



MID-DAY SUMMARY | EQUITY RESEARCH | May 13, 2014

Mid-Day Summary is compiled from research reports and summary comments published by ROTH Capital. Please click on the headline of each comment to access a copy of the full research report (including applicable disclosures).

Healthcare

BCRX: 1Q14 Recap - Pivotal Catalyst Next Month; Affirm Buy - Arce

BioCryst Pharmaceuticals, Inc., Buy, \$18.00 PT, \$463.1 Mkt. Cap.(mil)

BioCryst recently reported 1Q14 results with EPS of (\$0.17) versus our estimate of (\$0.15) and consensus of (\$0.16). Though shares are up nearly 3% today, they are still over 7% below pre-announcement levels, despite new preclinical PK data in the 2nd-gen HAE compounds that gives us greater confidence in their potential for once-daily oral bioavailability in humans. We affirm our Buy rating ahead of OPuS-1 results next month.

KIN: 1Q14 Recap - "Doubling Down" on Animal Health - Henry, CFA

Kindred Biosciences, Inc., Neutral, \$17.00 PT, Estimate Change, \$319.8 Mkt. Cap. (mil)

KIN reported a 1Q14 EPS loss of \$0.38 versus our target of a loss of \$0.19. The greater loss largely just reflected a rapid increase in investment post recent financial offerings. We maintain our Neutral rating with a slightly decreased price target of \$17/share (from \$18), which reflect lower EPS targets from higher spending.

PDII: 1Q14 Recap - Painful, but Risk/Reward Still Favorable - Henry, CFA

PDI, Inc., Buy, \$8.00 PT, Target Price Change, \$73.7 Mkt. Cap.(mil)

PDII reported 1Q14 results that were fundamentally weak (lower revenues offset by lower spending). We continue to focus on the year 2016 for a business turnaround. Further, we believe that the valuation already reflects the worst, and we maintain our Buy rating with a lowered price target of \$8/share. Catalysts could begin to emerge in 2H14 via molecular diagnostic clinical updates.

PTN: F3Q14 Results; Eager Beavers on Partnering Front; Reiterate Buy - Pantginis, Ph.D.

Palatin Technologies, Inc., Buy, \$6.00 PT, \$44.8 Mkt. Cap.(mil)

Palatin reported F3Q14 results and all focus is now on the delivery of partnerships and the start of the broad Phase III program with BMT in female sexual dysfunction (FSD). Recall an E.U. partner just exercised its option to partner and we believe a signed agreement is imminent. In North America, preliminary non-binding term sheets have already exchanged hands. Reiterate Buy

RTRX: PKAN Moves Forward; Tweaking Projections; Off Focus List; Reiterate Buy - Pantginis, Ph.D.

Retrophin, Inc., Buy, \$39.00 PT, Target Price Change, \$302.4 Mkt. Cap.(mil)

Retrophin announced that a European regulator has allowed for "named patient" compassionate use of RE-024 in up to 15 PKAN patients. We look forward to seeing the impacts from recent price increases for Chenodal and agreed upon guidance from the FDA for a controlled PKAN study in the U.S. We reiterate our Buy rating, though are removing from the Focus List and lowering our target to \$39 from \$51.

Earnings Calendar

May 13 (AMC): CNAT, SUMR
May 14 (BMO): PLUG, SODA
May 14 (AMC): NVEE, SANW
May 15 (BMO): GSOL, PPSI
May 15 (AMC): OVRL, SVL-T, UPI
May 16 (BMO): CSIQ
May 20 (AMC): CRM
May 21 (BMO): TSL
May 22 (AMC): ZUMZ

Upcoming Events

May 18-24: ROTH China Solar Tour – Shanghai, Hong Kong
Jun 23: ROTH Resources Corporate Access Day – London, UK
Jun 23-24: ROTH Healthcare Corporate Access Day – London, UK

Non-Deal Roadshows

May 13-15: ALXA | EU
May 13-14: BBSI | MILW, Minneapolis, CHI
May 16: CTIC | Boston
May 16: BABY | NY
May 22: CPXX | NY
May 27: SODA | Los Angeles
May 27: SILC | SF
May 28: VPCO | NY
May 29: ANIP | NY
Jun 2: LTRX | Boston
Jun 2: PRTS | NY
Jun 3: SZMK | NY
Jun 4: CIMT | Boston
Jun 4: SPPI | Boston
Jun 5: ACRX | Miami, Palm Beach
Jun 10-11: CWCO | EU
Jun 13: PLSB | EU
Jun 17-19: FARM | Minneapolis, MILW, CHI
Jun 17-18: ZAGG | SF, Seattle, Portland
Jun 24-26: LNDC | Minn, CHI, Detroit

TGTX: 1Q14 Results; Are you Ready for Some Data? Here it Comes; Reiterate Buy - Pantginis, Ph.D.**TG Therapeutics, Inc., Buy, \$15.00 PT, Estimate Change, \$181.0 Mkt. Cap.(mil)**

TGTX reported 1Q14 results posting EPS of (\$0.25) compared to our estimate of (\$0.21) and the consensus estimate of (\$0.19). The company ended the quarter with \$54.5 million in cash. We believe 2014 represents a transformational year for the company with multiple data readouts. We look toward ASCO, EHA, PPLC and ASH conferences this year as the anchor points for new data. Reiterate Buy and \$15 target.

Disclosures

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.

ROTH and/or its employees, officers, directors and owners own options, rights or warrants to purchase shares of Retrophin, Inc., Palatin Technologies, Inc., NV5 Holdings, Inc., Overland Storage, Inc., Pioneer Power Solutions, Inc. and Vapor Corp. stock.

Within the last twelve months, ROTH has received compensation for investment banking services from Retrophin, Inc., TG Therapeutics, Inc., Kindred Biosciences, Inc., ANI Pharmaceuticals, Inc., Cimatron Ltd., Canadian Solar Inc., NV5 Holdings, Inc., Overland Storage, Inc., Pioneer Power Solutions, Inc., Spectrum Pharmaceuticals, Inc. and Vapor Corp..

ROTH makes a market in shares of Retrophin, Inc., BioCryst Pharmaceuticals, Inc., TG Therapeutics, Inc., Palatin Technologies, Inc., Kindred Biosciences, Inc., PDI, Inc., AcetRx Pharmaceuticals, Inc., Alexza Pharmaceuticals Inc., ANI Pharmaceuticals, Inc., Natus Medical, Inc., Barrett Business Services, Inc., Cimatron Ltd., Conatus Pharmaceuticals Inc., Celator Pharmaceuticals, Inc., Canadian Solar Inc., Cell Therapeutics, Inc., Consolidated Water Co. Ltd., Cytori Therapeutics, Farmer Bros. Co., Global Sources Ltd., Landec Corporation, Lantronix, Inc., NV5 Holdings, Inc., Overland Storage, Inc., Pharmacyclics Inc., Plug Power Inc., Pioneer Power Solutions, Inc., U.S. Auto Parts Network, Inc., S&W Seed Company, SodaStream International Ltd., Spectrum Pharmaceuticals, Inc., Summer Infant Inc., Sizmek Inc., Vapor Corp., ZAGG Incorporated and Zumiez, Inc. and as such, buys and sells from customers on a principal basis.

Shares of Alexza Pharmaceuticals Inc., Cell Therapeutics, Inc., Lantronix, Inc. and U.S. Auto Parts Network, Inc. may be subject to the Securities and Exchange Commission's Penny Stock Rules, which may set forth sales practice requirements for certain low-priced securities.

Within the last twelve months, ROTH has managed or co-managed a public offering for TG Therapeutics, Inc., Kindred Biosciences, Inc., ANI Pharmaceuticals, Inc., Cimatron Ltd., Canadian Solar Inc., Pioneer Power Solutions, Inc. and Spectrum Pharmaceuticals, Inc..

Shares of Celator Pharmaceuticals, Inc. may not be eligible for sale in one or more states.

A Research Analyst and/or a member of the Analyst's household own(s) shares of Palatin Technologies, Inc., PDI, Inc., Alexza Pharmaceuticals Inc., ANI Pharmaceuticals, Inc. and Landec Corporation stock.

<p>Shares of PDI, Inc., (PDI) may be subject to the Securities and Exchange Commission's Penny Stock Rules, which may set forth sales practice requirements for certain low-priced securities
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<p>Shares of Palatin Technologies, Inc., (PTN) may be subject to the Securities and Exchange Commission's Penny Stock Rules, which may set forth sales practice requirements for certain low-priced securities
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<p>Shares of TG Therapeutics, Inc., (TGTX) may be subject to the Securities and Exchange Commission's Penny Stock Rules, which may set forth sales practice requirements for certain low-priced securities
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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.

Distribution of IB Services Firmwide

Rating	Count	Percent	IB Serv./Past 12 Mos. as of 05/13/14	
			Count	Percent
Buy [B]	179	80.27	100	55.87
Neutral [N]	23	10.31	8	34.78
Sell [S]	1	0.45	0	0
Under Review [UR]	19	8.52	12	63.16

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.

For important disclosure information regarding the companies in this summary report, please contact: The Director of Research at (800) 678-9147 or write to: ROTH Capital Partners, LLC, Attention: Director of Research, 888 San Clemente Drive, Newport Beach, CA 92660

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