

Sage Therapeutics

Quick Update from Inside the J.P. Morgan Healthcare Conference - ALERT

SAGE's breakout session is wrapping up at the 2015 J.P. Morgan Healthcare Conference, and we wanted to pass along a few brief takeaways. After the company announced updated data from the ongoing Phase 1/2 trial of SAGE-547 in SRSE (note [here](#)) last week, there wasn't much new in SAGE's presentation/breakout. The tone of CEO Jeff Jonas's well-attended presentation was encouraging as he highlighted the MOA and potential of SAGE-547. He also highlighted the company's additional pipeline products (SAGE-217 and SAGE-689) as well as the potential of the NMDA platform. Below we provide further details.

- **SAGE-547's Phase 1/2 trial continues to enroll as the company plans to meet with the FDA to discuss pivotal trial designs.** Nothing new on this front – SAGE continues to believe they will run an additional pivotal trial (either single arm or RCT). Details TBD, though the company noted that an RCT could be beneficial from a label perspective, and wouldn't be hard to do given the short duration of treatment/ability for fairly rapid crossover.
- **This morning SAGE announced initiation of a Phase 2a trial of Sage-547 in postpartum depression; data from it and an ongoing trial in essential tremor expected mid-2015.** SAGE is using 547 as a "test-molecule" in Phase 2 exploratory trials, and based on the results, the company could chose a different molecule from their compound library to potentially develop in these indications.
- **Key 2015 Catalysts.** The company has scheduled an End of Phase 2 meeting with the FDA, and thus we expect a regulatory update in the next couple of months (~early 2015). SAGE also plans to provide another update from the ongoing Phase 1/2 trial mid-year. On the pre-clinical side, the company is prioritizing development of SAGE-217, for which an IND is anticipated to be filed in late 2015. Development of SAGE-689 will proceed after SAGE-217. SAGE is also evaluating 547 in post-partum depression, and we could see data from this early trial in late 2015.

Overweight

SAGE, SAGE US

Price: \$43.81

12 January 2015

Biotechnology

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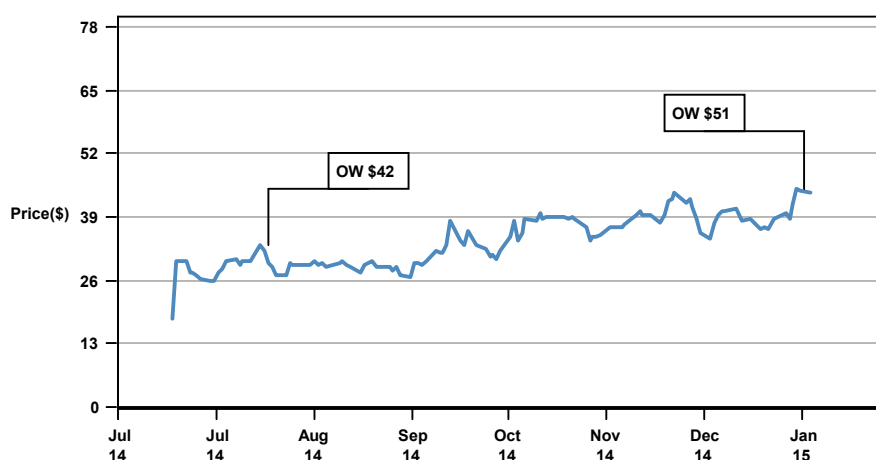
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Sage Therapeutics (SAGE, SAGE US) Price Chart



Date	Rating	Share Price (\$)	Price Target (\$)
12-Aug-14	OW	33.40	42.00
09-Jan-15	OW	44.73	51.00

Source: Bloomberg and J.P. Morgan; price data adjusted for stock splits and dividends.
Initiated coverage Aug 12, 2014.

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