EDISON

PharmaMar

Financial update

Aplidin and Zepsyre milestones coming up

Pharma & biotech

PharmaMar investors await two key events that are expected in the next few months. The European Committee for Medicinal Products for Human Use (CHMP) should announce a recommendation regarding Aplidin's marketing application in the EU for refractory multiple myeloma in combination with dexamethasone by the end of the year. Also, Phase III results from the 443-patient CORAIL study studying Zepsyre® in platinum-resistant ovarian cancer patients is expected early next year.

Year end	Sales revenue (€m)	PBT* (€m)	EPS* (c)	DPS (c)	P/E (x)	Yield (%)
12/15	162.0	5.9	3.0	0.0	108.0	N/A
12/16	164.0	(24.7)	(10.8)	0.0	N/A	N/A
12/17e	171.2	(11.1)	(5.0)	0.0	N/A	N/A
12/18e	191.6	27.2	12.2	0.0	26.6	N/A

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Aplidin CHMP recommendation by year-end

Aplidin (plitidepsin) is a first-in-class marine derived drug targeting eFF1A2, a proto-oncogene over-expressed in multiple myeloma. In the 255-patient Phase III ADMYRE trial, Aplidin was able to show a highly statistically significant (p=0.0062) progression-free survival (PFS) benefit, the primary endpoint of the trial. We expect Aplidin to reach global peak sales of US$300m, including US$115m in Europe.

Phase III CORAIL study is key

PharmaMar is studying Zepsyre (lurbinectedin) in multiple indications including ovarian, breast and small cell lung cancer (SCLC). The 443-patient CORAIL study in platinum-resistant ovarian cancer will be the first Phase III readout for the drug. PFS is the primary endpoint and in a previous Phase II trial comparing Zepsyre to Topotecan, the drug showed a statistically significant PFS benefit in platinum-resistant cancer patients (5.7 months versus 1.7 months, p=0.005) in the randomised-controlled stage of the trial.

SCLC data promising

PharmaMar recently presented promising data of Zepsyre in SCLC patients at the European Society for Medical Oncology (ESMO). In combination and monotherapy cohorts, the therapy had an overall response rate of 36-37%, higher than the 13-24% response rate historically seen with the current standard of care, Topotecan. The 600-patient Phase III ATLANTIS study in relapsed SCLC patients is ongoing.

Valuation: Increased to €1.84bn or €8.28 per share

We are increasing our valuation from €1.68bn or €7.56/share to €1.84bn or €8.28/share, mainly due to upgrading our estimates for the consumer chemicals business and rolling forward our NPV. We have also made relatively minor adjustments to Yondelis revenues and operating expenses. We will review our valuation further following the CHMP decision on Aplidin and the Zepsyre Phase III data in ovarian cancer.

3 November 2017

Price	**€3.24**
Market cap	**€720m**
	$1.17/€
Net debt (€m) at end September 2017	66.4
Shares in issue	222.2m
Free float	73%
Code	PHM
Primary exchange	BME
Secondary exchange	N/A

Share price performance

%	1m	3m	12m
Abs	1.9	(14.7)	33.3
Rel (local)	(0.1)	(14.3)	13.1
52-week high/low		€4.2	€2.3

Business description

PharmaMar is a Spanish biopharmaceutical company with a core focus on the development of marine-based drugs for cancer. Yondelis is approved in the US, EU and Japan, and is partnered with Janssen (J&J) in the US and Taiho in Japan. The group also has consumer chemicals, molecular diagnostics and RNAi operations.

Next events

Aplidin CHMP decision	Q417
Zepsyre® ovarian Phase III results	Q118

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Edison profile page

Aplidin decision coming up

In September 2016, PharmaMar filed for approval to market Aplidin to treat relapsed/refractory multiple myeloma in Europe. A decision by the CHMP regarding Aplidin is expected by year-end. Aplidin has orphan drug designation in Europe and the US.

In March 2016, the company announced positive top-line results from the 255-patient ADMYRE Phase III trial of Aplidin plus dexamethasone versus dexamethasone alone in relapsed/refractory multiple myeloma. The trial met its primary endpoint, showing a statistically significant 35% reduction in the risk of disease progression or death. Additional data were recently released as part of the abstracts for the American Society of Hematology (ASH) 2017 Annual Meeting (Atlanta, 9-12 December 2017). According to the independent review committee (IRC), the median PFS was 2.6 months in the treatment arm compared to just 1.7 months in the control arm (HR=0.65, p=0.0062). Median PFS by investigator's assessment was 3.8 months in the treatment arm and 1.9 months in the control arm (HR=0.611, p=0.0048). While the medians themselves differ, the hazard ratios and p-values are very similar, indicating that the data are largely consistent.

In this Phase III, patients in the control arm were able to cross over into the treatment arm following progression, confounding the overall survival results (the patients in the control arm were not true control patients as they also received therapy, although later when prognosis would likely be poorer). However, strong trends were still seen, although these were not statistically significant. Median overall survival was 11.6 months in the treatment arm versus 8.9 months in the control arm (HR=0.797, p=0.1273). Using an analysis that allows for the crossover, the overall survival data become significant with median overall survival of 11.6 months in the treatment arm versus 6.7 months in control (HR=0.667, p=0.0069).

Exhibit 1: Aplidin (plitidepsin) Phase III ADMYRE data

	Arm A (treatment): plitidepsin 5mg/m2 D1 + D15 plus DXM 40mg, D1 + D8 + D15 + D22 (n=171)	Arm B (control): DXM 40mg, D1 + D8 + D15 + D22 (n=84)	p-value
Objective response rate (%)	13.8%	1.7%	N/A
Duration of response (months)	12.0	1.8	N/A
PFS according to IRC assessment (months)	2.6	1.7	0.0062
PFS according to investigator's assessment (months)	3.8	1.9	0.0048
Overall survival-unadjusted (months)	11.6	8.9	0.1273
Overall survival-adjusted for crossover (months)	11.6	6.7	0.0069

Source: ASH 2017 abstracts

Multiple myeloma accounts for 10% of all haematological malignancies. It is caused by malignant plasma cells that multiply very rapidly. According to the National Cancer Institute, 30,280 new cases are expected to be diagnosed in the US in 2017, with 12,590 dying of this disease. In Europe, the incidence is 4.5-6.0 out of every 100,000 people each year. We expect Aplidin to reach global peak sales of US$300m, including US$115m in Europe.

PharmaMar continues to recruit patients in multiple trials of Aplidin including a Phase II in combination with bortezomib and dexamethasone in double refractory multiple myeloma patients. It is continuing to recruit patients for a Phase I trial in the expansion phase of Aplidin in combination with bortezomib and dexamethasone in relapsed/refractory multiple myeloma following promising results that were presented at ASCO in 2016. It has also begun a new Phase I trial of Aplidin in combination with bortezomib, pomalidomide and dexamethasone in multiple myeloma patients exposed to proteasome inhibitors and refractory to lenalidomide.

PharmaMar has an Aplidin co-promotion agreement with Chugai Pharma Europe covering certain European countries (France, Germany, the UK, Benelux, Ireland and Austria). PharmaMar earned a €4m milestone from Chugai for filing the Marketing Authorisation Application to the European Medicines Agency.

PharmaMar has also licensed marketing rights to Specialised Therapeutics Australia covering Australia, New Zealand and certain Asian countries, and to TTY Biopharm in Taiwan. It retains commercialisation rights in several key European territories, including Spain, Italy and Northern Europe, where we assume it will market Aplidin using its existing salesforce. PharmaMar also retains production rights and will supply Aplidin to its partners for sale in the licensed regions. There is potential for further licensing newsflow with Aplidin as the regulatory dossier for European approval will also be valid for more than 40 additional ex-EU countries.

The Phase III CORAIL study

PharmaMar initiated its Phase III CORAIL study in June 2015. Patient recruitment was completed in October 2016 and data is expected by early 2018. It has enrolled 443 patients across 113 sites in North America and Europe. It is testing 3.2mg/m^2 of Zepsyre given intravenously every three weeks compared to Topotecan given daily for five days every three weeks intravenously and pegylated liposomal doxorubicin (PLD) given once every four weeks intravenously. The primary endpoint is PFS. The study was designed to detect a hazard ratio (HR) of 0.7 with 90% power, though the company believes it can achieve statistical significance with an HR of 0.8.

PharmaMar ran an 81-patient, two-stage, controlled Phase II trial in platinum-resistant/refractory ovarian cancer patients. The first stage was exploratory and included 22 patients who received 7mg of Zepsyre every three weeks. The second stage compared the same dose of Zepsyre (30 patients) with either daily or weekly Topotecan regimens (29 patients). Across all patients and both stages, Zepsyre demonstrated a 23% response rate compared to 0% in patients receiving Topotecan (p=0.0033). Among those with platinum-resistant disease, the drug achieved a 30% response rate (those with refractory disease, who by definition are difficult to treat, had a 10.5% response rate).

Exhibit 2: Phase II data

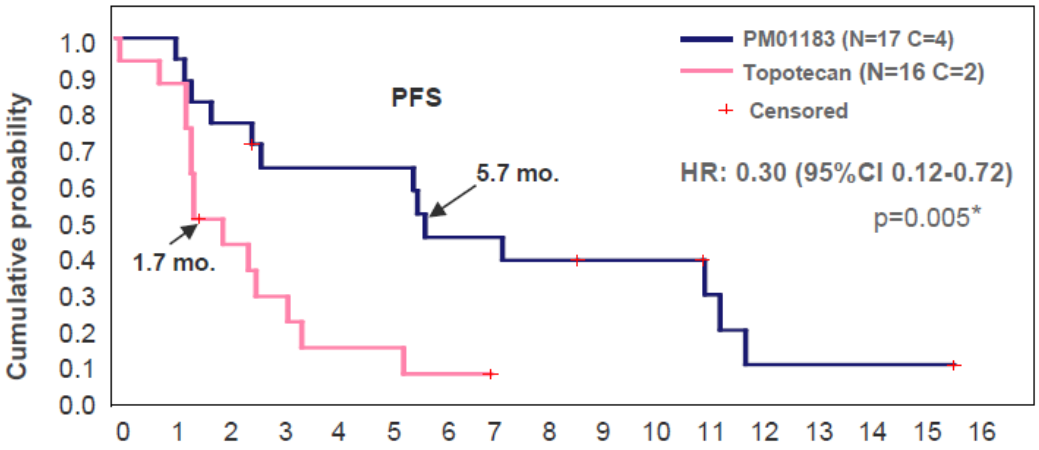
	ORR (%) – all patients	ORR (%) – platinum-resistant	PFS (months) – all patients	PFS (months) – platinum-resistant	Overall survival (months) – all patients	Overall survival (months) – platinum-resistant
Zepsyre – both stages	23%	30%	4.0	5.0	10.6	13.5
Zepsyre – second stage	17%	24%	3.9	5.7	9.7	15.6
Topotecan – second stage	0%	0%	2.0	1.7	8.5	8.7

Source: PharmaMar, Poveda et al., Phase II randomized study of PM01183 versus topotecan in patients with platinum-resistant/refractory advanced ovarian cancer. *Annals of Oncology*. 2017 June; 28(6):1280-1287.
Note: The trial as a whole had 52 patients who received Zepsyre (30 in the second stage of the study) and 29 who received Topotecan. There were 17 platinum-resistant patients who received Zepsyre in the second stage and 16 who received Topotecan.

PFS, the primary endpoint of the upcoming CORAIL study, was a relatively modest 4.0 months in the 52 patients who received Zepsyre in both stages and was 3.9 months in the 30 patients receiving the drug in the second stage, though that compares favourably to the 2.0 months seen in the 29 patients who received Topotecan (p=0.0067). Also, the PFS in all patients who received Zepsyre was skewed by the platinum-refractory patients, who progressed relatively quickly (2.9 months in the first stage and 1.4 months in the second stage according to the original abstract[1]). Among platinum-resistant patients, PFS in those who received Zepsyre was 5.0 months for the trial as a whole and 5.7 months in the second stage of the trial, a significant improvement over the 1.7 months seen in patients receiving Topotecan (p=0.005).

[1] Poveda et al., Lurbinectedin (PM01183), an active compound in platinum-resistant/refractory ovarian cancer (PRROC) patients. *Journal of Clinical Oncology* 32, no. 15_supple (May 2014) 5505.

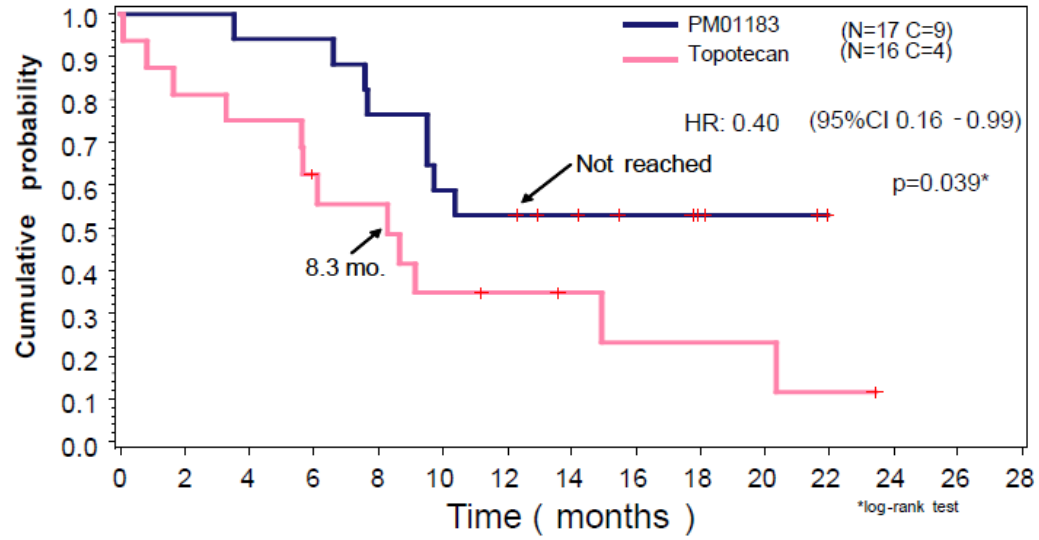
Exhibit 3: Platinum-resistant patient PFS data from the second stage of the Phase II



Source: PharmaMar, ASCO 2014

There were trends towards an overall survival benefit. Median overall survival was 10.6 months for all patients who received Zepsyre, 9.7 months for patients in the second stage vs 8.5 months for Topotecan patients (p=0.2871). Including only platinum-resistant patients, the median overall survival improves to 13.5 months for Zepsyre patients (15.6 months for those in the second stage vs 8.7 months for Topotecan patients). One caveat when trying to interpret the survival data is that 52% of the patients in the control arm crossed over to Zepsyre following disease progression, which could have affected the results in the control arm's favour.

Exhibit 4: Platinum-resistant patient OS data from the second stage of the Phase II, as of ASCO 2014



Source: PharmaMar, ASCO 2014. Note: The survival data has since been updated so that median survival in the Zepsyre arm is currently reported as 15.6 months versus 8.7 months for Topotecan among patients in the second stage of the trial.

There are a few important changes in the design of the Phase III trial compared to the Phase II. First, the trial is focusing on platinum-resistant patients rather than both resistant and refractory. Second, the comparator arm is different as it now includes both Topotecan and PLD. Initially, the Phase II trial was supposed to have PLD as a comparator but due to a worldwide shortage at the time, it was switched to Topotecan. Additionally, in the Phase III, patients who receive Topotecan will only be receiving the standard, five-day regimen rather than the weekly regimen. In the Phase

II, patients could receive both and 21 of the 29 Topotecan patients were on the weekly regimen. In a previous trial comparing the two Topotecan regimens in platinum-resistant ovarian cancer patients, there were trends favouring the five-day regimen in both response rate (15% vs 4%) and PFS (4.3 months vs 3.0 months), though neither difference was significant.[2] This makes it likely that the control arm in the Phase III will have stronger results than in the Phase II (the company is assuming a PFS in the control arm of 3.5 months, higher than the Phase II results and comparable to historical data).

Another key change is that the company amended the Zepsyre dosing regimen. It was a flat dose of 7mg given every three weeks in the Phase II, but is now based on body surface area. At a dose of 3.2mg/m^2 and an average body surface area of around 1.7 for women with ovarian cancer,[3] the average dose should be approximately 5.4mg, somewhat lower than the previous dose. The main reason for the change was the high level of neutropenia found in the Phase II (85% grade 3/4, 64% grade 4) especially in those with low body surface area. Neutropenia is a fairly common toxicity of chemotherapy (the rate of grade 4 neutropenia in the five-day Topotecan regimen was 88% in the Phase II) that increases the risk of infection. It can be managed with granulocyte-colony stimulating factor (G-CSF) as well as antibiotics.

Based on pharmacokinetic (PK) modelling, the 3.2mg/m^2 is expected to still be above the efficacy threshold (the PK profile in the Phase II indicated patients were well above the efficacy threshold at the 7mg flat dose) while lowering grade 4 neutropenia by at least 20%[4] (it is expected to also reduce the incidence of grade 3/4 hematologic and biochemical abnormalities, gastrointestinal disorders and fatigue). However, we will not know for sure until we see the data and this change in dosing regimen between trials increases the risk that the results will not be statistically significant (though based on the Phase II data, there is a cushion).

SCLC data at ESMO

PharmaMar recently presented promising updated data of Zepsyre in SCLC patients at the European Society for Medical Oncology (ESMO) in Madrid. The company had previously released data from Cohort A and combination data with paclitaxel (TAX). The new data includes Cohort B, which had a body surface area based dose of Zepsyre (2mg/m^2) in combination with 40mg/m^2 of doxorubicin (DOX), as well as a single agent arm with Zepsyre at a 3.2mg/m^2 body surface area based dose. In both the new arms, the response rate is much higher than the response rate typically seen with Topotecan (13-24%[5]). Importantly, in Cohort B, which has the same dose as what is being used in the Phase III trial, PFS was 5.3 months, which is higher than the 3-4 months typically seen with Topotecan.

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2 Sehouli et al., Topotecan Weekly Versus Conventional 5-Day Schedule in Patients With Platinum-Resistant Ovarian Cancer. *Journal of Clinical Oncology* 29, no. 2 (January 2011) 242-248.

3 Sacco et al., The Average Body Surface Area of Adult Cancer Patients in the UK. *PLoS One*. 2010; 5(1): e8933

4 Fernandez-Teruel et al., Lurbinectedin (PM1183) efficacy in platinum resistant/refractory ovarian cancer (PRROC) patients correlates with drug exposure using pharmacokinetic/pharmacodynamic (PK/PD) modelling. *International Journal of Gynecologic Cancer* 2015; 25: 433 (Abs N_ ESGO-0843).

5 Garst et al., Topotecan: An evolving option in the treatment of relapsed small cell lung cancer. Therapeutics and Clinical Risk Management 2007:3(6) 1087-1095.

Exhibit 5: Zepsyre in SCLC

	Lurbinectedin + DOX (q3wk)		Lurbinectedin + TAX (q3wk)	Lurbinectedin single agent (q3wk)
	Cohort A L 3-5mg FD D1 + DOX 50mg/m² D1 (n=21)	Cohort B L 2mg/m² D1 + DOX 40mg/m² D1 (n=27)	L 2.2mg/m² D1 + TAX 80mg/m² D1 & D8 (n=7)	L 3.2mg/m² D1 (n=36)
Complete response rate (%)	10%	4%	14%	0%
Partial response rate (%)	57%	33%	57%	36%
Objective response rate (%)	67%	37%	71%	36%
Stable disease (%)	14%	33%	0%	39%
Progressive disease (%)	19%	30%	29%	25%
Disease control rate (%)	81%	70%	71%	75%
Duration of response (months)	4.5	5.2	2.3	6.2+
Progression free survival (months) - patients with chemotherapy free interval of >30 days	4.7	5.3	3.9	3.1+
Progression free survival (months) - platinum sensitive patients	5.8	6.2	3.9	4.6+

Source: PharmaMar, ESMO 2017. Note: L = lurbinectedin, DOX = doxorubicin, TAX = paclitaxel.

In August 2016, PharmaMar initiated the ATLANTIS trial, which is a multicentre, open-label, randomised Phase III trial in 600 patients with relapsed (second-line) SCLC following platinum-containing therapy. The primary endpoint is progression free survival (PFS) comparing patients treated with the combination of Zepsyre and doxorubicin to the control arm where patients are treated with either Topotecan or the CAV regimen, a combination of cyclophosphamide, adriamycin (the brand name for doxorubicin) and vincristine. Data from the ATLANTIS trial is expected in 2019.

PM14

PharmaMar has also announced that it has enrolled the first patient into a new development program for the PM14 molecule. The trial is expected to enrol approximately 50 patients with advanced solid tumours. We will include PM14 in our valuation once we receive more information on the program, such as data and focus.

Valuation

We are increasing our valuation from €1.68bn or €7.56/share to €1.84bn or €8.28/share, mainly due to upgrading our estimates for the consumer chemicals business (owing to higher expectations for revenues and lower expectations for expenses which has a magnified impact on profit) and rolling forward our NPV (which had an especially high impact on our value for Zepsyre as it is a pipeline product with meaningful sales in later years). We have also made relatively minor adjustments to Yondelis revenues and operating expenses. We will review our valuation further following the CHMP decision on Aplidin and the Zepsyre Phase III data in ovarian cancer.

Exhibit 6: PharmaMar sum-of-the-parts DCF

Product	rNPV (€m)	rNPV/ share (€)	Assumptions
Chemicals business FCF	131.2	0.59	7.5% WACC, 3% growth rate from 2019 onwards, accounts for 45% of group capex.
Yondelis (Europe)	578.6	2.60	Second-line soft-tissue sarcoma (STS) peak sales of €87m with 40% penetration; third-line ovarian cancer peak sales of €37m with 8% penetration into addressable platinum sensitive market. First potential generics in 2024. 10% WACC.
Yondelis (US)	146.6	0.66	STS (second-line) peak sales of $130m, launched 2016; peak sales in platinum-sensitive ovarian cancer of $50m, 65% risk adjustment, 2020 launch; both assume 15% royalty from J&J.
Yondelis (Japan)	24.1	0.11	STS only: peak sales of €34m; 15% royalty from Taiho. 10% WACC.
Aplidin (multiple myeloma)	200.3	0.90	Global peak sales of $300m assuming 40% of MM patients ultimately receive fourth-line therapy and 25% penetration; pricing of $25k in EU with 25% US premium; 90% success probability in Europe, 65% in the US; launch 2018 in Europe, 2021 in the US; sold by Chugai in eight European territories (assume effective royalty of 25%) and direct in other EU regions, assume 25% royalty in US; includes €20m of near-term regulatory milestones out of €30m total Chugai milestones. No milestones included for other territories at this stage.
Zepsyre (resistant ovarian cancer)	346.1	1.56	Second-line, platinum-resistant ovarian cancer: peak sales of €193m; US and EU: 65% success probability, 2019 launch – sold direct in Europe and the US; Japan: 50% success probability, 2021 launch, 20% royalty.
Zepsyre (SCLC)	691.8	3.11	Peak sales of €680m; US and EU: 65% success probability, 2020 launch sold direct in Europe and US; Japan: 50% success probability, 2022 launch, 20% royalty.
Zepsyre (breast – BRCA2 mutated)	136.8	0.62	Peak sales of €250m; 45% success probability; US and EU: 2021 launch – sold direct in Europe and US; Japan: 50% success probability, 2023 launch, 20% royalty.
Zepsyre (endometrial cancer)	211.6	0.95	Peak sales of €198m; US and EU: 65% success probability, 2022 launch sold direct in Europe and US; Japan: 50% success probability, 2023 launch, 20% royalty.
Zepsyre upfront and milestones	47.7	0.21	Chugai upfront €30m, plus Chugai Japan development milestones assumed to be €35m of ~€70m total potential Chugai milestone payments (assumed to average €7m/year over 2017-21), risked at 50-90%; no Chugai sales-based milestones or milestones for other territories included in our forecasts at this stage.
Sylentis	7.0	0.03	Cumulative peak sales of $200m, with 20% probability of success, potential launch 2021, 10% royalty.
Genomica	57.7	0.26	Conservative 2% growth rate.
R&D	(354.2)	(1.59)	12.5% WACC.
SG&A	(302.2)	(1.36)	10% WACC.
Capex	(17.6)	(0.08)	55% of group capex for biopharma business.
Net cash/(debt)	(66.4)	(0.30)	At Q317
Total	**1,839.2**	**8.28**	

Source: Edison Investment Research. Note: WACC of 12.5% used except where indicated otherwise.

Financials

PharmaMar reported that total sales rose by 0.6% to €139.6m through Q317. Sales in the biopharmaceutical area fell 4.1% to €69m, mainly due to Yondelis price erosion in some European countries. Sales in the consumer chemical segment grew by 2.1% to €60.4m thanks mainly to chalky-finish paints and other Rust-Oleum products. We have lowered our total revenue estimate by €2.8m for 2017 and by €1.1m for 2018. We adjusted Yondelis slightly downward, which was mitigated in part by increasing estimates for the consumer chemical segment.

R&D expenditure fell in the first nine months of the year by 3% to €55.7m driven mainly by the completion of clinical trials that were ongoing in 2016. As we had expected high growth in R&D spend this year, we have reduced our estimates by €11.6m for the year but by less than a million in 2018 due to new Phase III trials ramping up.

Adjusted EBITDA for the group was a loss of €3.7m through the first nine months compared to a loss of €5.6m in the same period last year. The improvement is due to revenue growth and containment of commercial (including reduced promotional expenses for the chemicals business) and R&D expenses. We have decreased our EBITDA estimate for 2017 but increased it for 2018 due to an expected delay in the milestone payments (risk-adjusted) on the launch of Aplidin (we had originally expected approval sometime in H217 and we think the milestones will most likely be received next year even with a positive CHMP decision this year).

Exhibit 7: Financial summary

€'000s	2014	2015	2016	2017e	2018e
Year end 31 December	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS					
Revenue	149,652	161,992	164,035	171,235	191,586
Cost of Sales	(40,765)	(45,705)	(43,971)	(47,461)	(50,001)
Gross Profit	108,887	116,287	120,064	123,774	141,585
R&D Expenses (gross)	(52,456)	(63,549)	(79,780)	(76,797)	(78,615)
Capitalised in-house R&D	5,979	3,258	1,357	1,753	1,800
Sales, General and Administrative Expenses	(57,043)	(74,067)	(71,550)	(64,346)	(60,320)
Other (milestones and royalties)	28,060	31,825	16,913	22,563	41,210
EBITDA	25,704	17,578	(11,463)	924	39,576
Operating Profit (before GW and except.)	22,095	11,297	(18,706)	(6,536)	31,892
Depreciation & Amortisation	(5,467)	(6,281)	(7,243)	(7,460)	(7,684)
Exceptionals	0	0	0	0	0
Operating Profit	20,237	11,297	(18,706)	(6,536)	31,892
Net Interest	(5,762)	(5,388)	(5,993)	(4,576)	(4,734)
Other	0	0	0	0	0
Profit Before Tax (norm)	16,333	5,909	(24,699)	(11,112)	27,158
Profit Before Tax (as reported)	14,475	5,909	(24,699)	(11,112)	27,158
Tax	(1,304)	654	592	0	0
Deferred tax	0	0	0	0	0
Profit After Tax (norm)	15,029	6,563	(24,107)	(11,112)	27,158
Profit After Tax (FRS 3)	13,171	6,563	(24,107)	(11,112)	27,158
Minority interests	20	25	25	0	0
Discontinued operations	(76)	0	0	(48)	0
Net income (normalised)	15,049	6,588	(24,082)	(11,112)	27,158
Net income (FRS3)	13,115	6,588	(24,082)	(11,160)	27,158
Average Number of Shares Outstanding (m)	222.2	222.2	222.2	222.2	222.2
EPS - normalised (c)	6.8	3.0	(10.8)	(5.0)	12.2
EPS - FRS 3 (c)	0.06	0.03	(0.11)	(0.05)	0.12
Dividend per share (c)	0.00	0.00	0.00	0.00	0.00
Gross Margin (%)	72.8%	71.8%	73.2%	72.3%	73.9%
EBITDA Margin (%)	17.2%	10.9%	-7.0%	0.5%	20.7%
Operating Margin (before GW and except.) (%)	14.8%	7.0%	-11.4%	-3.8%	16.6%
BALANCE SHEET					
Fixed Assets	99,473	99,804	100,145	98,411	96,167
Intangible Assets	28,836	29,377	27,448	25,691	27,491
Tangible Assets	29,218	30,624	31,141	30,978	26,934
Other	41,419	39,803	41,556	41,742	41,742
Current Assets	101,916	112,135	120,992	108,114	122,487
Stocks	24,404	22,990	22,158	23,144	27,398
Debtors	36,989	40,200	62,652	44,259	44,616
Cash and current financial assets	35,511	45,625	32,367	35,357	45,119
Other	5,012	3,320	3,815	5,354	5,354
Current Liabilities	(82,626)	(70,623)	(87,164)	(84,697)	(80,214)
Creditors	(38,160)	(41,994)	(59,258)	(57,444)	(52,961)
Short term borrowings	(44,466)	(28,629)	(27,906)	(27,253)	(27,253)
Long Term Liabilities	(58,694)	(68,280)	(85,478)	(82,783)	(72,493)
Long term borrowings	(47,003)	(64,973)	(67,583)	(71,678)	(71,678)
Other long term liabilities	(11,691)	(3,307)	(17,895)	(11,105)	(815)
Net Assets	60,069	73,036	48,495	39,045	65,947
CASH FLOW					
Operating Cash Flow	23,475	10,195	(3,040)	11,562	19,937
Net Interest	(1,000)	252	(5,000)	(4,576)	(4,734)
Tax	(366)	654	(374)	0	0
Capex	(10,179)	(9,221)	(6,093)	(6,193)	(5,440)
Acquisitions/disposals	4	0	129	0	0
Financing	(2,905)	6,169	(632)	(979)	0
Other	0	0	0	0	0
Net Cash Flow	9,029	8,049	(15,010)	(187)	9,763
Opening net debt/(cash)	64,585	54,886	46,910	61,984	62,550
Exchange rate movements	0	0	0	0	0
Other	670	(73)	-64	-379	0
Closing net debt/(cash)	54,886	46,910	61,984	62,550	52,788

Source: PharmaMar accounts, Edison Investment Research

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