate our BUY rating and EUR92 Fair Value.

NEXT CATALYSTS

- 7th April 2016: Q1 results
- H1 2016: MILES phase IIa study results (Viaskin in the treatment of Milk allergy)

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Distribution of stock ratings

BUY ratings 72%

NEUTRAL ratings 0%

SELL ratings 28%

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