

28th July 2016

Healthcare

## DBV Technologies

Price EUR63.80

H1 2016 in-line, 3y OLFUS-VIPES data upcoming

Fair Value EUR91 (+43%)

BUY

|                            |             |
|----------------------------|-------------|
| Bloomberg                  | DBV FP      |
| Reuters                    | DBV.PA      |
| 12-month High / Low (EUR)  | 81.0 / 40.6 |
| Market Cap (EURm)          | 1,538       |
| Avg. 6m daily volume (000) | 43.30       |

|                | 1 M   | 3 M   | 6 M   | 31/12/15 |
|----------------|-------|-------|-------|----------|
| Absolute perf. | 27.6% | 2.7%  | 28.1% | -4.0%    |
| Healthcare     | 9.3%  | 6.0%  | 2.5%  | -3.0%    |
| DJ Stoxx 600   | 11.0% | -1.6% | 0.7%  | -6.3%    |

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

### ANALYSIS

- H1 top-line results came in at EUR4.8m derived essentially from research tax credits. R&D expenses increased from EUR12.5m in H1 2015 to EUR32.9m in H1 2016 (+163%). This subsequent raise in R&D expenses is explained by an intensification in R&D activities, including 1) patient recruitment for the PEPITES phase III trial (Viaskin Peanut); 2) SMILEE phase IIa trial initiation (Viaskin Milk); 3) MILES Phase I/II follow-up (Viaskin Milk), as well as strategy to increase R&D dedicated FTEs. S&M increased compared to H1 2015 (since there were not any such expense last year) to reach EUR5.5m in H1 2016. The latter increase starts to reflect DBV's standalone strategy with regards to US commercialisation. G&A are up from EUR5.5m to EUR15.8m in H1 2016. Operating loss stands at -49.4m.
- Cash position at the end of July stood at EUR289m (vs. EUR105m in H1 2015). Note that overnight, the company filed a F-3 Form at the SEC i.e. equity shelf of indeterminate amount.
- As a reminder, PEPITES phase III trial ended and we do not rule out that results might come in July/August next year.

### VALUATION

- We reiterate our BUY rating and 91 fair value.

### NEXT CATALYSTS

- H2 2016:
  - Results from phase I feasibility study in Pertussis boost vaccine
  - OLFUS-VIPES 3-year study results

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- NEUTRAL** Opinion recommending not to trade in a stock short-term, neither as a BUYER or a SELLER, due to a specific set of factors. This view is intended to be temporary. It may reflect different situations, but in particular those where a fair value shows no significant potential or where an upcoming binary event constitutes a high-risk that is difficult to quantify. Every subsequent published update on the stock will feature an introduction outlining the key reasons behind the opinion.
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## Distribution of stock ratings

BUY ratings 72%

NEUTRAL ratings 0%

SELL ratings 28%

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