

BIND Therapeutics, Inc. (BIND)

Roche Deal Makes Fourth Major Pharma Collaboration

MARKET DATA

Price	\$10.66
52-Week Range:	\$8.00 - \$15.89
Shares Out. (M):	15.8
Market Cap (\$M):	\$168.4
Average Daily Vol. (000):	66.0
Cash (M):	\$69
Cash/Share:	\$4.18
Enterprise Value (M):	\$97
Float (M):	13.2
LT Debt (M):	\$3

Source: Thomson Reuters and JMP Securities LLC

MARKET OUTPERFORM | Price: \$10.66 | Target Price: \$30.00

INVESTMENT HIGHLIGHTS

BIND Therapeutics announces collaboration with Roche (RHHBY) to discover novel Accurin-based nanomedicines; reiterate our Market Outperform rating and \$30 price target based on our DCF, CAGR, and comparable company valuation methodologies. The collaboration aims to explore combinations of BIND's Accurin nanoparticle formulation technology with tissue-specific ligands to be developed by Roche in order to direct novel APIs to affected organs. In contrast with BIND's existing collaborations with Pfizer, AstraZeneca, and Amgen, the Roche collaboration will focus on non-oncology indications, thereby broadening the therapeutic and commercial potential of the Accurin platform without currently impacting BIND's balance sheet. Specific terms of the collaboration agreement have not been disclosed. Despite limited visibility as to target indications and development timelines, we hold an appreciable level of optimism with respect to the collaboration's potential given Roche's leading diagnostic and therapeutic protein chemistry capabilities.

FY DEC		2013A	2014E	2015E
Revenue (\$M)	1Q	\$0.0	\$1.6A	\$1.8
	2Q	\$0.0	\$1.8	\$5.0
	3Q	\$0.0	\$5.0	\$11.0
	4Q	\$0.0	\$11.0	\$19.4
	FY	\$0.0	\$19.4	\$70.5
EPS	1Q	(\$0.23)	(\$0.51)A	(\$0.63)
	2Q	(\$0.54)	(\$0.63)	(\$0.48)
	3Q	(\$2.70)	(\$0.48)	(\$0.16)
	4Q	(\$0.50)	(\$0.16)	(\$1.63)
	FY	(\$5.18)	(\$1.63)	(\$0.36)

Source: Company reports and JMP Securities LLC

STOCK PRICE PERFORMANCE



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FOR DISCLOSURE AND FOOTNOTE INFORMATION, REFER TO JMP FACTS AND DISCLOSURES SECTION.

FIGURE 1. Upcoming Catalysts

Timing	Catalyst
3Q14	Initiation of 20 pt. signal-finding Phase II trial in KRAS+ NSCLC
3Q14	Initiation of Phase II trial in PSMA-expressing tumor types
2H14	Announcement of second proprietary pipeline candidate
2014	IND filing from partnership program(s)
2H14	Data read-out from BIND-014 Phase II NSCLC study
2H14	Data read-out from BIND-014 Phase II mCRPC study

Source: Company documents

Company Description

BIND Therapeutics is a Cambridge, MA-based, clinical-stage, nanomedicine biopharmaceutical company developing novel, targeted therapeutics around its Accurin nanoparticle delivery platform technology. Founded in 2007, BIND's focus has been leveraging its nanoparticle engineering capabilities to develop Accurin-based therapeutics, possessing the physical and chemical characteristics to house and deliver a therapeutic payload to specific tissues in a concentrated fashion while minimizing the adverse effects to healthy tissues. The company's lead drug candidate, BIND-014, is an Accurin-based version of docetaxel, currently in Phase II development for the treatment of recurrent non-small cell lung cancer (NSCLC) and metastatic castrate resistant prostate cancer (mCRPC). Additional development plans for BIND-014 in bladder cancer and other indications are forthcoming. Beyond BIND-014, the company has established key collaborations with Amgen, Pfizer, and Astra-Zeneca to couple developing product candidates with Accurin delivery technology, with the potential to deliver upfront and future milestone payments in excess of \$1 billion to the company.

Investment Risks

Clinical. Drug development is an inherently risky business. Like all clinical trials, BIND-014 clinical development carries some risk of failure. BIND-014 may fail to demonstrate meaningful enough efficacy to warrant further development through large Phase III trials or regulatory approval.

Regulatory and commercial. The ability of BIND or its partners to market its drugs depends on those drugs obtaining approval from the FDA and foreign regulatory agencies. Failure to achieve approval or delays in the timelines to approval could negatively impact the company's share price.

Competitive. Oncology drug development is an increasingly competitive field and BIND faces considerable competition from companies with development-stage drug candidates, utilizing similar delivery formulation technology, as well as from companies with marketed products seeking to expand the number of indications approved for use. Some of these companies may possess greater R&D and commercial resources than BIND or its partners.

Partnership. BIND has formed development partnerships with Pfizer, Amgen, and AstraZeneca and is dependent upon these partnerships for non-dilutive sources of capital. Changes to the partnership arrangements could have a substantial negative impact on the company's share price.

Financial. Following the IPO, we estimate that BIND will end 4Q13 with approximately \$80.6MM in cash and cash equivalents – adequate resources to fund operations into 2015, according to company guidance. We anticipate that BIND will seek additional equity financing in the form of a secondary offering in order to complete development of BIND-014 and other drug candidates, exposing existing shareholders to some degree of dilution risk.

JMP FACTS AND DISCLOSURES

Analyst Certification:

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JMP Securities Disclosures:

JMP Securities currently makes a market in the security of BIND Therapeutics, Inc.

JMP Securities was manager or co-manager of a public offering of securities for BIND Therapeutics, Inc. (BIND) in the past 12 months, and received compensation for doing so.

JMP Securities Investment Opinion Definitions:

Market Outperform (MO): JMP Securities expects the stock price to outperform relevant market indices over the next 12 months.

Market Perform (MP): JMP Securities expects the stock price to perform in line with relevant market indices over the next 12 months.

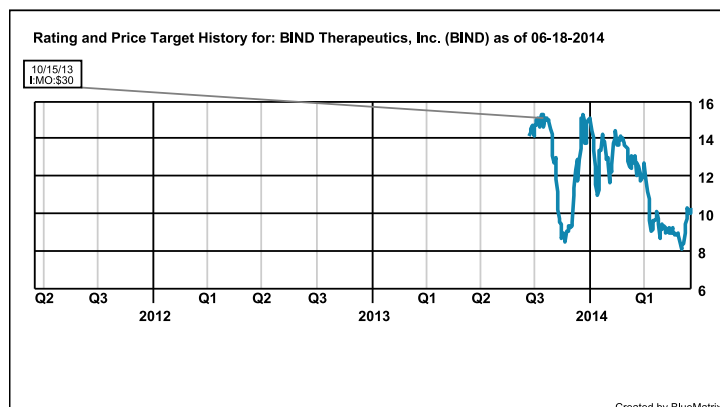
Market Underperform (MU): JMP Securities expects the stock price to underperform relevant market indices over the next 12 months.

JMP Securities Research Ratings and Investment Banking Services: (as of June 18, 2014)

JMP Rating	Regulatory Equivalent	# Co's Under Coverage	% of Total	Regulatory Equivalent	# Co's Under Coverage	% of Total	# Co's Receiving IB Services in Past 12 Months	% of Co's With This Rating
MARKET OUTPERFORM	Buy	265	59.28%	Buy	265	59.28%	100	37.74%
MARKET PERFORM	Hold	138	30.87%	Hold	138	30.87%	19	13.77%
MARKET UNDERPERFORM	Sell	4	0.89%	Sell	4	0.89%	0	0%
COVERAGE IN TRANSITION		40	8.95%		40	8.95%	0	0%
TOTAL:		447	100%		447	100%	119	26.62%

Stock Price Chart of Rating and Target Price Changes:

Note: First annotation denotes initiation of coverage or 3 years, whichever is shorter. If no target price is listed, then the target price is N/A. In accordance with NASD Rule 2711, the chart(s) below reflect(s) price range and any changes to the rating or price target as of the end of the most recent calendar quarter. The action reflected in this note is not annotated in the stock price chart. Source: JMP Securities.



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