

10th May 2016

Healthcare

Bone Therapeutics

Price EUR17.33

Well on track to deliver NU 2nd cohort data in Q2

Fair Value EUR30 (+73%)

BUY

Bloomberg	BONE FP
Reuters	BONE.PA
12-month High / Low (EUR)	23.0 / 15.2
Market Cap (EURk)	118,711
Avg. 6m daily volume (000)	2.70

	1 M	3 M	6 M	31/12/15
Absolute perf.	-5.0%	2.5%	-15.0%	-11.1%
Healthcare	-1.3%	6.6%	-11.0%	-11.3%
DJ Stoxx 600	0.4%	7.7%	-11.3%	-8.9%

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

ANALYSIS

- Bone Therapeutics released its Q1 results today with cash used in operating activities amounting to EUR2.9m vs EUR2.7m (adjusted for IPO related expenses) last year. The operating loss stood at EUR2.4m and cash position at EUR30.4m, which should enable the company to carry out its strategic plan until late 2017.
- After a dense Q1 during which the company released the first positive results for 1/ its autologous platform in osteoporosis (comment [here](#)) and 2/ the spinal fusion trial as well as the initiation of a phase IIa trial in multiple-union fracture (higher dose, please see [here](#)), we would expect newsflow in Q2 to calm down. Indeed, results from the second four-patient cohort from the delayed-union trial should be communicated this quarter. Note that these results should be followed by an interim review of the first 16 patients by a DSMB. Should the results be positive in 12 out of 16 patients, the trial could be prematurely stopped and move into phase III. Note that the company has opened new sites for its ongoing phase III trial in osteonecrosis and that it intends to present detailed phase IIb results in the latter indication at the EULAR congress in June (8-11th).

VALUATION

- We reiterate our BUY recommendation and EUR30 Fair Value.

NEXT CATALYSTS

- Q2: Results from the 2nd cohort in the phase IIa Delayed-Union trial
- Q2: detailed results

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BUY ratings 72%

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