COWEN AND COMPANY

Hyperion Therapeutics

Outperform (1)

Ravicti Approved, Allowed Patent Claims Should Extend IP To 2032

February 4, 2013

Analysts
Phil Nadeau, Ph.D.
(646) 562-1336
phil.nadeau@cowen.com

Nicholas Bishop, Ph.D.
(646) 562-1378
nicholas.bishop@cowen.com

Conclusion: On Friday HPTX announced that the FDA approved Ravicti for the treatment of urea cycle disorders, and that the U.S. PTO allowed the claims of the 13/417,137 application. While Ravicti's label is broad and favorable, the approval was widely expected. However, the allowance of the claims was a surprise. We think the claims represent unexpected and novel scientific findings, and therefore our initial impression is that the patent has a good chance of withstanding challenge. Moreover, dosing language on Ravicti's label is closely aligned with the allowed claims, and therefore we believe that the patent should protect Ravicti from generic competition through its expiry in 2032. Today we are publishing a new DCF analysis which assumes Ravicti maintains exclusivity until the end of the patent, which adds nearly $20/share to the DCF value of the UCD franchise. We believe that Hyperion is undervalued based on the potential of Ravicti in urea cycle disorders alone. We think investors should take advantage of the fact that the market is giving Hyperion no credit for additional years of exclusivity, and buy HPTX today.

- **13/417,137 Claims Novel And Capable Of Protecting The Franchise.** While developing Ravicti, HPTX obtained novel data on the variability of blood ammonia (NH4) levels over 24 hrs. This led to the unexpected finding that a patient's fasting NH4 level does not provide sufficient information to correctly dose an ammonia scavenger. Rather, the correct paradigm is one in which the dose is adjusted to produce a fasting plasma NH4 levels less than half the upper limit of normal according to age. This '137 application claims this novel method, and Ravicti's label instructs physicians to use it to adjust Ravicti's dose. We suspect that HPTX will seek to modernize Buphenyl's label to include similar dosing language.

- **We Expect HPTX To Announce Ravicti's Price On This Morning's Call.** We currently assume an average price of $200K/patient/year. Our initial model adjustments are described on p. 2.

HPTX (02/01)	**$16.01**
Mkt cap	**262.6MM**
Dil shares out	16.4MM
Avg daily vol	410.6K
52-wk range	$10.0-16.5
Dividend	Nil
Dividend yield	Nil
BV/sh	$2.57
Net cash/sh	$2.90
Debt/cap	5.0%
ROE (LTM)	NA
5-yr fwd EPS growth (Norm)	NA
S&P 500	**1513.2**

Revenue $MM

FY Dec	2011 Actual	2012E Prior	2012E Current	2013E Prior	2013E Current	2014E Current	2015E Current
Q1	—	—	0.0A	—	0.0	—	—
Q2	—	—	0.0A	15.1	1.8	—	—
Q3	—	—	0.0A	15.8	14.5	—	—
Q4	—	—	0.0	18.9	17.5	—	—
Year	**0.0**	**—**	**0.0**	**49.8**	**33.8**	**95.0**	**105.0**
EV/S	—	—	—	—	6.3x	2.3x	2.0x

EPS $

FY Dec	2011 Actual	2012E Prior	2012E Current	2013E Prior	2013E Current	2014E Current	2015E Current
Q1	—	—	(1.14)A	—	(0.55)	—	—
Q2	—	—	(0.68)A	0.23	(0.50)	—	—
Q3	—	—	(0.44)A	0.24	0.18	—	—
Q4	—	—	(0.35)	0.36	0.30	—	—
Year	**3.34**	**—**	**(2.45)**	**0.30**	**(0.55)**	**1.80**	**1.85**
P/E	—	—	—	—	—	8.9x	8.7x

Investment Thesis

Hyperion is developing treatments in the areas of orphan disorders and hepatology. Hyperion's lead program includes a suite of products to treat urea cycle disorders (UCDs). UCDs are a constellation of diseases in which the body lacks the ability to clear ammonia, a byproduct of protein digestion. Approximately 2,000 people in the United States have a UCD, and just over 500 are receiving pharmacotherapy. Left untreated, UCDs can cause learning disabilities, mental retardation, and death. Hyperion owns an option to purchase the leading FDA-approved therapy for the chronic management of UCDs, Buphenyl, and will begin marketing it by mid-2013E. While Buphenyl can rescue patients from death, it has an excessive pill burden, a foul taste, and causes GI side effects in most patients. Hyperion has developed Ravicti to replace Buphenyl. Ravicti has succeeded in four Phase II and III trials, and received FDA approval on February 1, 2013. In a pooled analysis of all four studies, Ravicti has been shown to have significantly better ammonia control compared to Buphenyl. More important, Ravicti has far superior palatability in a dramatically reduced drug volume (1 tablespoon or less) with few GI side effects, making it much more tolerable for patients. Our checks suggest that Hyperion will successfully transfer the vast majority of treated UCD patients from Buphenyl to Ravicti over the next few years, and we project it will achieve $100MM+ in sales by 2016. Outside of UCD, Ravicti has shown intriguing Phase II data in Hepatic Encephalopathy (HE), a potential $1B market. Hyperion met with the FDA in Q4:12, and it expects to begin Phase III for HE in 2013. We believe that Hyperion is undervalued based on Ravicti's potential in UCD, without any contribution from other indications.

Adjusting Model To Reflect Buphenyl Sales Starting In Q3, No Ammonul

We expect HPTX will take nearly the full contractually-allotted 90 days to exercise its option to purchase Buphenyl, and therefore have pushed out Buphenyl revenue from Q2 to Q3. This has pushed out our assumptions for Hyperion's profitability from Q2 to Q3, and FY profitability from 2013 to 2014. Additionally, Valeant has recently increased Ammonul's price nearly 3x, which suggests to us that VRX may retain it, so we have removed all Ammonul revenue assumptions from our model, but added a pro forma $13MM payment from Valeant to Hyperion as is required if Valeant keeps Ammonul. While these changes have decreased near-term EPS, the inclusion of 13 years of exclusivity beyond the end of orphan increased the DCF value of the UCD franchise from $16 to $34.

Upcoming Hyperion Milestones

Event	Timing
Exercise option to purchase Buphenyl, Ammonul from Medicis	H1:13
Ravicti's U.S. commercial launch	H1:13
Potential initiation of Ravicti's pivotal trials in HE	2013

Source: Cowen and Company

U.S. Urea Cycle Disorder Revenue Model

	2011A	2012E	2013E	2014E	2015E	2016E	2017E
U.S. Urea Cycle Disorder Market							
Chronic Therapy							
Prevalence Of Urea Cycle Disorders In U.S.	2090	2138	2186	2234	2282	2330	2378
Annual Incidence of UCD	160	160	160	160	160	160	160
Annual Mortality from UCD	112	112	112	112	112	112	112
Total Patients With Urea Cycle Disorders In The U.S.	2138	2186	2234	2282	2330	2378	2426
% Diagnosed	*50%*	*50%*	*50%*	*50%*	*50%*	*50%*	*50%*
Number Diagnosed	1045	1069	1093	1117	1141	1165	1189
Buphenyl							
% on Buphenyl	*41%*	*40%*	*31%*	*24%*	*13%*	*3%*	*1%*
Number of Patients On Buphenyl	425	425	342	192	154	38	15
Average Cost per Patient per Year ($000)	55	55	95	130	130	130	130
Buphenyl Revenue ($MM)	**23.4**	**23.4**	**32.5**	**25.0**	**20.0**	**5.0**	**2.0**
Ravicti							
% on Ravicti			*6%*	*27%*	*37%*	*47%*	*53%*
Number of Patients On Ravicti			67	350	425	550	625
Average Cost per Patient per Year ($000)			200	200	200	200	200
Ravicti Revenue			**$13.3**	**$70.0**	**$85.0**	**$110.0**	**$125.0**
Y/Y Growth				*425%*	*21%*	*29%*	*14%*

Source: Cowen and Company

Hyperion Quarterly P&L ($MM)

	Q1:12A	Q2:12A	Q3:12A	Q4:12E	2012E	Q1:13E	Q2:13E	Q3:13E	Q4:13E	2013E
Ravicti						-	1.8	3.5	8.0	13.3
Buphenyl						-		11.0	9.5	20.5
Ammonul						-	-	-	-	-
License and Other										
Total Revenue	-	-	-	-	-	-	1.8	14.5	17.5	33.8
COGS						-	0.2	0.9	1.3	2.4
Gross Margin							*90%*	*94%*	*93%*	*93%*
R&D	8.9	2.7	2.4	2.5	16.5	4.0	4.8	5.0	5.3	19.1
SG&A	2.3	2.0	2.4	3.1	9.8	5.2	5.3	5.4	5.5	21.4
Other										
Operating Expenses	11.2	4.8	4.8	5.6	26.3	9.2	10.3	11.3	12.1	42.9
Operating Income / (Loss)	(11.2)	(4.8)	(4.8)	(5.6)	(26.3)	(9.2)	(8.5)	3.2	5.4	(9.1)
Interest and other income, net	(0.7)	(2.4)	(0.2)	(0.2)	(3.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)
Pretax net income	(11.9)	(7.2)	(4.9)	(5.8)	(29.8)	(9.3)	(8.6)	3.1	5.3	(9.6)
Taxes						-	-	-	-	-
Tax Rate						*0%*	*0%*	*0%*	*0%*	*0%*
GAAP Net Income	(11.9)	(7.2)	(4.9)	(5.8)	(29.8)	(9.3)	(8.6)	3.1	5.3	(9.6)
GAAP EPS	**$(1.14)**	**$(0.68)**	**$(0.44)**	**$(0.35)**	**$(2.45)**	**$(0.55)**	**$(0.50)**	**$ 0.18**	**$ 0.30**	**$(0.55)**
Diluted Shares Outstanding (MM)	10.4	10.5	11.3	16.4	12.2	17.0	17.3	17.5	17.8	17.4

Source: Cowen and Company

Hyperion Annual P&L ($MM)

	2011A	2012E	2013E	2014E	2015E	2016E	2017E
Ravicti	-	-	13.3	70.0	85.0	110.0	125.0
Buphenyl	-	-	20.5	25.0	20.0	5.0	2.0
Ammonul	-	-	-	-	-	-	-
License and Other	-	-	-	-	-	-	-
Total Revenue	-	-	33.8	95.0	105.0	115.0	127.0
COGS	-	-	2.4	8.3	9.5	11.3	12.6
Gross Margin			*93%*	*91%*	*91%*	*90%*	*90%*
R&D	17.2	16.5	19.1	22.0	24.0	24.5	25.0
SG&A	8.9	9.8	21.4	24.2	26.8	28.2	29.2
Other	-	-	-	-	-	-	-
Operating Expenses	26.2	26.3	42.9	54.5	60.3	64.0	66.8
Operating Income / (Loss)	(26.2)	(26.3)	(9.1)	40.6	44.7	51.1	60.2
Interest and other income, net	(3.3)	(3.4)	(0.5)	(2.2)	-	4.0	4.0
Pretax net income	(29.4)	(29.8)	(9.6)	38.4	44.7	55.1	64.2
Taxes	-	-	-	2.1	6.7	16.5	19.3
Tax Rate	-	-	*0%*	*6%*	*15%*	*30%*	*30%*
GAAP Net Income	(29.4)	(29.8)	(9.6)	36.2	38.0	38.5	44.9
GAAP EPS	**(3.34)**	**(2.45)**	**(0.55)**	**1.80**	**1.85**	**1.85**	**2.10**
Diluted Shares Outstanding (MM)	8.8	12.2	17.4	20.1	20.6	20.8	21.4

Source: Cowen and Company

Hyperion DCF - With Patent Protection

Financial Year End	12/31/2012
Valuation Date	2/2/2013
Discount Rate	**10.0%**
Terminal Growth Rate	**-20.0%**

Hyperion: DCF Valuation
Saturday, February 02, 2013

$MM	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Ravicti Sales	0	13	70	85	110	125	138	144	152	159	167	175	184	193	203	213	224	235	247	259	272	218
Growth (%)			*426%*	*21%*	*29%*	*20%*	*10%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*-20%*
Buphenyl	0	21	25	20	5	2	2	1	1	1	1	1	1	1	0	0	0	0	0	0	0	0
Growth (%)			*22%*	*-20%*	*-75%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*
Ammonul	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Growth (%)						*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*
License and Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Growth (%)																						
Total Revenues	0	34	95	105	115	127	139	146	153	160	168	176	185	194	204	214	224	235	247	259	272	218
Growth (%)			*181%*	*11%*	*10%*	*10%*	*10%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*-20%*
COGS	0	2	8	10	11	13	14	15	15	16	17	18	18	19	20	21	22	24	25	26	27	22
COGS as a % of sales		*18%*	*12%*	*11%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*
R&D	17	19	22	24	25	25	18	16	15	16	17	18	18	19	20	21	22	24	25	26	27	22
R&D as a % of Revenues		*57%*	*23%*	*23%*	*21%*	*15%*	*13%*	*11%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*
SG&A	10	21	24	27	28	29	25	23	18	19	20	21	22	23	24	26	27	28	30	31	33	26
SG&A as a % of Revenues		*63%*	*25%*	*26%*	*25%*	*20%*	*18%*	*16%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*
Operating Income	-26	-30	16	25	46	58	81	90	103	108	113	119	125	131	138	145	152	160	168	176	185	148
Tax	0	0	1	4	14	17	24	27	31	32	34	36	38	39	41	43	46	48	50	53	56	44
Tax rate	*0%*	*0%*	*6%*	*15%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*
NOL/ Tax Assets Utilized																						
Tax rate																						
Taxes Paid	0	0	1	4	14	17	24	27	31	32	34	36	38	39	41	43	46	48	50	53	56	44
Approx Free Cash Flow	(26)	(30)	15	21	32	41	56	63	72	76	79	83	88	92	97	101	107	112	117	123	130	104
Years	-0.09	0.91	1.90	2.90	3.91	4.91	5.90	6.90	7.91	8.91	9.90	10.90	11.90	12.90	13.90	14.90	15.90	16.90	17.90	18.90	19.90	20.90
Discount Factor	1.01	0.92	0.83	0.76	0.69	0.63	0.57	0.52	0.47	0.43	0.39	0.35	0.32	0.29	0.27	0.24	0.22	0.20	0.18	0.17	0.15	0.14
NPV of Cash flows	(27)	(27)	12	16	22	26	32	33	34	32	31	29	28	27	26	25	23	22	21	20	19	14

Terminal Value Calculation

Final year FCF	104
Perpetual Growth Rate	-20.0%
Terminal Value	**276**
Discount Factor	0.14
Present Value of Terminal Value	**38**
Present Value of Cash Flows	**467**
Enterprise Value	**504**
Add: Net cash	61
Market Value	**565**
Fully Diluted Shares Outstanding	16.4
Value per Fully Diluted Share	**$34.44**

Source: Cowen and Company

Hyperion DCF – No Patent

Financial Year End	12/31/2012
Valuation Date	2/2/2013
Discount Rate	**10.0%**
Terminal Growth Rate	**-10.0%**

Hyperion: DCF Valuation
Saturday, February 02, 2013

$MM	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Ravicti Sales	0	13	70	85	110	125	138	144	116	92	74	59	47	38	30
Growth (%)			*426%*	*21%*	*29%*	*20%*	*10%*	*5%*	*-20%*	*-20%*	*-20%*	*-20%*	*-20%*	*-20%*	*-20%*
Buphenyl	0	21	25	20	5	2	2	1	1	1	1	1	1	1	0
Growth (%)			*22%*	*-20%*	*-75%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*	*-15%*
Ammonul	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Growth (%)			*#DIV/0!*	*#DIV/0!*	*#DIV/0!*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*
License and Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Growth (%)															
Total Revenues	0	34	95	105	115	127	139	146	117	93	75	60	48	38	31
Growth (%)			*181%*	*11%*	*10%*	*10%*	*10%*	*5%*	*-20%*	*-20%*	*-20%*	*-20%*	*-20%*	*-20%*	*-20%*
COGS	0	2	8	10	11	13	14	15	12	9	7	6	5	4	3
COGS as a % of sales		*18%*	*12%*	*11%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*
R&D	17	19	22	24	25	25	18	16	12	9	7	6	5	4	3
R&D as a % of Revenues		*57%*	*23%*	*23%*	*21%*	*15%*	*13%*	*11%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*
SG&A	10	21	24	27	28	29	25	23	14	11	9	7	6	5	4
SG&A as a % of Revenues		*63%*	*25%*	*26%*	*25%*	*20%*	*18%*	*16%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*	*12%*
Operating Income	-26	-30	16	25	46	58	81	90	78	63	50	40	32	26	20
Tax	0	0	1	4	14	17	24	27	23	19	15	12	10	8	6
Tax rate	*0%*	*0%*	*6%*	*15%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*
NOL/ Tax Assets Utilized															
Tax rate															
Taxes Paid	0	0	1	4	14	17	24	27	23	19	15	12	10	8	6
Approx Free Cash Flow	(26)	(30)	15	21	32	41	56	63	55	44	35	28	22	18	14
Years	-0.09	0.91	1.90	2.90	3.91	4.91	5.90	6.90	7.91	8.91	9.90	10.90	11.90	12.90	13.90
Discount Factor	1.01	0.92	0.83	0.76	0.69	0.63	0.57	0.52	0.47	0.43	0.39	0.35	0.32	0.29	0.27
NPV of Cash flows	(27)	(27)	12	16	22	26	32	33	26	19	14	10	7	5	4

Terminal Value Calculation

Final year FCF	14
Perpetual Growth Rate	-10.0%
Terminal Value	**64**
Discount Factor	0.27
Present Value of Terminal Value	**17**
Present Value of Cash Flows	**198**
Enterprise Value	**215**
Add: Net cash	61
Market Value	**276**
Fully Diluted Shares Outstanding	16.4
Value per Fully Diluted Share	**$16.81**

Source: Cowen and Company

Addendum

STOCKS MENTIONED IN IMPORTANT DISCLOSURES

Ticker	Company Name
HPTX	Hyperion Therapeutics

ANALYST CERTIFICATION

Each author of this research report hereby certifies that (i) the views expressed in the research report accurately reflect his or her personal views about any and all of the subject securities or issuers, and (ii) no part of his or her compensation was, is, or will be related, directly or indirectly, to the specific recommendations or views expressed in this report.

IMPORTANT DISCLOSURES

Cowen and Company, LLC and or its affiliates make a market in the stock of HPTX securities.

Cowen and Company, LLC and/or its affiliates managed or co-managed a public offering of HPTX within the past twelve months.

Cowen and Company, LLC and/or its affiliates received in the past 12 months compensation for investment banking services from HPTX.

HPTX is or was in the past 12 months a client of Cowen and Company, LLC; during the past 12 months, Cowen and Company, LLC provided IB services.

HPTX has been client(s) of Cowen and Company, LLC in the past 12 months.

Cowen and Company, LLC compensates research analysts for activities and services intended to benefit the firm's investor clients. Individual compensation determinations for research analysts, including the author(s) of this report, are based on a variety of factors, including the overall profitability of the firm and the total revenue derived from all sources, including revenues from investment banking. Cowen and Company, LLC does not compensate research analysts based on specific investment banking transactions.

DISCLAIMER

This research is for our clients only. Our research is disseminated primarily electronically and, in some cases, in printed form. Research distributed electronically is available simultaneously to all Cowen and Company, LLC clients. All published research, including required disclosures, can be obtained on the Firm's client website, www.cowenresearch.com.

Further information on any of the above securities may be obtained from our offices. This report is published solely for information purposes, and is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Other than disclosures relating to Cowen and Company, LLC, the information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete statement or summary of the available data. Any opinions expressed herein are statements of our judgment on this date and are subject to change without notice.

Notice to UK Investors: This publication is produced by Cowen and Company, LLC, which is regulated in the United States by FINRA and is disseminated in the United Kingdom by Cowen International Limited ("CIL"). In the United Kingdom, 'Cowen and Company' is a Trading Name of CIL. It is communicated only to persons of a kind described in Articles 19 and 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005. It must not be further transmitted to any other person without the consent of CIL.

prior to any public dissemination by Cowen of the research report or information or opinion contained therein. Any unauthorized use or disclosure is prohibited. Receipt and/or review of this research constitutes your agreement not to reproduce, display, modify, distribute, transmit, or disclose to others outside your organization the contents, opinions, conclusion, or information contained in this report (including any investment recommendations, estimates or price targets). All Cowen trademarks displayed in this report are owned by Cowen and may not be used without its prior written consent.

Cowen and Company, LLC. New York (646) 562-1000 **Boston** (617) 946-3700 **San Francisco** (415) 646-7200
Chicago (312) 577-2240 **Cleveland** (440) 331-3531 **Atlanta** (866) 544-7009 **London (affiliate)** 44-207-071-7500

COWEN AND COMPANY RATING DEFINITIONS (a)

Rating	Definition
Outperform (1)	Stock expected to outperform the S&P 500
Neutral (2)	Stock expected to perform in line with the S&P 500
Underperform (3)	Stock expected to underperform the S&P 500

(a) Assumptions: Time horizon is 12 months; S&P 500 is flat over forecast period.

COWEN AND COMPANY RATING ALLOCATION (a)

Rating	Pct of companies under coverage with this rating	Pct for which Investment Banking services have been provided within the past 12 months
Buy (b)	53.0%	9.6%
Hold (c)	43.4%	1.5%
Sell (d)	2.8%	0.0%

(a) As of 12/31/2012. (b) Corresponds to "Outperform" rated stocks as defined in Cowen and Company, LLC's rating definitions (see above). (c) Corresponds to "Neutral" as defined in Cowen and Company, LLC's ratings definitions (see above). (d) Corresponds to "Underperform" as defined in Cowen and Company, LLC's ratings definitions (see above). Note: "Buy," "Hold" and "Sell" are not terms that Cowen and Company, LLC uses in its ratings system and should not be construed as investment options. Rather, these ratings terms are used illustratively to comply with NASD and NYSE regulations.