EARNINGS UPDATE
Biotechnology
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BIND THERAPEUTICS, INC. (NASDAQ:BIND)

BIND Making Early Progress As Public Company

BIND provided an update on lead candidate BIND-014 and reported Q3 financial results. Enrollment in BIND-014's Phase II prostate cancer trial is ahead of schedule; while a Phase I weekly dosing cohort has successfully identified an MTD that allows for even higher drug exposure. We remain at Outperform.

Recommendation

Rating:	Outperform
Price Target (in $):	$30.00
Expected Return:	130.8%
Dividend:	NA
Enterprise Value (MM):	$196.1

Earnings Per Share

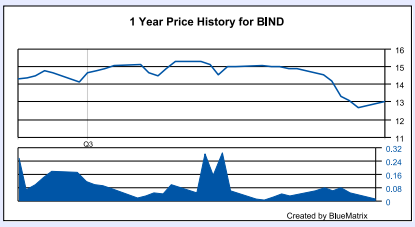
	2012A	2013E	2014E
Q1	$0.00	*$(1.34)A*	*$(0.53)*
Q2	$0.00	*$(1.27)A*	*$(0.53)*
Q3	$0.00	*$(2.70)A*	*$(0.53)*
Q4	$0.00	*$(0.48)*	*$(0.51)*
FY	*$(2.50)*	*$(4.04)*	*$(2.10)*
P/E	NM	NM	NM

Stock Statistics as of 11/04/2013 (in $)

Price:	$13.00
52W Range:	$15.89-$12.12
Shares Out (MM):	16.2
Market Cap (MM):	$205.1
Net Debt (MM):	$(76.0)

Fundamentals

Revenue (MM) ('12A)	1.0
Revenue (MM) ('13E)	10.6
Revenue (MM) ('14E)	18.0
EV/S ('12)	196.1x
EV/S ('13)	18.5x
EV/S ('14)	10.9x



BIND is Well Funded

Q3 revenue was $4.6MM vs. our $1.7MME. R&D expenses totaled $5.3MM vs. our $6.5MME, and BIND reported a net loss of $8.3MM vs. our $8.9MME. Following a September IPO, BIND ended Q3 with a cash balance of $81MM, enough to last until mid-2015.

BIND-014 Making Progress

BIND-014 is BIND's lead Accurin, a lipid encapsulated docetaxel nanoparticle targeted to PSMA expressing cells. In Q3, BIND initiated Phase II trials of BIND-014 in metastatic castrate resistant prostate cancer (mCRPC) and non-small cell lung cancer began using a 60mg/m2 Q3W dosing schedule. BIND has guided to expect data from these trials in H2:14. This morning, management reported that enrollment in the mCRPC trial is ahead of schedule. Additionally, a Phase I weekly (Q1W) dose escalation study for BIND-014 has been completed. Under this dosing schedule a maximally tolerated dose (MTD) of 40mg/m2 has now been established. This represents a 50% increase in weekly dosage over the Q3W approach, and a ~20% increase over standard docetaxel therapy. Consequently, BIND plans to add Q1W arms to the existing Phase II trials upon completion of the Q3W studies. Data from either dosing regimen will read-out sequentially beginning in H2:14.

Pipeline Expansion Coming In 2014

BIND's Accurin platform is combinatorial in nature and allows for extensive pipeline expansion. This morning, management reiterated plans to select additional wholly owned Accurin for development in solid tumors (Q1:14) and hematologic cancers (H2:14). In addition, fully funded partnerships with Amgen, Pfizer, and AstraZeneca continue with the first partnered IND filing planned to occur by Q1:15.

Please see addendum of this report for important disclosures.

Investment Thesis

Bind Therapeutics is developing novel oncology candidates using a nanomedicine-based drug delivery platform. The company's "Accurins" aim to deliver high concentrations of small molecule drugs to tumors and other selective sites in the body where they can have the greatest therapeutic effect. Unlike prior generation particle-based technologies, Accurins are adaptable (able to accommodate many active drug substances), programmable (in terms of size, release kinetics, and targeting ligands), and easy to manufacture. Lead candidate BIND-014, an Accurin that delivers docetaxel (Taxotere) to cells that express PSMA, is in Phase II development for prostate cancer and lung cancer. Early data suggest BIND-014 is differentiated from docetaxel, and ongoing trials could produce data in H2:14 to support a superior efficacy profile. Should BIND-014 achieve its target profile of superiority to docetaxel, the rewards to Bind, which owns 100% rights, could be enormous: docetaxel sales peaked at over $3B in 2009. Bind has also parlayed its Accurin technology into collaborative relationships with Amgen, Astra Zeneca, and Pfizer. These partners are deploying Accurins against top oncology targets, with deal economics (>$450MM in pre-commercial milestones, mid- to high-single digit royalties) that appear attractive. Following a September IPO that raised over $70MM in gross proceeds, Bind has $81MM in cash, enough to fund operations well into 2015. We expect shares to outperform as investor appreciation for BIND-014 and the Accurin platform grows.

Upcoming BIND Milestones

Event	Timing
Phase I data from once weekly arm of BIND-014 trial	YE:13
Candidate selection for internally-developed Solid Tumor Accurin	Q1:14
Candidate selection for internally-developed Hematologic Cancer Accurin	Q4:14
Achieve multiple pre-clinical partnership milestones	2014
Top-line Phase II data on BIND-014 in mCRPC	H2:14
Top-line Phase II data on BIND-014 in NSCLC	H2:14
First IND on partnered Accurin	Q1:15

Source: Cowen and Company

BIND Therapeutics Quarterly P&L ($MM)

	Q1:13A	Q2:13A	Q3:13A	Q4:13E	2013E	Q1:14E	Q2:14E	Q3:14E	Q4:14E	2014E
BIND-014 Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Collaborative and Grant Revenue	1.5	2.8	4.6	1.8	10.6	3.0	4.0	5.0	6.0	18.0
Total Revenue	**1.5**	**2.8**	**4.6**	**1.8**	**10.6**	**3.0**	**4.0**	**5.0**	**6.0**	**18.0**
Y/Y growth					*911%*	*102%*	*44%*	*10%*	*243%*	*70%*
COGS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
R&D	5.7	6.0	5.3	7.0	24.0	9.0	10.0	11.0	11.5	41.5
SG&A	2.0	2.4	6.3	2.3	12.9	2.5	2.6	2.6	2.7	10.4
Total Expenses	**7.6**	**8.4**	**11.6**	**9.3**	**36.9**	**11.5**	**12.6**	**13.6**	**14.2**	**51.9**
Operating Income/Loss	**(6.1)**	**(5.6)**	**(7.1)**	**(7.5)**	**(26.3)**	**(8.5)**	**(8.6)**	**(8.6)**	**(8.2)**	**(33.9)**
Non-Operating Income	(0.2)	(0.3)	(0.3)	(0.3)	(1.0)	(0.3)	(0.3)	(0.3)	(0.4)	(1.2)
Accretion of Redeemable Convertible Stock	(1.3)	(1.4)	(1.0)		(3.7)					
Pre-tax Income/Loss	**(7.6)**	**(7.3)**	**(8.3)**	**(7.8)**	**(31.0)**	**(8.8)**	**(8.9)**	**(8.9)**	**(8.6)**	**(35.1)**
Tax rate (%)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Provision for income taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income (Loss)	**(7.6)**	**(7.3)**	**(8.3)**	**(7.8)**	**(31.0)**	**(8.8)**	**(8.9)**	**(8.9)**	**(8.6)**	**(35.1)**
GAAP EPS	**($1.34)**	**($1.27)**	**($2.70)**	**($0.48)**	**($4.04)**	**($0.53)**	**($0.53)**	**($0.53)**	**($0.51)**	**($2.10)**
Diluted Shares	5.7	5.8	3.1	16.2	7.7	16.5	16.7	16.8	16.9	16.7

Source: Cowen and Company

BIND Therapeutics Annual P&L ($MM)

	2012A	2013E	2014E	2015E	2016E	2017E	2018E
BIND-014 Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Collaborative and Grant Revenue	1.0	10.6	18.0	25.0	30.0	32.0	35.0
Total Revenue	**1.0**	**10.6**	**18.0**	**25.0**	**30.0**	**32.0**	**35.0**
Y/Y growth		911%	70%	39%	20%	7%	9%
COGS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
R&D	13.1	24.0	41.5	58.0	70.0	80.0	85.0
SG&A	6.6	12.9	10.4	12.0	14.0	16.0	20.0
Total Expenses	**19.7**	**36.9**	**51.9**	**70.0**	**84.0**	**96.0**	**105.0**
Operating Income/Loss	(18.6)	(26.3)	(33.9)	(45.0)	(54.0)	(64.0)	(70.0)
Non-Operating Income	(0.6)	(1.0)	(1.2)	(1.2)	(1.2)	(1.5)	(1.0)
Pre-tax Income/Loss	(24.2)	(31.0)	(35.1)	(46.2)	(55.2)	(65.5)	(71.0)
Tax rate (%)	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*
Provision for income taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income (Loss)	(24.2)	(31.0)	(35.1)	(46.2)	(55.2)	(65.5)	(71.0)
GAAP EPS	**($2.50)**	**($4.04)**	**($2.10)**	**($1.85)**	**($2.05)**	**($2.05)**	**($2.15)**
Diluted Shares	9.7	7.7	16.7	25.0	27.0	32.0	33.0

Source: Cowen and Company

Valuation Methodology & Investment Risks

Valuation Methodology

Biotechnology:

In calculating our 12-month target price, we employ one or more valuation methodologies, which include a discounted earnings analysis, discounted cash flow analysis, net present value analysis and/or a comparable company analysis. These analyses may or may not require the use of objective measures such as price-to-earnings or price-to-sales multiples as well as subjective measures such as discount rates.

We make investment recommendations on early stage (pre-commercial) biotechnology companies based upon an assessment of their technology, the probability of pipeline success, and the potential market opportunity in the event of success. However, because these companies lack traditional financial metrics, we do not believe there are any good methodologies for assigning a specific target price to such stocks.

Investment Risks

Biotechnology:

There are multiple risks that are inherent with an investment in the biotechnology sector. Beyond systemic risk, there is also clinical, regulatory, and commercial risk. Additionally, biotechnology companies require significant amounts of capital in order to develop their clinical programs. The capital-raising environment is always changing and there is risk that necessary capital to complete development may not be readily available.

Company Specific Risks

Bind Therapeutics has no approved products, limited revenue, and will likely need to raise additional capital from the public markets prior to turning profitable. There is limited clinical trial experience on lead candidate BIND-014, or BIND's Accurin platform more broadly. Moreover, BIND-014 faces a number of clinical, regulatory, and commercial hurdles prior to becoming successful, and projecting any future sales for BIND-014 is inherently difficult.

Addendum

STOCKS MENTIONED IN IMPORTANT DISCLOSURES

Ticker	Company Name
BIND	BIND Therapeutics, Inc.

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COWEN AND COMPANY RATING DEFINITIONS

Cowen and Company Rating System effective May 25, 2013

Outperform (1): The stock is expected to achieve a total positive return of at least 15% over the next 12 months

Market Perform (2): The stock is expected to have a total return that falls between the parameters of an Outperform and Underperform over the next 12 months

Underperform (3): Stock is expected to achieve a total negative return of at least 10% over the next 12 months

Assumption: The expected total return calculation includes anticipated dividend yield

Cowen and Company Rating System until May 25, 2013

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

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

Cowen Securities, formerly known as Dahlman Rose & Company, Rating System until May 25, 2013

Buy – The fundamentals/valuations of the subject company are improving and the investment return is expected to be 5 to 15 percentage points higher than the general market return

Sell – The fundamentals/valuations of the subject company are deteriorating and the investment return is expected to be 5 to 15 percentage points lower than the general market return

Hold – The fundamentals/valuations of the subject company are neither improving nor deteriorating and the investment return is expected to be in line with the general market return

COWEN AND COMPANY RATING ALLOCATION

Distribution of Ratings/Investment Banking Services (IB) as of 09/30/13

Rating	Count	Ratings Distribution	Count	IB Services/Past 12 Months
Buy (a)	394	58.72%	54	13.71%
Hold (b)	255	38.00%	5	1.96%
Sell (c)	22	3.28%	1	4.55%

(a) Corresponds to "Outperform" rated stocks as defined in Cowen and Company, LLC's rating definitions. (b) Corresponds to "Market Perform" as defined in Cowen and Company, LLC's ratings definitions. (c) Corresponds to "Underperform" as defined in Cowen and Company, LLC's ratings definitions.

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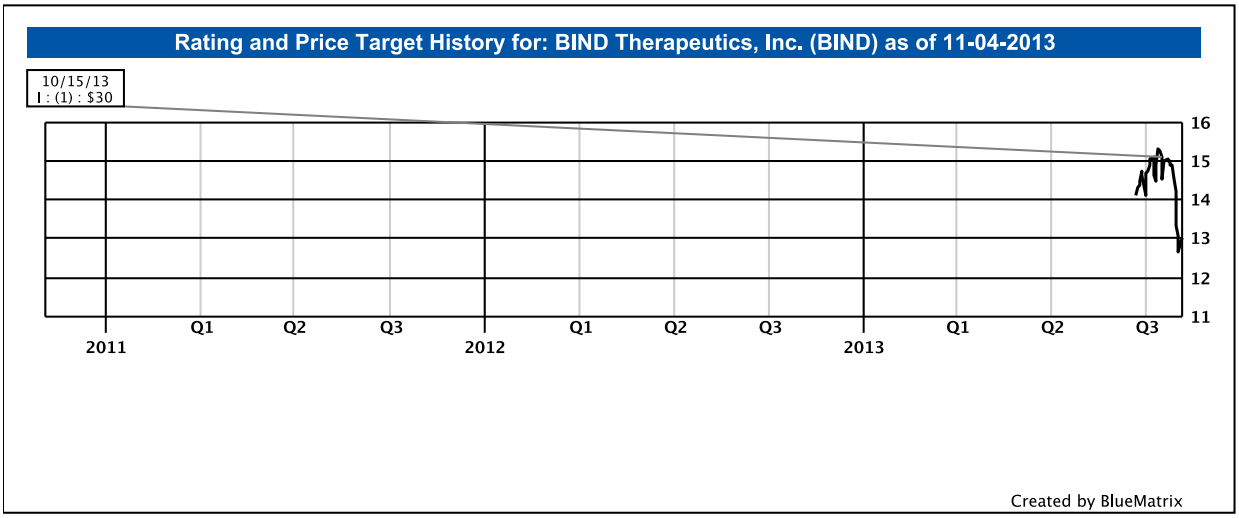

Legend for Price Chart:

I = Initation | 1 = Outperform | 2 = Market Perform | 3 = Underperform | UR = Price Target Under Review | T = Terminated Coverage | $xx = Price Target | NA = Not Available