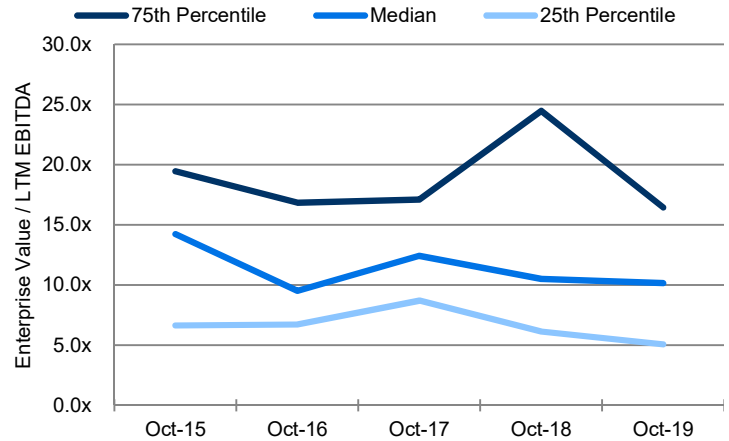


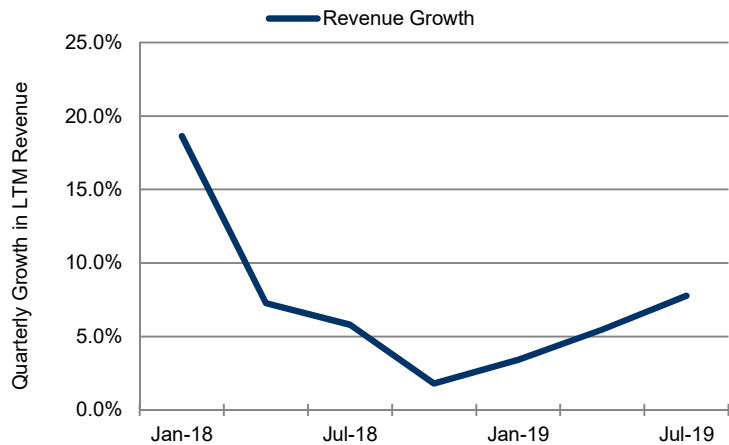
Industry Highlights

- On August 23, 2019, Gilead completed its \$1.1 billion equity investment in clinical-stage biotechnology company Galapagos NV. Galapagos discovers, develops, and commercializes various small molecule medicines. Gilead gains access to Galapagos' differentiated drug discovery platform and their existing and future drug pipeline outside of Europe.
- In March of 2019, Biogen announced that it had entered into a share purchase agreement with Fujifilm Corporation under which Fujifilm will acquire the shares of Biogen's subsidiary, which holds Biogen's biologics manufacturing operations, for \$890 million.
- On June 7, 2019, Biogen also completed its acquisition of Nightstar Therapeutics, a clinical-stage gene therapy company based in London, for approximately \$878 million. The transaction will improve Biogen's pipeline of gene therapy candidates in ophthalmology.
- Alexion was active in 2019 with the announcement of its collaboration with Caelum Biosciences and its exclusive license with Eidos Therapeutics to develop and commercialize AG10 in Japan. Eidos is a subsidiary of BridgeBio Pharma.
- In April of 2019, Sarepta Therapeutics completed its \$365 million acquisition of clinical-stage biotechnology company Myonexus Therapeutics. The company's pipeline includes three clinical-stage programs for the treatment of limb-girdle muscular dystrophies.

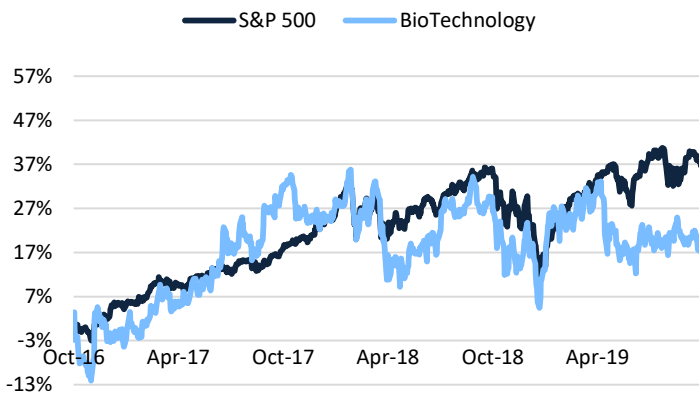
Trend in Industry Revenue Multiples¹



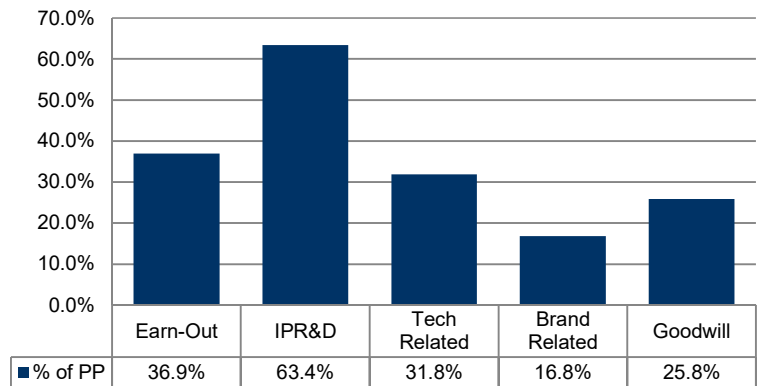
Trends in Revenue Growth¹



Relative Stock Price Returns²



Purchase Price Allocation (PPA) % from Recent Transactions



¹ Calculated using aggregated data for AMGN, GILD, BIIB, CSL Limited, CELG, VRTX, REGN, ALXN, BMRN, INCY, ABBV, NOVO B, SGEN, IONS, ALNY, SRPT, BLUE, BGNE, MRNA, NBIX.

² Building Material Distributor Industry is a custom, equal-weighted index constructed with the aforementioned companies.

Notable M&A Deals



On June 25, 2019, AbbVie Inc. announced it will acquire Allergan for approximately \$63 billion. The combined company will consist of several franchises with leading positions across immunology, hematologic oncology, medical aesthetics, neuroscience, eye care, women's health, and virology.



On August 26, 2019, Amgen announced it would acquire Otezla, the only oral, non-biologic treatment for psoriasis and psoriatic arthritis, from Celgene for \$13.4 billion. This comes in the wake of Celgene's merger with Bristol-Myers Squibb which was announced in early 2019, and has been delayed because of antitrust concerns.



On September 3, 2019, Vertex Pharmaceuticals announced it had entered into a definitive agreement to acquire Semma Therapeutics, a privately held biotechnology company pioneering the use of stem cell-derived human islets to treat type 1 diabetes, for \$950 million.