

April 8, 2014

EQUITY RESEARCH AFTERNOON RESEARCH SUMMARY

What's Inside

Estimates & PT Revisions									
TLOG	O ↓	TetraLogic Corporation				Pharmaceuticals			
Updates									
IMMU	O	Immunomedics Inc.							
Estimates/Ratings/Price Target Updates									
		Annual Estimates							
		Current FY		Next FY		Ratings		Price Targets	
Company	Ticker	Prev	Curr	Prev	Curr	Prev	Curr	Prev	Curr
TetraLogic Pharmaceuticals Corporation	TLOG	(0.83)	(0.83)	(0.95)	(1.03)	O	O	\$19.00	\$19.00

- Conference Calendar
- Oppenheimer Sponsored Conference Calls
- Earnings & Conference Call Calendar

Today's Headlines

TetraLogic Pharmaceuticals Boris Peaker, Ph.D., CFA
Corporation (TLOG)
[Acquisition Diversifies Pipeline, Focus To Remain On Birinapant/TRAIL](#)

Immunomedics Inc. (IMMU) Boris Peaker, Ph.D., CFA
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Snap Commentaries - Equities Updates

HEALTHCARE

[Boris Peaker, Ph.D., CFA](#)

212 667-8564

TetraLogic Pharmaceuticals Corporation (TLOG - \$6.58)

Biotechnology

Rating	Market Cap	Price Target	Earnings Type	2012A	2013E	2014E / Prior
O	\$146.6M	\$19.00	EPS	(1.52)	(0.83)	(1.03) / (0.95)

Acquisition Diversifies Pipeline, Focus To Remain On Birinapant/TRAIL

Yesterday, TetraLogic announced the acquisition of privately held Shape Pharmaceuticals for \$13M and unspecified milestones and royalties on future sales. The acquisition adds a topic HDAC inhibitor, SHAPE, to the company's pipeline. The drug has shown excellent safety and initial signs of efficacy in the Phase I studies, and TetraLogic plans to start a Phase 2 study of the compound in 4Q14. We believe that investors will remain focused on birinapant, the company's SMAC mimetic compound, which is anticipated to report results from the Phase 1/2 ovarian cancer study in 3Q14. We believe that if this data is positive, birinapant may be of high interest to Amgen.

HEALTHCARE

[Boris Peaker, Ph.D., CFA](#)

212 667-8564

Immunomedics Inc. (IMMU - \$3.95)

Biotechnology

Rating	Market Cap	Price Target	Earnings Type	2013A	2014E	2015E
O	\$329.0M	\$8.00	EPS	(0.16)	0.05	(0.58)

Positive ADC Data Presented at AACR

Immunomedics presented positive IMMU-130 and IMMU-132 data at AACR. Recall that both IMMU-130 and IMMU-132 are antibody-drug conjugates (ADCs). We believe that the ADC program is of high interest to investors. Data were presented from the ongoing Phase I/II study of IMMU-132 showing that five patients had partial response (PR). Additional data are expected from the ongoing Phase I/II study of IMMU-132 in May '14. Grade 3/4 events were observed, but the adverse events (AEs) appear manageable. These data include 13 patients with pancreatic cancer showing high disease control rate. Data from three IMMU-130 Phase I studies were also reported at AACR. These data further support IMMU-130 activity.

HEALTHCARE

[Michael Wiederhorn](#)

954-356-8312

CMS Issues FY2015 Medicare Advantage Final Rule

CMS finalized rates for Medicare Advantage in 2015, with the net improvement primarily coming from a delay in the In-Home Health Risk Assessment provision, which plans had estimated would have a -200 bps impact. The rate cut now appears to be roughly -3% compared to -3.5% (ex-Risk Assessments). The 50 bps improvement includes ~110 bps from a delayed implementation to the new risk model, and ~110 bps from an improvement of the FFS Normalization, offset by a 150 bps impact related to a worse trend factor (and some other small changes). It isn't entirely clear how CMS calculates its overall increase of 0.4%, but we believe it differs from the Street/industry due to assumed coding improvements by the plans and the industry fee. Overall, the delay in the Risk Assessment provision should please investors, but there is likely to be confusion due to the different calculations out of CMS.

Earnings & Conference Call Calendar

Earnings Reporting					Conference Call			
Company	Ticker	Analyst	Date	Time (EST)	Tel. Number	Code	Replay	Code
Wednesday, April 09, 2014								
Bed Bath & Beyond Inc	BBBY	Nagel, CFA	9-April-14	5:00PM	+1-866-638-3013	36886594		
Friday, April 11, 2014								
Wells Fargo & Co	WFC	Kotowski	11-April-14	10:00AM	+1-706-643-1962		+1-855-859-2056	75709909
JPMorgan Chase & Co	JPM	Kotowski	11-April-14	8:30AM	+1-866-541-2724		+1-855-859-2056	2728590
Monday, April 14, 2014								
Citigroup Inc	C	Kotowski	14-April-14	11:00AM	+1-866-516-9582	11338423	+1-855-859-2056	11338423
Tuesday, April 15, 2014								
Intel Corp	INTC	Schafer	15-April-14	5:00PM	+1-678-809-1045	33549069	+1-855-859-2056	33549069
Comerica Inc	CMA	McEvoy, CFA	15-April-14	8:00AM	+1-800-309-2262	10261396		
Sensient Technologies Corp	SXT	Yang	15-April-14	11:00AM	+1-706-758-1089	24095009	+1-404-537-3406	24095009

Important Disclosures and Certifications

Other companies mentioned in this report: AMGN IMMU TLOG

Important Disclosure Footnotes for Companies Mentioned in this Report that Are Covered by Oppenheimer & Co. Inc.:

Stock Prices as of April 8, 2014

Amgen Inc. (AMGN - NASDAQ, 118.82, PERFORM)

TetraLogic Pharmaceuticals Corporation (TLOG - NASDAQ, 6.58, OUTPERFORM)

Immunomedics Inc. (IMMU - NASDAQ, 3.95, OUTPERFORM)

Distribution of Ratings/IB Services Oppenheimer & Co. Inc.

Rating	Count	Percent	IB Serv./Past 12 Mos.	
			Count	Percent
BUY [O/B/OP]	294	48.43	138	46.94
HOLD [N/P/SP]	301	49.59	103	34.22
SELL [UP/S/U]	12	1.98	4	33.33

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