

11th May 2016

Healthcare

ERYTech

Price EUR25.14

Slight delay in the European approval of GRASPA ALL

Fair Value EUR48 (+91%)

BUY

Bloomberg	ERYP FP
Reuters	ERYP.PA
12-month High / Low (EUR)	40.0 / 18.2
Market Cap (EURm)	199
Avg. 6m daily volume (000)	29.40

	1 M	3 M	6 M	31/12/15
Absolute perf.	-7.7%	30.2%	-11.9%	-1.9%
Healthcare	-0.8%	4.7%	-10.6%	-10.9%
DJ Stoxx 600	1.3%	6.7%	-10.6%	-8.1%

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

ANALYSIS

- ERYTECH published its Q1 16 business update and among others we'd note that **cash & cash equivalents stood at EUR40.6m at the end of March 2016** (meaning that the burn rate reached EUR5.1m over the period). So far, the financial part looks in line with our estimates as we believe total operating expenses should amount to EUR20m on a full year basis.
- But the most importance piece of news lies in the potential MAA of GRASPA as a treatment for relapsed/refractory patients with ALL; and more precisely, **the company underlined it requested and received a 3-month extension to answer the questions asked by the CHMP** (Commission for Human Medicinal Products)... Consequently, a potential approval is more likely to happen at the very beginning of 2017.

VALUATION

- The impact on our FV is quite limited as we previously anticipated a very cautious ramp-up assuming an approval in October (FY 16e sales: EUR1.0m, and knowing that Erytech was supposed to receive 45% in the form of royalties and margins on manufacturing). **BUY reiterated with a FV of EUR48.**

NEXT CATALYSTS

- H2 16: Feedback from the CHMP regarding the approval of GRASPA in Europe.

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BUY ratings 72%

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