

IN-LICENSING

Relevance of Current Market Conditions

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Euro-BIO 2009



Crisis or Crisis...?



INDUSTRY EFFECT

- **BIG PHARMA's are not hit by the Financial Crisis**
- **Biotech companies ARE!!**

Crisis for BIG PHARMA

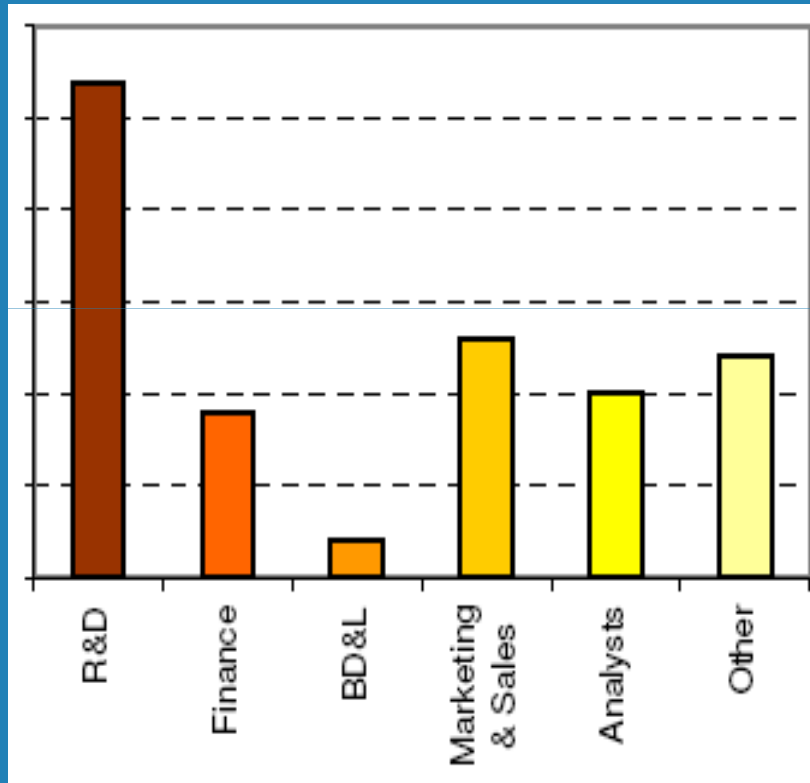
- **NOT directly linked to the financial and stock market collapse**
 - **Big Pharma has \$\$\$\$\$**
 - **And they will use it!**
 - **Big Pharma crisis linked to NON-financial issues**
 - **Innovation Crisis**
 - **Generic competition**
 - **Regulatory hurdles**
 - **Organisational problems / re-structuring**



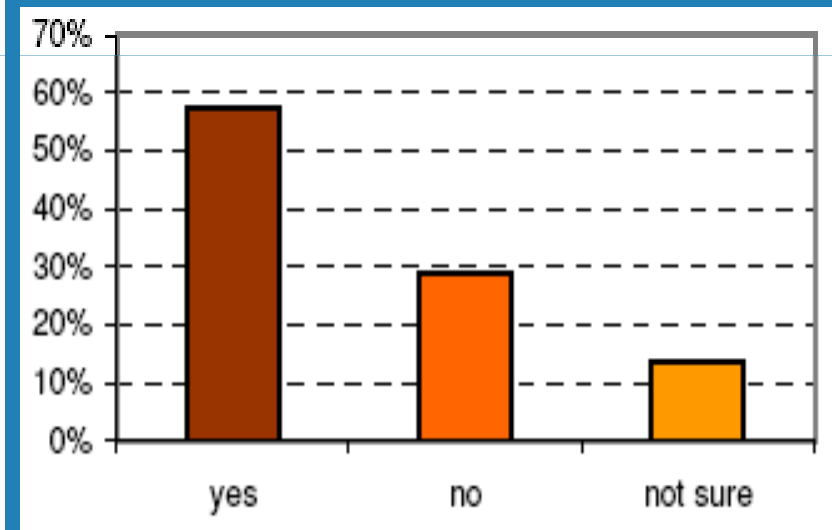
Biotech Difficulties

- **Above all, re-financing**
- **Inparticular, IPO's are almost non-existent**
- **Biotech Opportunity**
 - **Acquisition by Big Pharma M&A Deals**
 - **Partnering**

Immediate Effect of the Financial Crisis

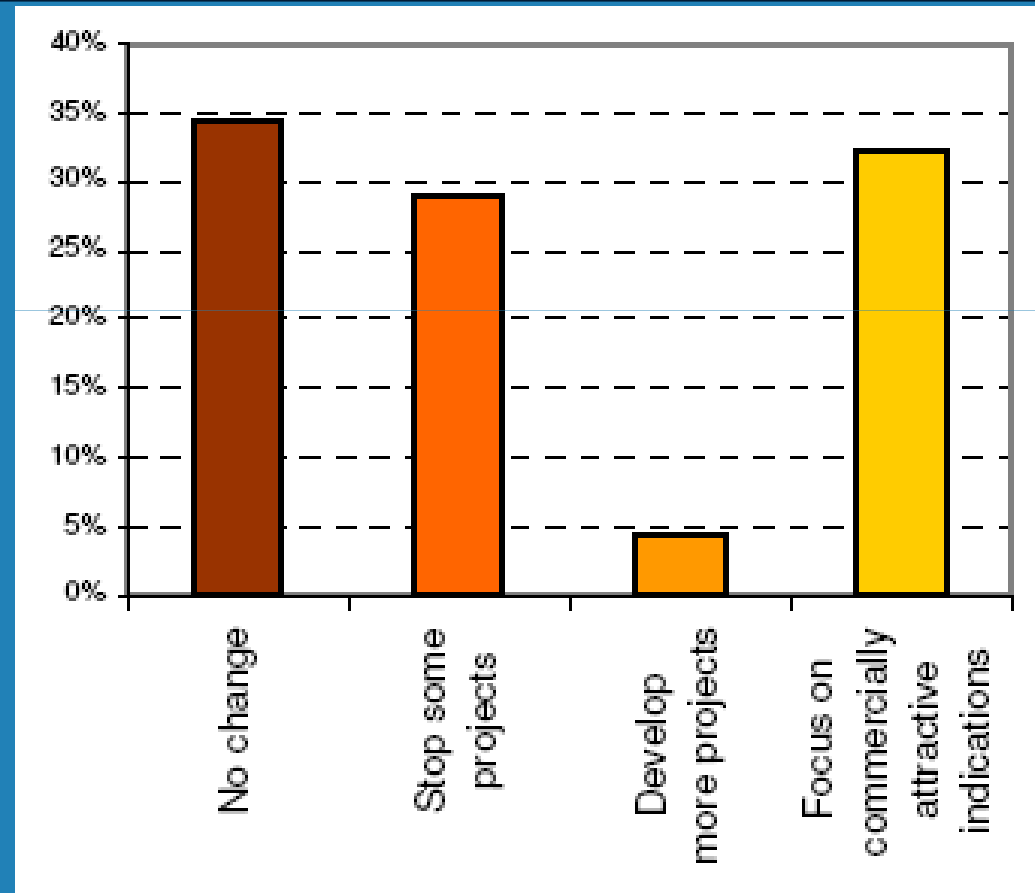


Who will be laid off?

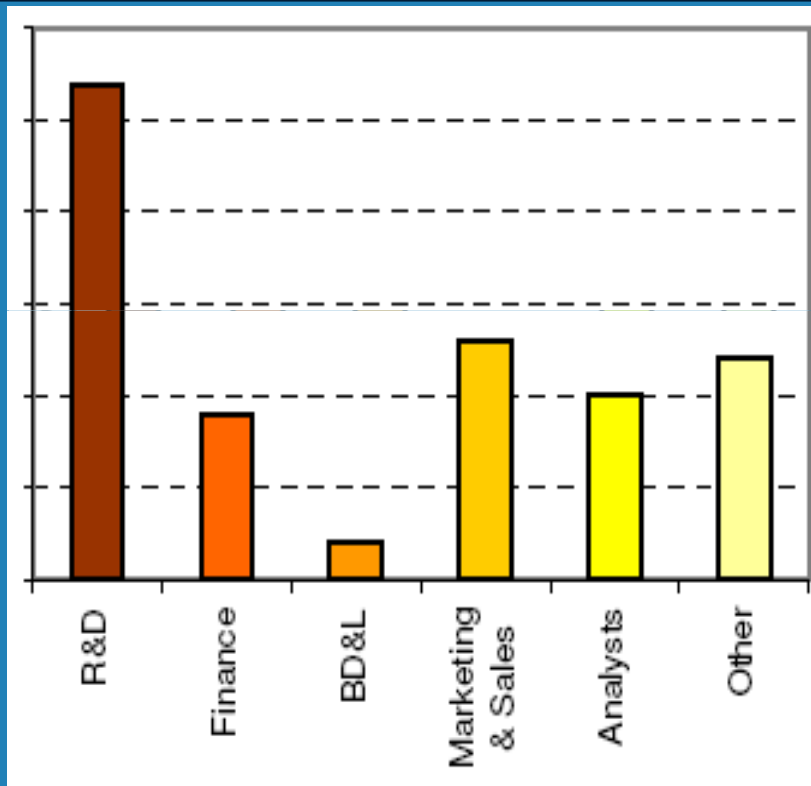


Will you cut costs?

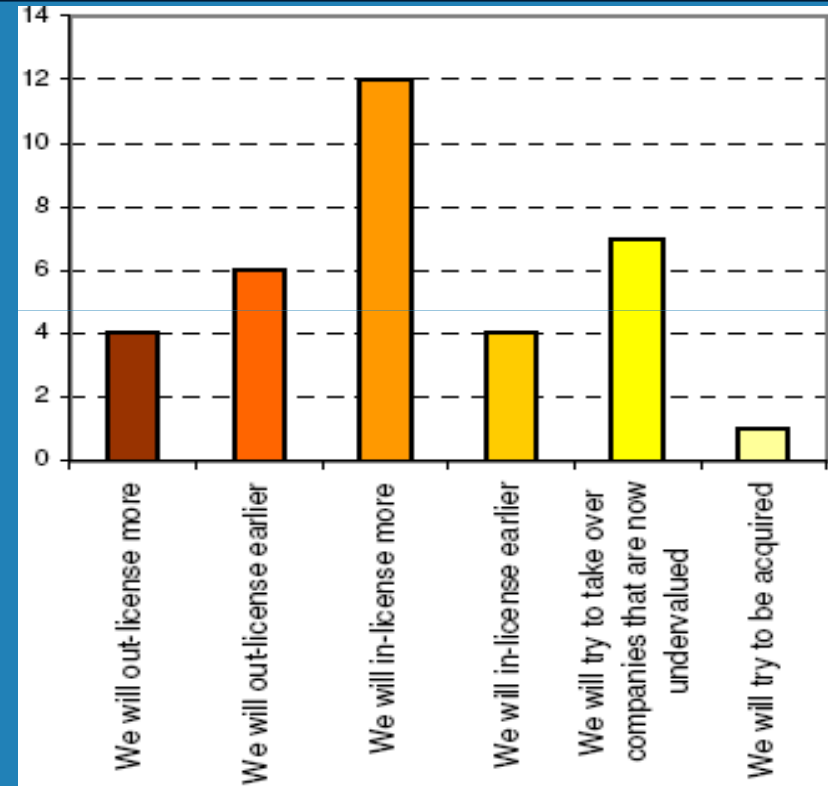
How Will Drug Development be Affected?



Impact of Crisis on BD Strategy



How will your BD strategy be affected? (Biotech)



How will your BD strategy be affected? (Pharma)

In Licensing Philosophy for mid-size companies

- **Diversification of risk**
- **Relationship with Universities / Institutes**
- **Real Partnering & not predation**
- **Confidence vs conflict**
- **Joint committees**
- **Attention from top management**



In-Licensing for Mid-Size Companies

- **Early stage vs Advanced products**
- **Need for early stage deals**
 - **Cost vs risk**

BIOTECH'S MOST RESPECTED NEWS SOURCE FOR OVER 15 YEARS

BIOWORLD® TODAY

TUESDAY
OCTOBER 3, 2006

THE DAILY BIOTECHNOLOGY NEWSPAPER

VOLUME 17, No. 190
PAGE 1 OF 8

Plexxikon, Servier In Potential \$100M CV Drug Discovery Deal

In its third major collaboration to date, Plexxikon Inc. signed a deal potentially worth more than \$100 million with French firm Servier to discover non-peptidic renin inhibitors aimed at cardiovascular disease, particularly hypertension.

JB.Borfiga
Les Laboratoires Servier

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THURSDAY
OCTOBER 5, 2006

THE DAILY BIOTECHNOLOGY NEWSPAPER

VOLUME 17, No. 192
PAGE 1 OF 7

Plexxikon Enters Roche Deal On B-Raf Inhibitors For \$706M

two days after signing a potential \$100 million deal with French firm Servier, Plexxikon announced it has partnered an oncology program with F. Hoffmann-La Roche Ltd. in a deal with a \$706 million potential, its largest to date.



Conclusion

- **Deal environment will never be SO active**
 - **Pharma companies can increase acquisition portfolio**
 - **Now, cost of capital is much lower**
 - **Biotech companies that can survive the next 2 years should have more opportunities to grow**



**« It is in difficult times that
one needs to build
confidence »**

Thank you for your attention!