

Healthcare: Biotechnology

Conatus Pharmaceuticals Inc. | CNAT - \$6.19 - NASDAQ | *Under Review*

Transferring Coverage

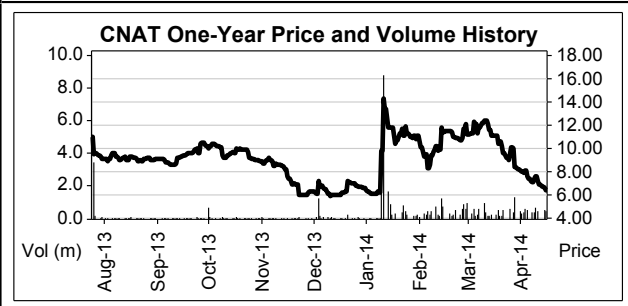
Estimates Changed, Rating Changed, Target Price Changed

Stock Data					
52-Week Low - High	\$5.76 - \$15.67				
Shares Out. (mil)	15.63				
Mkt. Cap.(mil)	\$96.8				
3-Mo. Avg. Vol.	439,156				
12-Mo.Price Target	NA				
Cash (mil)	\$56.4				
Tot. Debt (mil)	\$0.0				

EPS \$					
Yr Dec	—2013—	—2014E—		—2015E—	
		Curr	Prev	Curr	Prev
1Q	(2.17)A	NA	(0.28)E	-	-
2Q	4.27A	NA	(0.23)E	-	-
3Q	(0.28)A	NA	(0.24)E	-	-
4Q	(0.33)A	NA	(0.25)E	-	-
YEAR	(0.63)A	NA	(1.00)E	NA	(0.55)E
P/E	NM	--	NM	--	NM

EPS for 2013 may not add due to material share count changes due to Conatus's IPO during 2013.

Revenue (\$ millions)					
Yr Dec	—2013—	—2014E—		—2015E—	
		Curr	Prev	Curr	Prev
1Q	0.0A	NA	0.0E	-	-
2Q	0.0A	NA	0.0E	-	-
3Q	0.0A	NA	0.0E	-	-
4Q	0.0A	NA	0.0E	-	-
YEAR	0.0A	NA	0.0E	NA	8.3E



CNAT: Transferring Coverage

We are placing our rating, price target, and estimates for CNAT under review due to the departure of the covering analyst and transferring coverage to Ed Arce. Effective with this note, the previous rating, price target, and estimates should no longer be relied upon. Prior to placing CNAT under review, shares were Buy rated with a \$23.00 price target.

VALUATION

NA

RISKS

NA

COMPANY DESCRIPTION

Conatus Pharmaceuticals is a biotechnology company focused on the development and commercialization of novel medicines to treat liver disease, which affect millions of people and are responsible for significant morbidity and mortality worldwide. It is developing its lead compound, emricasan, for the treatment of patients in orphan populations with chronic liver disease and acute exacerbations of chronic liver disease. Emricasan is a first-in-class, orally active caspase protease inhibitor designed to reduce the activity of enzymes that mediate inflammation and cell death, or apoptosis. By reducing the activity of these caspase enzymes, emricasan has the potential to interrupt the progression of liver disease. Conatus is located in sunny San Diego.

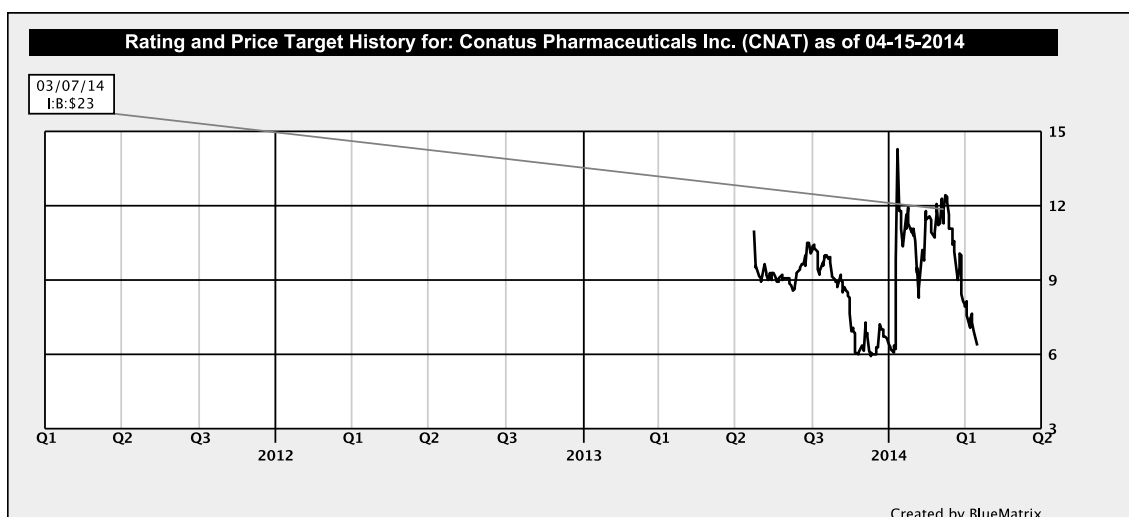
Regulation Analyst Certification ("Reg AC"): The research analyst primarily responsible for the content of this report certifies the following under Reg AC: I hereby certify that all views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

Disclosures:

ROTH makes a market in shares of Conatus Pharmaceuticals Inc. and as such, buys and sells from customers on a principal basis.

On September 28, 2010, ROTH changed its rating system in order to replace the Hold rating with Neutral.

On May 26, 2011, ROTH changed its rating system in order to incorporate coverage that is Under Review.



Each box on the Rating and Price Target History chart above represents a date on which an analyst made a change to a rating or price target, except for the first box, which may only represent the first note written during the past three years.

Distribution Ratings/IB Services shows the number of companies in each rating category from which Roth or an affiliate received compensation for investment banking services in the past 12 month.

Distribution of IB Services Firmwide

Rating	Count	Percent	IB Serv./Past 12 Mos. as of 04/16/14	
			Count	Percent
Buy [B]	192	82.40	110	57.29
Neutral [N]	30	12.88	11	36.67
Sell [S]	1	0.43	0	0
Under Review [UR]	9	3.86	4	44.44

Our rating system attempts to incorporate industry, company and/or overall market risk and volatility. Consequently, at any given point in time, our investment rating on a stock and its implied price movement may not correspond to the stated 12-month price target.

Ratings System Definitions - ROTH employs a rating system based on the following:

Buy: A rating, which at the time it is instituted and or reiterated, that indicates an expectation of a total return of at least 10% over the next 12 months.

Neutral: A rating, which at the time it is instituted and or reiterated, that indicates an expectation of a total return between negative 10% and 10% over the next 12 months.

Sell: A rating, which at the time it is instituted and or reiterated, that indicates an expectation that the price will depreciate by more than 10% over the next 12 months.

Under Review [UR]: A rating, which at the time it is instituted and or reiterated, indicates the temporary removal of the prior rating, price target and estimates for the security. Prior rating, price target and estimates should no longer be relied upon for UR-rated securities.

Not Covered [NC]: ROTH does not publish research or have an opinion about this security.

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