Revance Therapeutics, Inc. (RVNC) — Overweight

A New Frontier in the Neuromodulator Space; Initiating at Overweight

CONCLUSION

We are initiating coverage of Revance Therapeutics with an Overweight rating and $44 PT. We believe that Revance, led by RT001, a topical, needle-free form of botulinum toxin, is well positioned to build a compelling, next-generation neuromodulator-based business. Given the body of data on RT001, we believe that the risk surrounding Phase III studies for the product's first shot-on-goal, lateral canthal lines (LCL; i.e., wrinkles around the eyes), is relatively limited. The first Phase III data points are expected by mid-year. With the potential for approval and use in a number of aesthetic (and therapeutic) indications, RT001 in our view has the makings of a $1B+ franchise. Given that RT001 is essentially a pipeline within a product in a $2.7B WW neuromodulator market that should continue to see consistent double-digit annual growth, RVNC shares, at a market cap of under $600M, are trading at a compelling risk/reward.

- **Physician feedback suggests a highly receptive audience for a topical, needle-free alternative to injectible neuromodulators.** In our poll of 60 cosmetic surgeons and dermatologists, 75% noted that they would be highly interested in using a product like RT001. Further, the vast majority of physicians we polled noted that a needle-free option is likely to attract more new patients to their practices (and 43% noted that it would attract significantly more new patients). Our model reflects a 2017 U.S. launch in LCL, with U.S. sales reaching over $275M by year 5 in this setting alone.

- **Strong body of data on RT001 points to limited Phase III risk in our view.** In one of the RT001 Phase II studies in LCL, 41% of patients treated with RT001 showed at least a 2-point grade improvement in wrinkles on both an investigator and patient assessment of LCL's, compared to 3% of patients on placebo ($p<0.0001$) at week 4. Importantly, this composite responder analysis is the Phase III endpoint and the superiority seen were essentially replicated in other placebo-controlled Phase II studies. We believe the body of data in LCL is at least as strong as that of Allergan's Botox in this setting. Further, the data on RT001 (with nearly 1,000 total patient exposures) points to a safety profile at least as strong as that of Botox in our view.

- **A pipeline within a product; numerous shots-on-goal for RT001.** This is an intuitive concept given the numerous indications for which Botox is approved. The next most advanced shot-on-goal for RT001 is axillary (i.e., underarm) hyperhidrosis (HH), a logical expansion opportunity for a needle-free gel (i.e., essentially a "super" anti-perspirant). According to our poll, the vast majority of physicians use a neurmodulator for axillary HH to some degree (Botox was approved for severe axillary HH in 2004), with 70% noting that they would treat axillary HH patients significantly more often if a topical alternative were available.

RISKS TO ACHIEVEMENT OF PRICE TARGET

Risks include clinical and regulatory setbacks for RT001 and RT002.

COMPANY DESCRIPTION

Revance is focused on next-generation neuromodulator treatments.

PRICE: US$26.93
TARGET: US$44.00
30x 2020E non-GAAP EPS of $3.64, disc. by 20%

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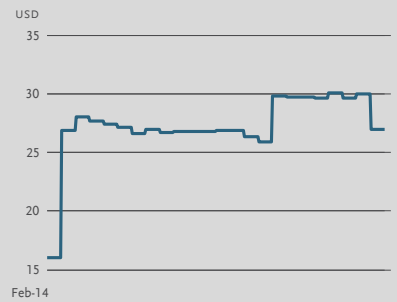
Changes	Previous	Current
Rating		Overweight
Price Tgt		US$44.00
FY15E Rev (mil)	—	US$0.5
FY16E Rev (mil)	—	US$0.5
FY15E EPS	—	US$(3.27)
FY16E EPS	—	US$(3.05)

52-Week High / Low	US$31.00 / US$16.00
Shares Out (mil)	18.6
Market Cap. (mil)	US$500.9
Book Value/Share	US$4.65
Net Cash Per Share	US$6.03
Debt to Total Capital	9%
Div (ann)	US$0.00
Fiscal Year End	Dec

Price Performance - 1 Year



Source: Bloomberg

YEAR	REVENUE (US$ m)						EARNINGS PER SHARE (US$)					
	Mar	Jun	Sep	Dec	FY	FY RM	Mar	Jun	Sep	Dec	FY	FY P/E
2014E	0.1	0.1	0.1	0.1	0.4	1,252.2x	(1.00)	(0.81)	(0.82)	(0.84)	(3.43)	NM
2015E	—	—	—	—	0.5	1,001.8x	—	—	—	—	(3.27)	NM
2016E	—	—	—	—	0.5	1,001.8x	—	—	—	—	(3.05)	NM

INVESTMENT HIGHLIGHTS

We are initiating coverage of Revance Therapeutics with an Overweight rating and $44 price target. Revance is focused on leveraging its formulation and delivery expertise to build what in our view is a compelling, next-generation neuromodulator-based medical aesthetics company. The company's most advanced pipeline shot-on-goal is RT001, which is in position to become the first needle-free, topical form of botulinum toxin to reach commercialization. An extensive Phase III program for the treatment of lateral canthal lines (LCL), or wrinkles around the eyes (also known as crow's feet) is now underway, and U.S. commercialization is likely by 2017. Given the strong body of clinical data for RT001 (i.e., an efficacy and safety profile that in our view is at least as strong as that of injectible neuromodulators), strong visibility on continued consistent double-digit annual growth for a worldwide neuromodulator market that is approaching $3 billion, plus the likelihood in our view that a needle-free option will expand the footprint of the neuromodulator space (i.e., bringing in new patients who are skittish about injections), we believe RT001 is well-positioned to emerge as a leading medical aesthetic option with peak worldwide sales potential that can easily approach $1 billion. Further, given that Allergan's Botox is approved and used in a number of cosmetic and therapeutic settings, we would view RT001 essentially as a pipeline within a product. To that end, a Phase II program in axillary hyperhidrosis (excessive underarm sweating) is underway, and this is in our view a logical expansion setting for a topical neuromodulator. Beyond RT001, Revance is also leveraging its delivery expertise to develop a potentially long-acting injectible neuromodulator, known as RT002. Our model reflects initial commercialization of RT001 in LCL in 2017, with RVNC reaching profitability in 2019 ($1.36 in diluted EPS on $218 million in total revenue). Given the overall potential market opportunity, and the relatively limited Phase III risk in our view, RVNC shares are trading at a compelling risk/reward at a market cap of $500 million. Our price target of $44 is based on our 2020 EPS estimate of $3.64, times a P/E of 30x, discounted at 20% (and is supported by our 15-year discounted cash flow (DCF) analysis).

Feedback from physicians suggests a highly receptive audience for a needle-free neuromodulator option. We conducted a poll of cosmetic surgeons and dermatologists, and out of 60 physicians we polled, 75% noted that they would be highly interested in using a product like RT001. Interestingly, 92% of those polled noted that they would either be highly interested or somewhat interested in using the product in other areas of the face even if the only initial labelled cosmetic indication is in LCL (70% of those polled counted themselves as highly interested). This is bearing in mind that experienced cosmetic surgeons and dermatologists typically use Botox liberally for wrinkles in many areas of the face even though it is only approved for treating glabellar lines (i.e., wrinkles around the eyebrows) and much more recently LCL (only approved in September 2013). To be clear, our model reflects uptake for RT001 in LCL, but the potential for off-label usage for other facial wrinkles is significant. Another positive data point from our poll was that 43% of respondents noted that a needle-free option would enable them to attract significantly more patients to their practices (and another 47% noted that a needle-free option would enable them to attractive slightly more patients to their practices). Lastly, it does not appear that the longer patient chair time associated with RT001 will be a big hindrance to adoption (i.e., the RT001 procedure is only 2-3 minutes but the patient needs to wait 30 minutes for the gel to be cleansed). Physicians we polled noted that the average chair time for injectible neuromodulators is around 10-15 minutes, and that 50% noted that the longer chair would not impact their decision to offer the product to patients (another 35% said that the longer chair time would only slightly impact their decision to offer the product).

Extensive body of strong clinical data on RT001 in lateral canthal lines (LCL); limited Phase III risk in our view. RT001 is based on RVNC's TransMTS platform, which essentially utilizes a straight chain synthetic peptide to enable delivery of active drug across the skin (refer to pages 12-13 for more details). In a Phase IIb study, 41% of patients treated with RT001 showed at least a 2-point grade improvement at rest (as opposed to assessment at smile) on both an investigator and patient assessment of LCL's, compared to 3% of patients on placebo ($p<0.0001$) at week 4. The assessment was based on a 4-point scale (0-3) with a score of 3 denoting the most severe wrinkles. In this study, the peptide alone and free botulinum toxin (i.e., unbound to the peptide) were also assessed separately as controls, and the responder rate was 0% in both of these arms. The results were essentially replicated in another Phase IIb study (responder rate of 44% for RT001 versus 0% for the placebo arm, also at week 4; $p<0.0001$). What is noteworthy regarding the above data is that this responder rate is the primary endpoint for the Phase III program in LCL. Regarding safety, we note that just under 1,000 patients have been exposed to RT001 (with over 175 repeat exposures), and the overall safety profile looks to be in keeping with that of conventional injectible neuromodulators (e.g., no cases of migration of toxin). Lastly, we would not be concerned regarding last year's "false start" when the first Phase III study failed to show even a hint of a signal in favor of RT001 versus placebo. We note that RVNC added two inactive ingredients to the formulation in order to improve stability (which turned out to be unnecessary since subsequent to the change, two-year stability data on the old formulation came back clean). The company subsequently went back to the original formulation, and ran another Phase II study that yielded clear superiority in favor of RT001. This is the formulation that RVNC is moving forward. In short, we believe that the body of data on RT001 points to limited Phase III risk. Data from the first Phase III study are expected by mid-2014.

Use of RT001 in axillary hyperhidrosis a logical expansion opportunity; a key example of how RT001 is essentially a "pipeline within a product." The most advanced development program for RT001 beyond LCL is axillary HH (i.e., excessive underarm sweating). Phase II data in this setting should read out in 2015, and RVNC has noted that a U.S. label expansion is possible by 2019. Axillary HH is in our view an intuitive use of a topical neuromodulator (i.e., as a gel, think of RT001 as a "super" anti-perspirant). Botox was approved for HH in 2004, though this setting has not quite been a key growth driver for the product, in part due to the obvious discomfort of a series of injections in the armpits. With a topical formulation, we could envision RVNC reaching not only more patients who fit the clinical definition of severe axillary HH (i.e., patients on the severe end of the spectrum who have failed conventional agents; this is essentially the labelled indication for Botox), but also patients who are interested in using the product largely for cosmetic reasons (e.g., patients who are sensitive about sweating during the warmer months). Interestingly, in our physician poll, over 90% of respondents noted that they would treat HH patients at least slightly more often if a topical neuromodulator were available (and actually 70% of those polled noted that they would treat significantly more axillary HH patients if a topical alternative were available).

Potential longer-acting injectible neuromodulator RT002 another source of longer-term value creation. RT002 is also based on RVNC's TransMTS technology, which not only can enable penetration across the skin barrier but also greater depth of penetration at targeted sites. The potential value proposition here is that RT002 could have a longer duration of efficacy (possibly as long as 6-7 months) compared to the conventional injectible neuromodulators (closer to 3-4 months), based on preclinical data and results from a multi-dose Phase I/II study assessing the impact of RT002 on glabellar lines (i.e., wrinkles between the eyebrows; the first cosmetic indication for Botox). RVNC is planning to move RT002 into a dose-ranging, single-dose, placebo controlled Phase II study later this

year, with results likely in 2015. Our model reflects relatively modest contribution from RT002 relative to RT001 (we are assuming a U.S. launch in 2019 with sales reaching $95 million by 2022). Given that there are multiple shot-on-goal associated with RT001, and given the size of the opportunity for that product, we would argue that at current levels, RVNC shares are not ascribing any value to RT002.

VALUATION

We are basing our $44.00 price target on our 2020 EPS estimate of $3.64, times a P/E of 30x, discounted at 20% for 5 years. We use a 20% discount rate to reflect the clinical and regulatory risks associated with RVNC's pipeline opportunities (i.e., RT001 and RT002). We believe a P/E multiple of 30x is appropriate for RVNC based on an analysis of comparable biotechnology and specialty pharma companies. This is a diverse group of companies that share at least one similarity with RVNC in some way. This includes at least one of the following: (1) a long asset duration; in other words, a company that has a biologic product or a small molecule product that is likely to avoid garden variety generic competition; (2) a focus on medical aesthetics and/or dermatology in some way; or (3) a novel formulation technology that cannot be easily replicated. The mean 2015 and 2016 P/E's for this group are 32x and 21x, respectively. We are valuing RVNC at a P/E of 30x, a clear premium to mean 2016 P/E for broader group, reflecting the potential of RT001 and the likelihood that the broader neuromodulator space is likely to see continued robust growth. However, in looking at individual emerging growth companies in the peer group, such as ALKS, PCRX, and KYTH, each of which have long duration assets and/or novel/complex formulation technologies (i.e., similar to RVNC), a P/E multiple of 30x is eminently reasonable in our view. Our model reflects U.S. commercialization for RT001 in LCL in 2017 and axillary hyperhidrosis in 2019. We base our price target off of 2020 since it is a better reflection of steady-state profitability.

In our analysis of comparable public companies, we would call out Kythera Biopharmaceuticals as the most appropriate comparable. Kythera (KYTH), which like RVNC is also focused on novel medical aesthetic products, went public in October 2012 with its lead asset, ATX-101, which has had success in Phase III studies for the aesthetic reduction of submental fat ("double chin"). According to management and Street estimates, ATX-101 is considered to be a $500+ million annual sales opportunity. There are currently no approved non-surgical options for the reduction of submental fat and Kythera is targeting this market with the first potentially non-invasive injectible treatment. Though ATX-101 is essentially blazing a new trail with no direct competitors, that idea cuts both ways since this is also a completely new treatment modality that has not been in front of the FDA before and may turn out to have significant commercial risk as physicians get up the learning curve on the product. In contrast, though RT001 is facing obvious competition from older neuromodulators and has Phase III risk, the product is based on a well-known quantity (i.e., botulinum toxin for aesthetic use) in a well-established and growing market. In that sense, one can argue that as Phase III risk for RT001 comes out of the shares, the market cap of RVNC could easily approach the near $1.2 billion market cap of KYTH.

We note that our valuation conclusion is supported by our 15-year discounted cash flow analysis (refer to Exhibit 2 below). Our discounted cash flow (DCF) analysis reflects meaningful product revenues from RT001 beginning in 2017 and an approval and launch of RT002 in 2019 (and also uses a 20% discount rate). We also note that our DCF includes contribution from RT001 in LCL and hyperhidrosis, and more modest contribution in

other indications. Our DCF also reflects royalty income from potential future ex-U.S. partners.

Exhibit 1

PEER GROUP VALUATION ANALYSIS

($M except per share and multiples)			Market	Ent.	EPS			P/E			Revenue			EV/Revenue		
Ticker	Company	Price [1]	Cap	Value	2014E	2015E	2016E	2014E	2015E	2016E	2014E	2015E	2016E	2014E	2015E	2016E
VRX	**Valeant**	**$144.86**	**$48,367**	**$65,176**	**$8.66**	**$10.45**	**$11.19**	**16.7x**	**13.9x**	**12.9x**	**$8,403**	**$8,954**	**$9,492**	**7.8x**	**7.3x**	**6.9x**
AGN	**Allergan**	**$127.00**	**$37,905**	**$36,410**	**$5.47**	**$6.18**	**$7.04**	**23.2x**	**20.6x**	**18.0x**	**$6,870**	**$7,384**	**$7,962**	**5.3x**	**4.9x**	**4.6x**
ALKS	Alkermes	$48.67	$7,017	$6,932	$0.91	$1.20	$1.48	NM	40.6x	32.9x	$587	$656	$713	11.8x	10.6x	9.7x
PCRX	**Pacira**	**$78.24**	**$2,638**	**$2,567**	**($0.31)**	**$1.97**	**$3.86**	**NM**	**39.7x**	**20.3x**	**$171**	**$297**	**$448**	**NM**	**8.7x**	**5.7x**
NKTR	Nektar	$12.83	$1,604	$1,467	($0.05)	($0.82)	($0.40)	NM	NM	NM	$294	$211	$282	5.0x	7.0x	5.2x
ACOR	**Acorda**	**$36.64**	**$1,512**	**$1,146**	**$1.30**	**$1.65**	**NA**	**28.2x**	**22.2x**	**NA**	**$366**	**$408**	**$460**	**3.1x**	**2.8x**	**2.5x**
KYTH	Kythera	$49.97	$1,069	$1,028	($2.34)	($1.12)	$0.06	NM	NM	NM	$8	$73	$134	NM	14.2x	7.7x
ANAC	Anacor	$19.00	$774	$767	($1.71)	($0.53)	$1.39	NM	NM	13.7x	$24	$100	$206	NM	7.6x	3.7x
HPTX	Hyperion	$31.00	$623	$524	$0.60	$0.88	$1.17	NM	35.2x	26.5x	$84	$110	$124	6.2x	4.8x	4.2x
CMRX	Chimerix	$20.00	$528	$423	($1.83)	($0.62)	($1.35)	NM	NM	NM	$4	$36	$73	NM	11.7x	5.8x
ACRX	**AcelRx**	**$11.43**	**$492**	**$426**	**($0.82)**	**($28.00)**	**$0.68**	**NM**	**NM**	**16.8x**	**$3**	**$52**	**$107**	**NM**	**8.1x**	**4.0x**
Average - Revance Peer Group								**25.7x**	**31.7x**	**21.4x**				**6.3x**	**8.0x**	**5.3x**

Source: PJC estimates, FirstCall, Bloomberg, and company reports
(1) Prices are as of February 28, 2014
Note: Bold denotes coverage companies for David Amsellem

Exhibit 2

DISCOUNTED CASH FLOW (DCF) ANALYSIS

$ in millions, except per share	12/31/14	12/31/15	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22	12/31/23	12/30/24	12/30/25	12/30/26	12/30/27	12/29/28
Revenue															
RT001 - LCL and HH (US)	$0.0	$0.0	$0.0	$41.2	$108.7	$185.9	$267.6	$352.4	$407.7	$464.3	$534.0	$614.1	$675.5	$743.0	$817.3
RT002 (US)	$0.0	$0.0	$0.0	$0.0	$0.0	$32.2	$63.2	$79.7	$95.1	$112.3	$123.5	$135.8	$149.4	$164.4	$180.8
RT001 - Other indications (US)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$37.2	$74.3	$111.5	$145.0	$181.2	$199.3	$219.3	$241.2
RT001 and RT002 - Ex US royalties	$0.0	$0.0	$0.0	$0.0	$11.4	$22.3	$33.6	$43.7	$56.7	$73.8	$88.5	$101.8	$117.1	$134.6	$154.8
Other revenue	$0.4	$0.5	$0.5	$0.5	$11.4	$22.3	$33.6	$33.6	$33.6	$33.6	$33.6	$33.6	$33.6	$33.6	$33.6
Total revenue	**$0.4**	**$0.5**	**$0.5**	**$41.7**	**$131.5**	**$262.7**	**$398.0**	**$546.6**	**$667.5**	**$795.5**	**$924.6**	**$1,066.5**	**$1,174.9**	**$1,294.9**	**$1,427.8**
COGS	$0.0	$0.0	$0.0	$20.8	$22.8	$43.3	$61.9	$82.0	$93.4	$103.4	$110.9	$117.3	$129.2	$142.4	$157.1
R&D	$44.0	$58.0	$50.0	$45.0	$45.0	$45.0	$45.0	$40.5	$30.0	$25.0	$20.0	$19.6	$19.2	$17.3	$15.6
SG&A	$13.8	$16.0	$24.0	$52.8	$76.6	$111.0	$144.3	$224.1	$273.7	$318.2	$351.3	$373.3	$387.7	$401.4	$428.3
Amortization	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Operating income	**($57.4)**	**($73.5)**	**($73.5)**	**($77.0)**	**($24.3)**	**$41.1**	**$113.1**	**$200.0**	**$270.4**	**$348.9**	**$442.3**	**$556.3**	**$638.7**	**$733.8**	**$826.8**
Free Cash Flow Calculation															
Operating Income	**($57.4)**	**($73.5)**	**($73.5)**	**($77.0)**	**($24.3)**	**$41.1**	**$113.1**	**$200.0**	**$270.4**	**$348.9**	**$442.3**	**$556.3**	**$638.7**	**$733.8**	**$826.8**
Income Taxes	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.00	($40.6)	($69.8)	($110.6)	($150.2)	($223.6)	($256.8)	($314.2)
Depreciation	$2.0	$2.5	$3.0	$3.5	$4.0	$4.4	$4.8	$5.1	$5.3	$5.6	$5.7	$5.8	$5.8	$5.9	$5.9
Capital Expenditures	($3.0)	($2.0)	($1.5)	($1.0)	($1.0)	($0.8)	($0.6)	($0.5)	($0.4)	($0.3)	($0.3)	($0.2)	($0.2)	($0.1)	($0.1)
Net Changes in Working Capital	$1.6	$1.7	$1.7	($9.0)	($5.0)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Unlevered Free Cash Flow	**($56.8)**	**($71.3)**	**($70.3)**	**($83.5)**	**($26.3)**	**$44.7**	**$117.3**	**$204.6**	**$234.7**	**$284.4**	**$337.2**	**$411.7**	**$420.8**	**$482.7**	**$518.5**

Sum of Free Cash Flows	$2,748.4
Discount Rate	20%
Terminal Grow th Rate	15%
Terminal Value	**$11,924.8**

	12/31/14	12/31/15	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22	12/31/23	12/30/24	12/30/25	12/30/26	12/30/27	12/29/28
Discount periods (years)	0.8	1.8	2.8	3.8	4.8	5.8	6.8	7.8	8.8	9.8	10.8	11.8	12.8	13.8	14.8
Present Value of Free Cash Flows	**($48.7)**	**($51.0)**	**($41.8)**	**($41.4)**	**($10.9)**	**$15.4**	**$33.7**	**$48.9**	**$46.8**	**$47.2**	**$46.6**	**$47.5**	**$40.4**	**$38.6**	**$34.6**

Present Value of Free Cash Flows	**$206.0**
Present Value of Terminal Value	**$795.5**
Revance Market Value	**$1,001.5**
Diluted shares outstanding (MM)	18.6
Revance Market Value per Share	**$54**

Source: PJC Research and company reports

RISKS TO OUR THESIS

The biggest risk to our thesis is clinical and regulatory associated with RT001. Though RT001 showed strong Phase II data in crow's feet, there is always the risk that the results seen to date are not replicated in the Phase III program. The mitigating factor here is that the underlying active drug (botulinum toxin) is a well-known quantity, and this is simply just a new way of delivering the drug. That said, this is a novel formulation, so there is always the risk that the formulation does not adequately deliver sufficient active drug across the skin (though to be clear, results across the various Phase II studies were consistent and clearly superior to placebo). For RT001 in other settings like hyperhidrosis, the product is in earlier-stage trials, and has not been validated in larger clinical studies. Lastly, there is always the risk that the FDA will have safety concerns for RT001 above and beyond any concerns surrounding injectible neuromodulators (such as leakage of the gel into the eyes). That said, we have not seen any safety issues for RT001 that are different from what is typically seen with the injectible neuromodulators.

Another risk to our thesis is competition. The neuromodulator market is highly promotion-sensitive. In the context of cosmetic use, this is of course a consumer-driven market. Revance is planning to build its own sales organization to promote both RT001 and RT002 to physicians (mainly dermatologists and cosmetic surgeons). Revance will be competing against well-established players in the U.S., namely Allergan and Valeant. Though the neuromodulator market has demonstrated consistent double-digit growth and has accommodated new entrants, there is always the risk that Revance will not be able to compete effectively given that its resources at commercialization may very well be more limited compared to its larger, well-established peers.

UPCOMING EVENTS AND MILESTONES

Exhibit 3

REVANCE CALENDAR OF UPCOMING EVENTS

Product/ Program	Event	Expected Date
RT001	Interim data from first single dose, placebo controlled Phase III trial in Crow's Feet	mid-2014
RT001	Final data, including duration of effect, from Phase III trial in Crow's Feet	2H14
RT002	Initiate dose-ranging Phase II trial in Glabellar Lines	2014
RT001	Possible data from additional Phase II trials in hyperhidrosis	2015
RT001	Data from second single dose, placebo controlled Phase III trial in Crow's Feet	2015
RT001	Data from EU pivotal trial in Crow's Feet	2015
RT002	Initiate Phase III program in Glabeller Lines	2015
RT001	File BLA/MAA in Crow's Feet	2016

Source: Company reports and PJC Research

Exhibit 4

REVANCE THERAPEUTICS PRODUCT PIPELINE

Product	Treatment Setting	Pre-Clinical	Ph I	Ph 2	Ph 3
RT001	Lateral Canthal Lines (i.e., crow's feet)				
	Hyperhidrosis				
	Migraine				
	Other Therapeutic Indications				
RT002	Glabellar Lines				
	Other Therapeutic Indications				

Source: Revance

FINANCIAL OVERVIEW

Expectations for RT001 commercialization and timeline to RVNC profitability. Our model reflects a 2017 launch of RT001 in the U.S. for Crow's Feet, with estimated sales of $109 million for the product in 2018, the product's first full year on the market. Our model reflects a U.S. label expansion in axillary hyperhidrosis in 2019, with sales for the franchise of $268 million in 2020. Lastly, our estimates reflect the U.S. launch of RT002 in glabellar lines in 2019, with sales of $63 million in 2020. Our estimates do reflect royalties from a potential ex-U.S. partner on both RT001 and RT002 (our model reflects royalties starting in 2018).

Margins and expenses. We are modeling relatively modest gross margins of 50% in 2017, reflecting the partial-year impact of RT001 in its launch year (i.e., modest sales) and the reality of fixed costs. As RT001 sales ramp, steady-state gross margins should be north of 80% (the product generally has a low fixed cost component). Our model reflects the build out of a U.S. commercial organization comprised of around 100 reps to support both RT001 and RT002. SG&A expenses begin to ramp significantly ahead of the 2017 launch of RT001, and reach $53 million in the 2017 launch year. With the expansion of the label in 2019 and the addition of RT002, our model reflects a continued healthy annual ramp of SG&A. By 2020, our SG&A expense estimate is $144 million. We believe that steady-state SG&A as a percentage of total sales will likely settle to near 40%, and as RT001 and RT002 reach a more mature point in their life cycles, we could envision SG&A as a percentage of revenue declining to closer to 35%. Regarding R&D, our estimates for 2014-2016 range between $44 million and $50 million. Once RT001 reaches commercialization in 2017, our model reflects annual R&D of around $45 million, reflecting late-stage expenses associated with the hyperhidrosis indication for RT001 as well as RT002 (plus R&D expenses associated with the development of RT001 in other indications).

We estimate that RVNC will achieve full-year profitability in 2019. We expect more meaningful profitability in 2020 as RT001 continues its sales ramp with a broader label, and with initiation contribution from RT002. Our diluted EPS estimate in 2019 is $1.36, growing to $3.64 in 2020.

Balance sheet: cash sufficient to fund operations into 2015; expecting at least one additional equity raise to fund further development activities. With the addition of $99 million in net proceeds from the February 2014 IPO (inclusive of the 900,000 share over-allotment), Revance has over $120 million in cash and cash equivalents. Given the cost of multiple Phase III programs and the eventual build-out of a U.S. commercial organization, our model reflects another sizable equity offering in 2015. That said, potential ex-U.S. partners for RT001 or RT002 (or both) could easily be a source of non-dilutive capital. We would expect to see considerable interest in RT001 and potentially RT002 from potential ex-U.S. partners, and our model reflects a sizable upfront payment from the signing of a partnership (we model this taking place in 2016).

Exhibit 5

SUMMARY OF PJC ESTIMATES FOR RVNC

$ in millions, except per share	2014E	2015E	2016E	2017E	2018E	2019E	2020E
Revenue							
RT001 (U.S. only)	$0.0	$0.0	$0.0	$41.2	$108.7	$185.9	$267.6
RT002 (U.S. only)	$0.0	$0.0	$0.0	$0.0	$0.0	$32.2	$63.2
Ex-U.S. royalties and other revenue	$0.4	$0.5	$0.5	$0.5	$11.4	$22.3	$33.6
Total revenue	**$0.4**	**$0.5**	**$0.5**	**$41.7**	**$120.1**	**$240.4**	**$364.4**
Expenses							
COGS	$0.0	$0.0	$0.0	$20.8	$22.8	$43.3	$61.9
R&D	$44.0	$58.0	$50.0	$45.0	$45.0	$45.0	$45.0
SG&A	$13.8	$16.0	$24.0	$52.8	$76.6	$111.0	$144.3
Operating income	($57.4)	($73.5)	($73.5)	($77.0)	($24.3)	$41.1	$113.1
Net Income	($61.0)	($74.8)	($74.3)	($77.5)	($24.8)	$41.1	$114.1
Share Outstanding, diluted	17.8	22.8	24.3	25.3	26.3	30.3	31.3
EPS, diluted	**($3.43)**	**($3.27)**	**($3.05)**	**($3.06)**	**($0.94)**	**$1.36**	**$3.64**

Source: Company reports and PJC Research

COMPANY BACKGROUND

Revance Therapeutics was incorporated in Delaware in August 1999 as Essentia Biosystems, later changing its name to Revance Therapeutics in April 2005. Headquartered in Newark, California, Revance has a pipeline that is built on its proprietary TransMTS delivery technology, which has demonstrated the ability to facilitate the delivery of active levels of a given drug across the skin without the need for injection at specific and targeted depths. The company's lead product, RT001, is a gel-based version of botulinum toxin type A that is packaged in a disposable dispenser and is being developed for both aesthetic/cosmetic and therapeutic indications. If approved in the U.S., RT001 would compete with currently approved injectible neuromodulators including Allergan's Botox, Valeant's Dysport and Merz's Xeomin. There are no needle-free neuromodulators available anywhere in the world. Revance is developing a second pipeline candidate based on its TransMTS delivery technology known as RT002, which is a next generation injectible botulinum toxin for use for both cosmetic and therapeutic indications.

Notably, Revance has full worldwide rights to the product in all settings. In July 2009, Revance signed a licensing agreement with Medicis (which was acquired by Valeant in September 2012). Revance received an upfront payment of $100 million plus the right to additional milestone payments. Medicis had the right to either in-license RT001 for cosmetic indications in the U.S. or an option to purchase the company following the completion of Phase II studies. In October 2012, the agreement with Medicis was terminated, with Revance re-acquiring full worldwide rights to RT001. As part of the termination settlement, Revance is required to make payments of up to $25 million to Medicis, including a $7 million upfront payment (which was paid in November 2012), $4 million upon achievement of regulatory milestones, and the $14 million balance to be paid upon specified types of cash proceeds received by Revance (a total of $6.9 million was paid related to capital raises in April and May 2013). Approximately $7 million of the proceeds received from the recent IPO was used to make payments to Medicis under the settlement agreement.

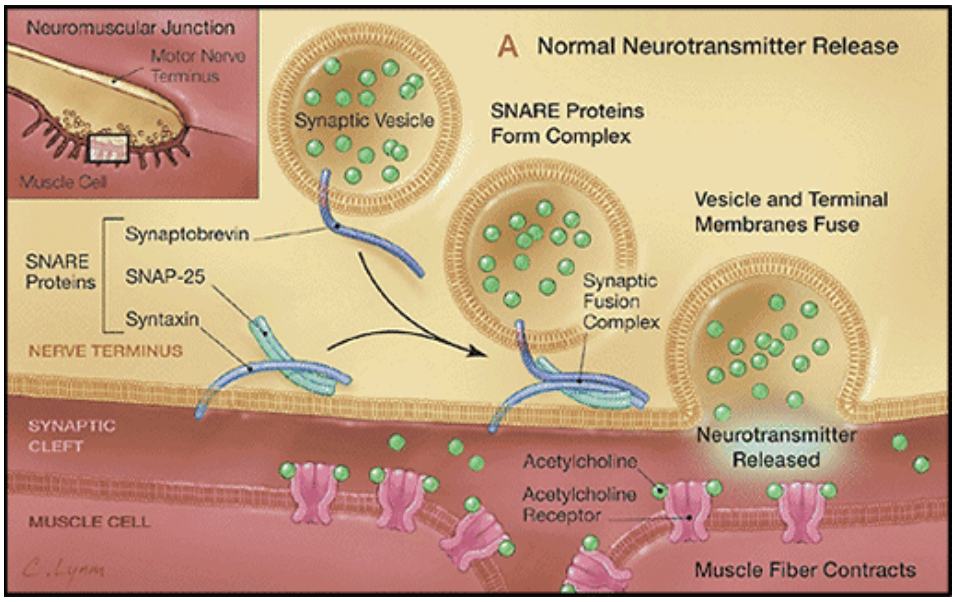
NEUROMODULATORS: A FOOTPRINT THAT KEEPS GROWING AND GROWING…

The effects of aging become apparent through the facial region, a reality that precious few can deny with a straight face. Over time, there is a gradual loss of volume and elasticity in the skin around the face, which results in facial tissues becoming more impacted by the "ravages" of gravity. The skin is also not as smooth as it is at younger ages (it may also be drier, thinner, and more fragile). All this together often leads to wrinkles and fine lines around the mouth and eyes and other areas of the face, largely due to the hyperdynamic contraction of the underlying muscles in these facial regions.

Botulinum toxin is a neurotoxin that is produced by a bacterium known as Clostridium botulinum (there are seven known botulinum toxin types) and is one of the most lethal toxins known to man. The toxin acts by inhibiting the activity of the neurotransmitter acetylcholine at the neuromuscular junction, interfering with the transmission of nerve impulses to the muscles and causing paralysis. Via selective weakening of certain muscle groups in the face and neck, unwanted lines and facial expressions can be suppressed or even eliminated by the administration of minute doses of botulinum toxin.

Exhibit 6

BOTULINUM TOXIN MECHANISM OF ACTION



Source: Industry reports

Allergan's injectable botulinum toxin Botox was first approved by the FDA in December 1991 for therapeutic use. The original approval was for the treatment of strabismus, a muscle disorder characterized by the misalignment of the eyes; blepharospasm, a condition involving involuntary contraction of the eyelids; and hemifacial spasm, a condition characterized by frequent involuntary contractions of facial muscles. The label was expanded in December 2000 to include cervical dystonia, a condition involving involuntary contraction of the neck muscles. Approval of Botox for cosmetic use occurred in April 2002.

The drug, known as Botox Cosmetic, was approved for the treatment of moderate-to-severe glabellar lines, also known as frown lines between the eyebrows. In September 2013, the FDA approved Botox for the treatment of lateral canthal lines (a.k.a. crow's feet), though the product had been used off-label quite regularly in this setting for many years prior to approval. Worldwide, Botox is approved in 26 different indications (i.e., treatment settings) across approximately 85 countries. In 2009, the FDA approved Medicis' (now Valeant's) abobotulinumtoxinA, known by the trade name Dysport for cosmetic use, with the product becoming the second neuromodulator to enter the medical aesthetics space.

Consistent double-digit growth across cosmetic and therapeutic settings. Regarding the overall market for neuromodulators, we note there has been significant, consistent double-digit annual growth in the use of botulinum toxin products such as Botox. Global sales for Botox Cosmetic (the brand name for the aesthetic application of this franchise) accounted for just under half of Botox global sales in 2013 (total worldwide sales of Botox in 2013 were close to $2 billion) and grew approximately 10% over 2012. Botox sales in therapeutic settings (e.g., cervical dystonia, chronic migraine, overactive bladder) in 2013 accounted for the remainder of Botox global sales and increased 16% over the previous year.

According to available third party data, the total worldwide market for neuromodulators is roughly $2.7 billion, growing at a rate of roughly 13%. In the U.S., we estimate that the size of the neuromodulator market for cosmetic use in 2012 was between $750-$850 million (we note that roughly 65% of Allergan's $850 million in global sales of Botox Cosmetic in 2012 came in the U.S., and Allergan's share of the U.S. cosmetic neuromodulator market is roughly 70%-80%).

It has become clear that neuromodulators, and specifically Botox, given that it has been the trailblazer in this space, is far and away the most desirable and celebrated medical aesthetic treatment administered in the physician's office. Neuromodulator usage for cosmetic purposes has not only seen consistent growth, but has seen consistent growth across virtually all geographies. The competitive landscape has of course become more crowded in recent years with the entrance of products like Dysport and Xeomin, but this is by no means a fixed pie.

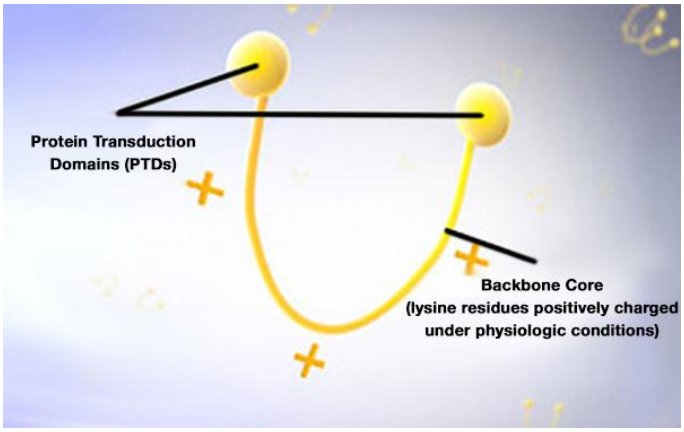
As celebrated as Botox and the injectible neuromodulators have become, they are not without limitations. One obvious limitation is anxiety resulting from the fear of needles, and certainly a topical agent like RT001 has the potential to attract patients who are considering treatment with a neuromodulator but have been hesitant due to anxiety over injections. Bruising at the injection site is another concern regarding injectible neuromodulators. This is particularly an issue in the lateral canthus region, where the blood vessels are superficial and the skin is thin. Obviously, a topically administered botulinum toxin can potentially avoid the pitfalls of bruising associated an injection. Injection pain is another pitfall, though generally not a major issue given that these are not deep injections (nonetheless fear of pain is something that inevitably keeps potential patients on the fence regarding potential treatment). Another main drawback that is often voiced by potential patients and often mocked in the general interest media is "frozen face." This can occur when the difference between one's facial appearance around the eyes at rest and when at maximum smile barely changes. A topically applied neuromodulator may potentially result in a more natural looking appearance compared to an injectible neuromodulator. The bottom line in our view is that given the limitations of injectible neuromodulators but given their popularity (i.e., efficacy that is generally consistent and striking), we believe that RT001, as a needle-free option, could meaningfully expand the footprint of the overall neuromodulator space (and this is supported by feedback from physicians; see below for details on our survey).

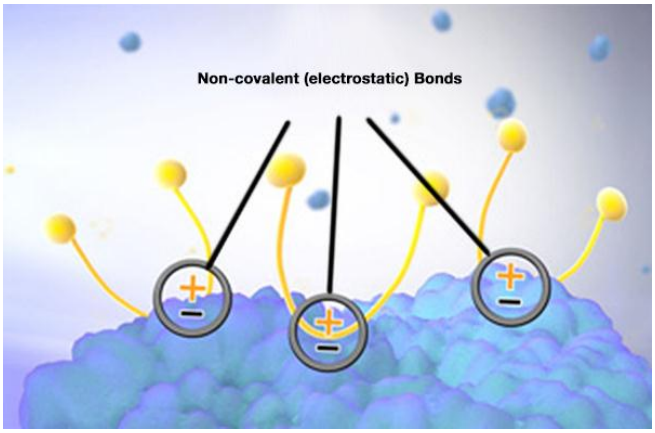
THE REVANCE DELIVERY PLATFORM

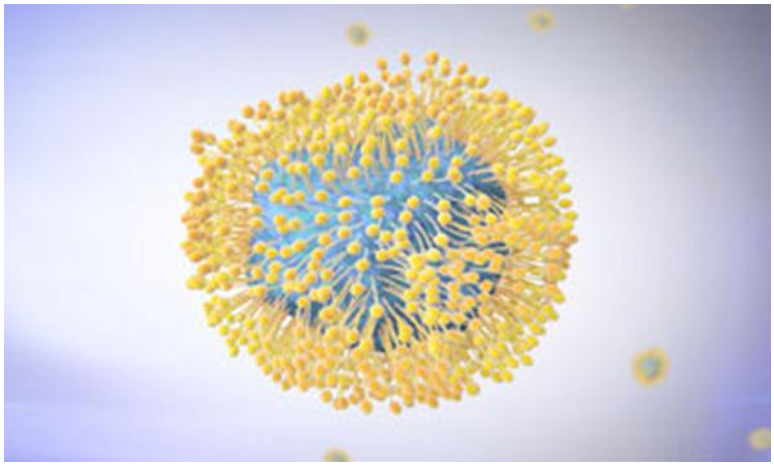
Revance's proprietary drug technology platform is known as TransMTS, which is a peptide technology that can be utilized for both topical and injectable drug delivery. The technology contains single, straight-chained peptides which contain sequences of positively charged lysine (an amino acid) residues that can form a non-covalent (i.e., not encompassing the sharing of electrons) bond with the negatively charged molecule (i.e. the active drug) to be transported across the skin. Further, at each end of the peptide is Protein Transduction Domains (PTD), which delivers the molecule to the target site. Importantly, the technology can be used both for topical and injectable drug candidates. For a topical formulation the technology allows for transmembrane delivery of relatively large macromolecules (such as botulinum toxin) to targeted tissue (in other words, it eliminates the need for the drug to be injected into the skin). For delivery via injection, the technology can restrict the active drug to the target site with more minimal spread to neighboring tissues.

Exhibit 7

REVANCE'S PROPRIETARY TOXIN-PEPTIDE COMPLEX







Source: Revance

Utilizing this technology with botulinum toxin, Revance has designed a peptide complex that facilitates the delivery of botulinum toxin across the skin directed exclusively at the target site. The first application of the peptide complex, RT001, is RVNC's topical formulation of botulinum toxin designed with its TransMTS technology. The peptide essentially carries the toxin across the skin and releases the toxin to a defined depth of penetration in the mid-dermis. RT001 delivers botulinum toxin to the epidermis in two ways: (1) via a process known as "lipid rafting" which RVNC defines as a process where the toxin shuttles across the surface of lipid layers, allowing the molecule to bind and traverse the stratum corneum (i.e., the outermost layer of the epidermis, which is itself the outermost layer of the skin); and (2) via a process known as variant macropinocytosis, in which the toxins are transported across the interior of skin cells from one side to another.

Revance's second application of its technology, RT002, is the company's next-generation injectable neuromodulator. The product is designed to restrict toxin to the targeted area of administration and reduce unwanted spread to neighboring areas. Because of this, RVNC believes RT002 is likely to be tolerated at higher doses than that of Botox, translating into deeper delivery that may result in an increased duration of effect than the typical 3-4 month duration that is seen with conventional injectible neuromodulators.

RT001: MOVING THE NEEDLE IN THE NEUROMODULATOR SPACE

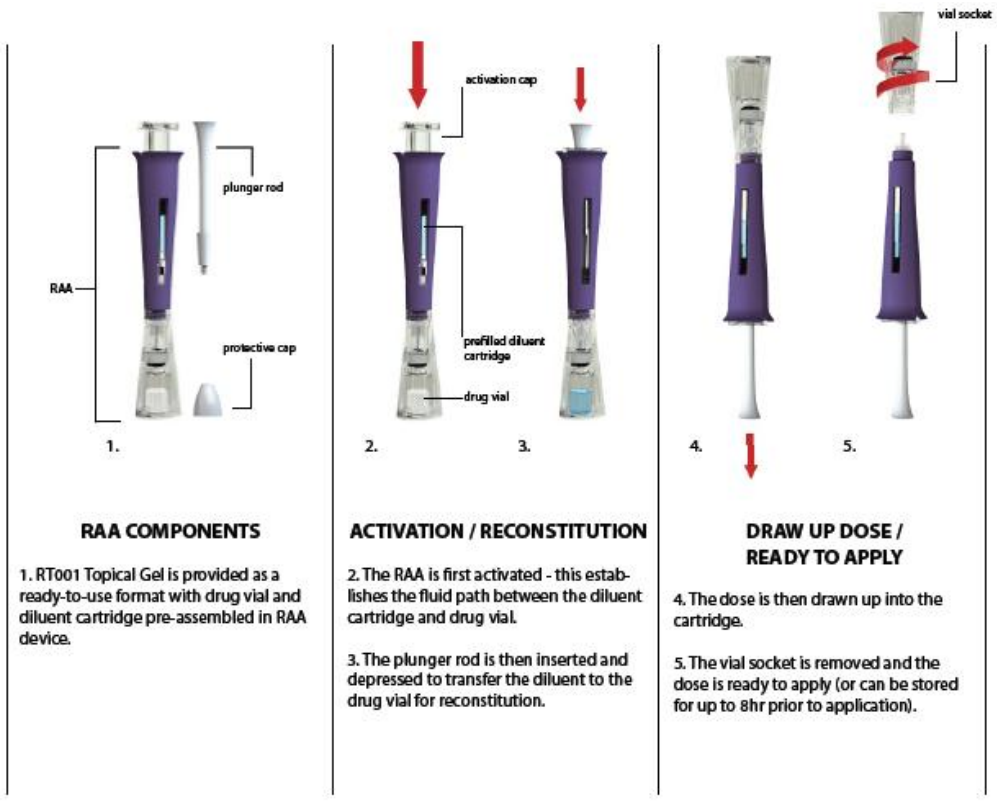
Revance's approach in its development of RT001 is to explore ways of using the product that would essentially expand the footprint of the overall neuromodulator market. Revance's overarching goal is to find uses of a topical version of botulinum toxin in settings where there may be some hesitancy regarding the use of an injectible. In that sense, development of RT001 in LCL is intuitive given that it is an alternative to an injection near a sensitive area (i.e., the eyes). Though most physicians are comfortable with injections of neuromodulators near the eyes, that may not necessarily be the case with consumers potentially on the receiving end of said injections. In that sense, Revance's goal regarding prioritizing RT001 in LCL is to bring new patients into the fold. The same basic idea can also be applied to Revance's efforts surrounding RT001 in axillary hyperhidrosis (more on this below).

A Novel, User-Friendly Topical Agent

RT001 is administered as a gel though a single-use apparatus. The apparatus has the capability to perform the reconstitution, activation and application of RT001 (and as such, Revance refers to the apparatus as the "RAA device"). The RAA device is what will be distributed to healthcare providers. The RAA device contains a vial of RVNC's lyophilized drug product and a vial of diluent. The first step in preparing the device for use is activating it, which will establish the fluid path between the diluent cartridge and the drug vial. Next, a plunger rod is inserted to transfer the diluent to the drug vial for reconstitution. The dose of RT001 is then drawn into a clear-looking cartridge. Lastly, the vial socket is removed from the end of the cartridge, which is now ready to be applied to the skin. The cartridge containing the ready-to-use RT001 gel can be stored for up to eight hours prior to application. More importantly, the RT001 does not require any other equipment other than that RAA device that is distributed to the healthcare provider. See figure 8 below for a flow chart of the RT001 prep process.

Exhibit 8

RT001 SINGLE-USE APPARATUS



Source: Revance

As a frame of reference, Botox is distributed as a freeze-dried (i.e. lyophilized) powder in a sealed vial to the healthcare provider. To prepare the product for administration, the lyophilized powder must be reconstituted with sterile, nonpreserved saline. Once the appropriate amount of saline is drawn in a syringe, the needle is inserted into the Botox vial and the saline is injected. The needle is then removed and the vial of Botox and saline is gently mixed. Once opened and reconstituted, the mixture must be used within 24 hours as the product and associated diluent do not contain a preservative (and during this up to 24 hour period, Botox should be refrigerator-stored at 2-8 degrees Celsius). To prepare for injection, a new sterile syringe is inserted into the vial to draw the reconstituted Botox fluid, which is later used for injection in the patient.

We note that in September, Allergan entered into a licensing agreement with Korea-based Medytox for the development of a liquid formulation of Botox that would be sold to providers as a ready-to-use vial (i.e., no reconstitution). Allergan acquired worldwide rights (ex-Korea) to the technology. The product may offer a more convenient option for providers, but it is nonetheless an injection. Medytox received from Allergan an upfront payment of $65 million, and is eligible for up to $297 million in development and commercial milestones, in addition to royalties on product sales.

Lateral Canthal Lines The Most Advanced Shot-on-Goal for RT001

Revance is now moving RT001 into an extensive Phase III program with the goal of supporting approvals in both the U.S. and Europe. Data from the first Phase III trial should be available by mid-year (i.e., efficacy data after a single dose), and final data that includes the all-important results on the product's duration of benefit should be available sometime in 2H14. We will see additional Phase III data read-outs in 2015, with data from an open-label long-term safety study expected in mid-to-late 2015 (i.e., the last main gating factor to regulatory filings).

Lateral Canthal Lines (LCL) In Brief

LCL is the medical term for what is more popularly known as crow's feet. The lateral canthus refers to either of the corners of the eye where the upper and lower eyelids meet. Crow's feet lines are wrinkles at the lateral side of the eye. These are caused by the contraction of the lateral side of the orbital portion of the obicularis oculi (this is the muscle that runs along the circumference of the eye). As an aside, squinting or smiling are called dynamic lateral canthal lines, which are wrinkles that are a result of in-folding and pleating of the overlying skin that radiates away from the lateral canthus.

Revance estimates that nearly 65% of all women are bothered by wrinkles around the eyes. These lines begin appear to at around 20-25 years of age, appearing first as a dynamic wrinkle, evolving over time into a static wrinkle that is present at rest. Wrinkles around the eyes are determined to be crow's feet when they are present both when the face is at rest and when smiling or squinting (in other words, when the wrinkles are static). The primary cause of crow's feet is simple aging, though thin skin, muscle and tendon degeneration, and sun damage are also contributing factors that lead to crow's feet lines. Botox had not until recently been approved for crow's feet (it was approved for moderate to severe LCL in September 2013), though there had been significant off-label usage over the years, and as our survey suggests, most cosmetic surgeons and dermatologists are comfortable with injections near the eyes (but obviously to the extent that the patient was comfortable as well). There are three injection sites lateral to each eye that, when injected with Botox, have the potential to provide relaxation to the part of the orbicularis oculi muscle that contributes to crow's feet lines. More invasive procedures for the treatment of crow's feet include canthoplasty, tarsal strip resuspension, canthopexy, lateral retinacular suspension and inferior retinacular suspension.

How to Think About Clinical Endpoints in LCL: The "At Rest" versus "Maximum Smile" Debate

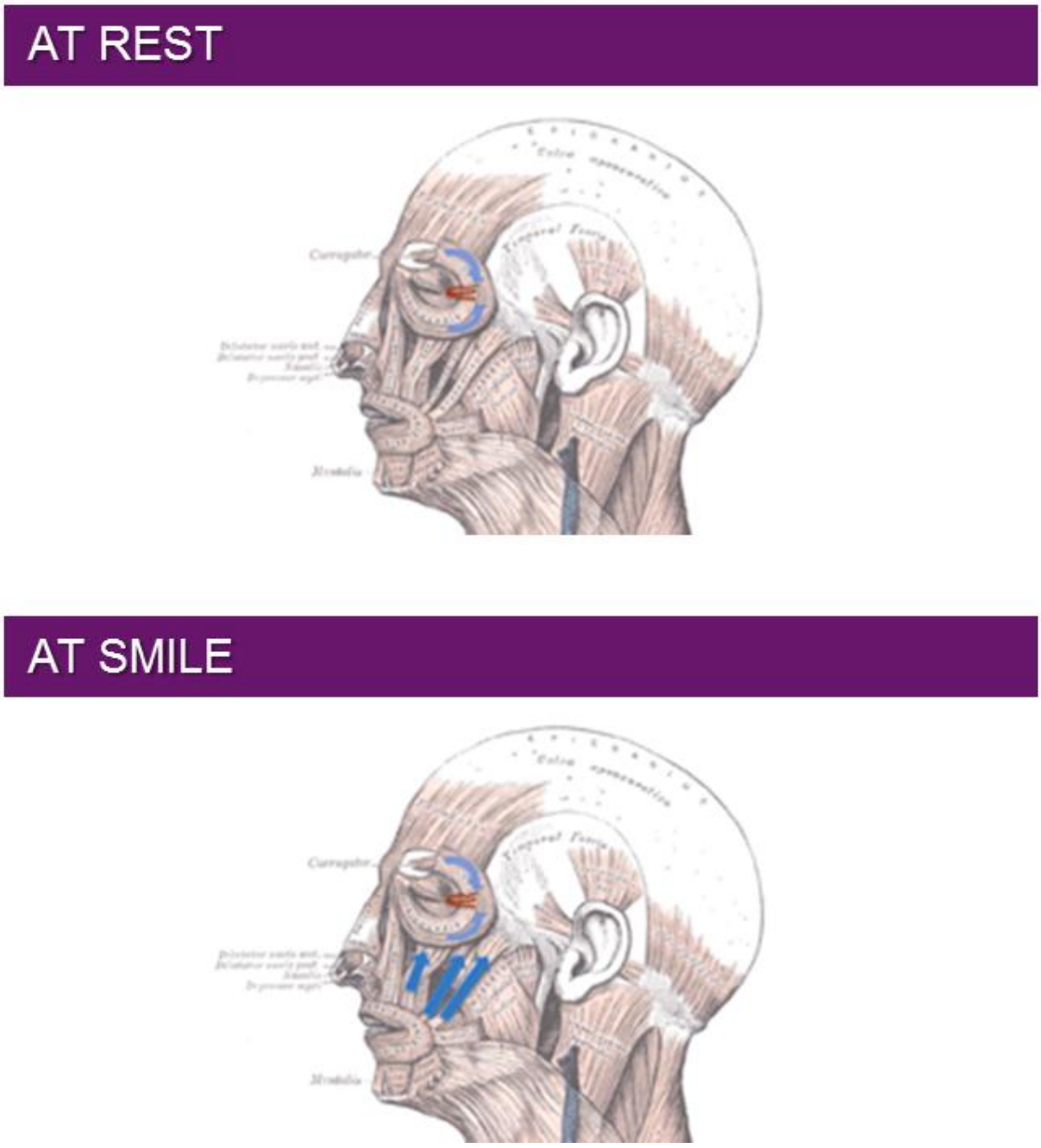
It is important to distinguish clinical improvement in LCL severity when a patient's face is at rest versus when the patient is at maximum smile. As described above, the act of smiling naturally produces wrinkles (or frequently referred to as "crinkles") around the eyes that are a result of in-folding and pleating of the overlying skin that radiates away from the lateral canthus. The presence of at least moderate wrinkles around the eyes when smiling is generally considered to be a perfectly natural appearance. Treatment with neuromodulators like Botox has been known to not only reduce the severity of LCL when the face is at rest, but also achieving a relatively similar effect on LCL severity when the face is at maximum smile. The popular term "frozen face" is frequently used when the difference in appearance around the eyes between a face at rest and a face at smile is less than noticeable. The controversy here is that this appearance at smile is often thought to

be unnatural, and has become something of a stigma associated with injectible neuromodulators (in other words, the patient looks as if she/he "had work done").

In its clinical development program for RT001 in crow's feet, Revance is seeking to show that treatment reduces wrinkle severity when at rest but still allows for a natural look when smiling (in other words, to avoid the "frozen face" appearance and allow for some dynamic wrinkles). As such, the primary clinical endpoints in RT001 studies seek to measure the improvement of LCL severity when the face is at rest (secondary evaluations will measure the extent of LCL severity improvement at maximum smile as well). According to Revance, this is a clinical approach that has gained support at the FDA, namely in the context of the composite responder analysis that encompasses both a patient and investigator assessment of wrinkles when at rest. In contrast, Allergan conducted its Phase III studies for Botox in crow's feet with primary endpoints evaluating the severity of wrinkles at maximum smile, with secondary assessments being measured at rest. We note that the prescribing label for Botox for crow's feet only includes clinical data that assesses the treatment at maximum smile.

Exhibit 9

"AT REST" VERSUS "AT SMILE"



Source: Revance

Impressive Phase II Data for RT001, Particularly on Responder Endpoint To Be Used as the Primary Endpoint in Phase III

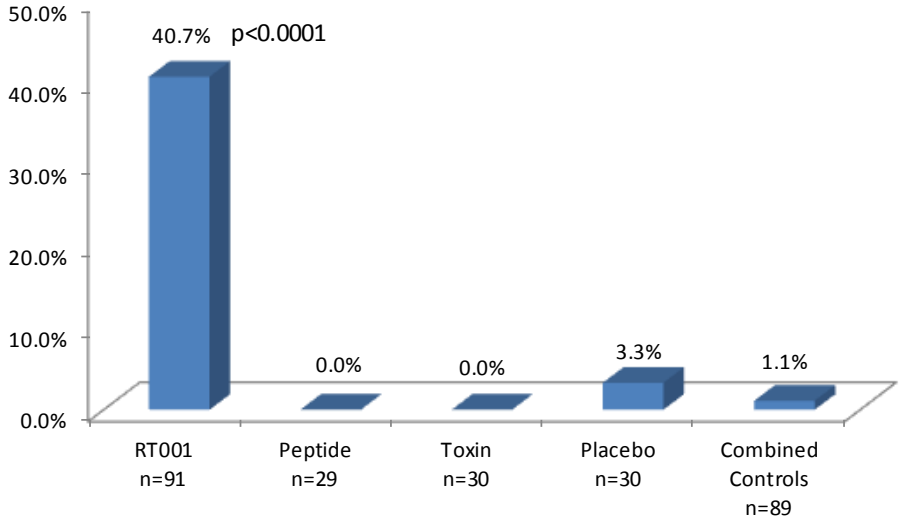
Revance has completed 13 clinical studies evaluating RT001 in crow's feet. These studies enrolled a total of 1,400 patients, including nearly 1,000 patients that were treated with RT001 (176 with repeat exposure). The clinical program included three Phase IIb trials, evaluating a 25 ng/mL dose of RT001. Two of these trials, which are known as CL024 and CL017, enrolled a total of 270 patients and were double-blind, placebo controlled trials.

Study CL017 was a randomized, double-blind, 4-arm study which evaluated a single dose of RT001 in adults with crow's feet. The study enrolled 180 subjects. In the 4-arm study, patients were randomized to receive RT001, placebo, or either the neuromodulator gel itself (without Revance's proprietary peptide that facilities delivery across the skin), or the peptide itself. The rationale for including the latter two comparator arms was to ensure that the peptide is just a delivery vehicle and does not have any application beyond that (this is something that the FDA was particularly interested in; in other words, the agency wanted to ensure that the peptide itself did not have any therapeutic value and that there were no safety issues associated with it).

The primary responder endpoint was a 2-point or greater improvement from baseline in LCL severity at rest determined by investigator assessment (IGA-LCL) at four weeks post treatment, though the more important endpoint was the secondary endpoint that was a composite responder analysis whereby a responder was defined as having at least a 2-point improvement in wrinkles in both the IGA-LCL and a patient self-assessment (PSA). This will serve as the primary endpoint for RT001 in the Phase III program. The scale used to measure efficacy is a 4-point LCL severity scale (absent, mild, moderate, severe). RT001 achieved statistical significance on both endpoints with a p-value of less than 0.0001 (this is compared to the combination of the other three comparator arms, as well as comparisons to each individual comparator arm). Regarding safety, there was no notable difference in the rates of adverse events (AEs) across the comparator arms (and most of the AEs were mild). AE's that were observed included headache, brow elevation, infections, eye irritation and skin reactions.

Exhibit 10

STUDY CL017: COMPOSITE ≥ 2-POINT GRADE IMPROVEMENT (IGA/PSA) AT WEEK 4

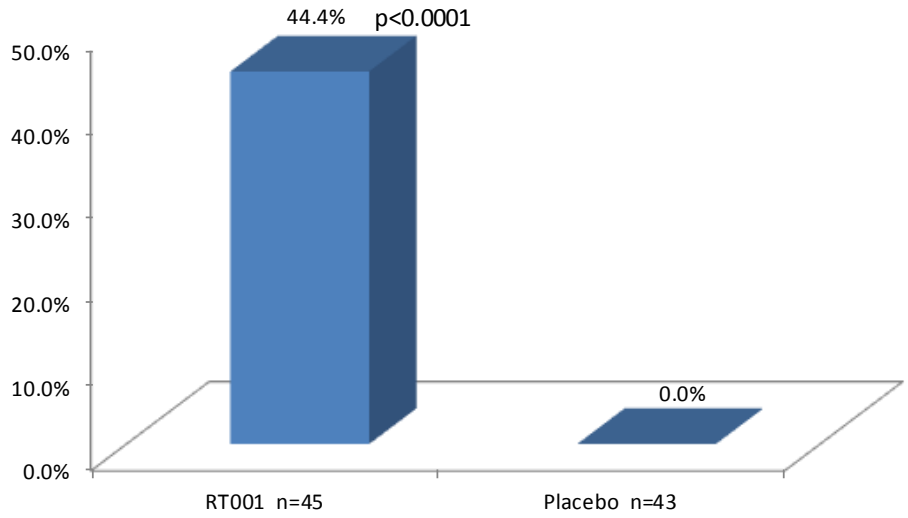


Source: Company reports

Study CL024 was a randomized, double-blind, placebo-controlled trial evaluating a single dose of RT001. The study enrolled 90 patients. The primary endpoint of this study was the composite of the investigator assessment and patient assessment of LCL severity at rest versus baseline at four weeks post-treatment (i.e., the Phase III endpoint). The duration of treatment effect was also measured in this study. RVNC has referred to this study as a "mini Phase III" given that its design is similar to how RT001 will be evaluated in the Phase III program. At the primary endpoint, 44.4% of patients were counted as responders at week four, compared to zero patients that were randomized to receive placebo (obviously a statistically significant result with a p-value of less than 0.0001).

Exhibit 11

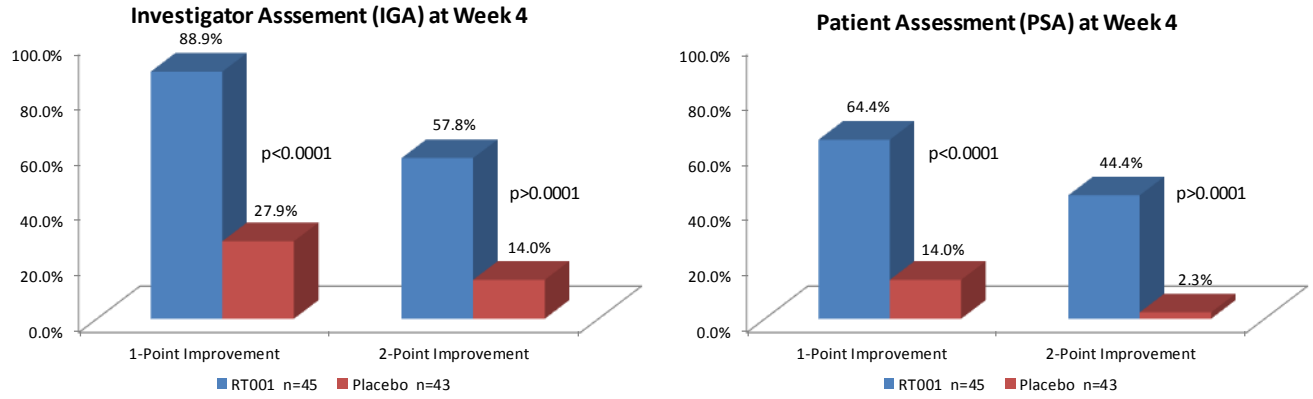
STUDY CL024: COMPOSITE ≥ 2-POINT GRADE IMPROVEMENT (IGA/PSA) AT WEEK 4



Source: Company reports

Exhibit 12

STUDY CL024: BREAKDOWN OF 1-POINT AND 2-POINT IMPROVEMENTS FOR BOTH THE INVESTIGATOR AND PATIENT ASSESSMENTS

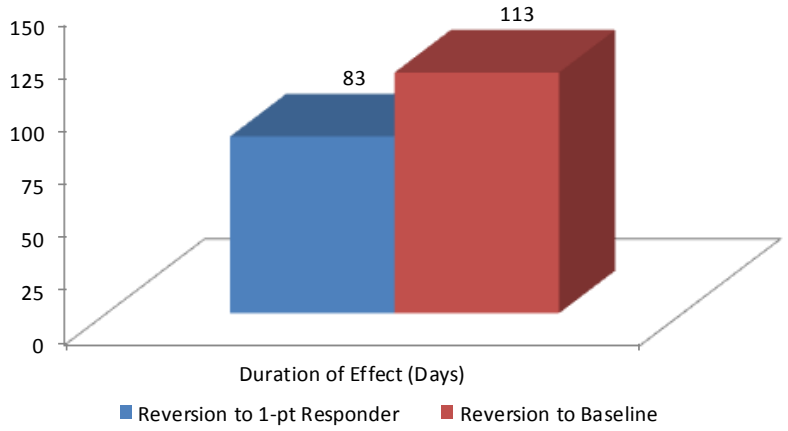


Source: Company reports

Another clinically important finding revealed by the CL024 study was the duration of benefit from RT001 treatment. Patients were treated with RT001 or placebo at baseline and were evaluated at regular intervals up to 20 weeks. As measured by the same stringent criteria used to measure the primary endpoint at rest, treatment with RT001 was observed to have an 83-day duration of effect. Duration in this case was defined as the time between when responders with a 2-point improvement in LCL severity from baseline saw their response decline to only a 1-point improvement. Further, treatment with RT001 showed a 113-day duration of benefit as defined as the time from when a 2-point or more improvement reverted back to baseline LCL severity. These findings are important since they are suggestive of a 3-4 month benefit, which is generally similar to the duration of benefit seen with injectible neuromodulators.

Exhibit 13

STUDY CL024: DURATION OF BENEFIT OF RT001



Source: Company reports

Revance also conducted a 40-patient open label, safety study (known as CL025) which evaluated the safety profile of repeat treatments at 25 ng/mL of RT001. In the study, patients received RT001 at day one and then a second treatment after four weeks. It is important to note that the study was conducted with a repeat frequency that is much shorter than what Revance is proposing in the proposed labeling (which is an interval of 12 weeks between treatments). The study results revealed that repeat treatment of RT001, even at an accelerated frequency, was safe and well tolerated, with the data showing no meaningful differences in the type and severity of AEs between the initial RT001 dose and the repeat dose after four weeks. Importantly, the totality of the AE data in our view points to a safety and tolerability profile that is in keeping with that of the injectible neuromodulators (in other words, we did not see any AE's that were unusual compared to what is seen with the neuromodulators).

Exhibit 14

SUMMARY OF PHASE 2B TRIAL RESULTS

Outcome	Study CL017 RT001 n=91	Study CL017 Controls n=89	Study CL017 p-value	Study CL024 RT001 n=45	Study CL024 Controls n=43	Study CL024 p-value
Endpoint						
Composite ≥2-point LCL severity improvement for both investigator assessment and patient assessment	40.7%	1.1%	<0.001	44.4%	0.0%	<0.0001
≥ 2-point LCL severity improvement, investigator assessment	48.4%	9.0%	<0.001	57.8%	14.0%	<0.0001
≥ 2-point LCL severity improvement, patient assessment	47.3%	3.4%	<0.001	44.4%	2.3%	<0.0001

Source: Company reports
Note: the control group in study CL017 is a composite of results for the peptide alone, toxin alone, and placebo

Phase III Hiccup Last Year Not a Cause for Concern

Revance actually initiated its first Phase III trial for RT001 in crow's feet in 1H13. The results of that study did not show superiority for active drug versus placebo. In actuality, there was essentially a total absence of an efficacy signal for RT001, a result that Revance did not come even close to seeing in any of the other randomized trials evaluating the product. The culprit however was a change in two inactive ingredients contained in the formulation used in the pivotal study. In other words, Revance made what it thought was an innocuous modification to two inactive components before moving the product into Phase III. The reason for the change was to ensure longer overall stability of the product (in other words, Revance wanted to ensure that the product would have a shelf-life of around two years). One new inactive was a component of the diluent, and the other new inactive was an ingredient that can improve stability of the first new component. The reason that management made the modifications was because at the time it planned to move into Phase III, it did not yet have a full two years of stability data on the product. Rather it only had stability data based on accelerated aging assessments. Accelerated aging is a stability testing method that essentially subjects a product to unusually high levels of stress (e.g., extreme temperatures) in order to rapidly gauge what the shelf-life would be. Subsequent to the initiation of the study, the full two-year stability data on the original formulation became available, and that data essentially checked out fine. In hindsight, Revance did not need to make the modifications to the two inactive ingredients.

"Mini" Phase IIb study using the original formulation shows a clear signal for RT001. Revance quickly identified the formulation changes as the reason for the bizarre Phase III data (i.e., bizarre given highly statistically robust data we had seen to date). The company quickly returned to the original formulation, and ran a small Phase II study to ensure that the original formulation would yield an efficacy signal that was in keeping with data from previous studies. The trial, known as CL035, originally randomized 42 patients on a 1:1 basis to either RT001 or placebo (in the two other Phase IIb studies, CL017 and CL024, randomized 270 patients to active drug). We note that Revance identified a randomization error whereby some patients received active drug in error instead of placebo (and vice-versa). Revance corrected this error, with data from this group showing statistical superiority versus placebo on the composite responder endpoint that will be used in all crow's feet Phase III trials. That said, given the error, the company elected to randomize another cohort of patients 1:1 to active drug or placebo (this cohort included 40 patients).

This second cohort also showed superiority for RT001 in favor of placebo. Figure 15 below provides specifics of the result of this study (known as CL035).

Exhibit 15

SUMMARY OF RESULTS FROM THE CL035 PHASE 2B STUDY

Outcome	First Cohort (n = 42)			Combined Study (n = 82)		
	RT001	Placebo	p-value	RT001	Placebo	p-value
Endpoint						
Composite ≥2-point LCL severity improvement for both investigator assessment and patient assessment	23.8%	0.0%	0.017	22.0%	4.9%	0.024
≥ 2-point LCL severity improvement, investigator assessment (at rest)	52.4%	14.3%	0.009	41.5%	12.2%	0.0003
≥ 1-point LCL severity improvement, investigator assessment (at rest)	57.1%	47.6%	NA(1)	63.4%	41.5%	0.047
≥ 2-point LCL severity improvement, patient assessment	38.1%	19.0%	0.170	39.0%	24.4%	0.150
≥ 2-point LCL severity improvement, investigator assessment (at smile)	4.8%	0.0%	NA(1)	4.9%	4.9%	NA(1)
≥ 1-point LCL severity improvement, investigator assessment (at smile)	57.1%	38.1%	0.360	68.3%	34.1%	0.0002

Source: Company reports
(1) not statistically significant

Background on the RT001 Phase III Program

Revance intends to run two pivotal efficacy studies and one long term safety study to support an eventual BLA filing in the U.S. The company also intends to run a single study in Europe to support an eventual MAA filing.

The two U.S. pivotal studies will be similarly designed, and both are projected to enroll 170 patients to be randomized to a single treatment of RT001 or placebo. The primary efficacy endpoint is the same composite LCL severity improvement measurement (at rest) versus baseline that was utilized in the Phase IIb studies. Efficacy data for the first pivotal study should read out in mid-2014 (i.e., data after a single dose should be available by mid-year, with data on duration of benefit likely to be available later in the year. Data from the second pivotal study should read out in 2015. Data from the European trial, expected to enroll 200 patients, should read out in 2015. Given the need for a long-term safety study, a BLA filing will likely take place in 2016 (most likely 2H16), with an MAA filing in late 2016 or early 2017.

As a reference point, Allergan conducted two randomized, double-blind, placebo-controlled trials evaluating Botox in moderate to severe crow's feet. In these studies, a total of 833 patients received Botox injections. The primary efficacy endpoint in both studies was the assessment of LCL severity at maximum smile using the 4-point Facial Wrinkle Scale (FWS; this is a 4-point scale with 3 denoting the most severe wrinkles) at 30 days following treatment compared to baseline. The definition of a response for the primary efficacy endpoint was a composite responder analysis where at patient had to have at least a 2-point improvement from baseline in LCL severity at maximum smile, determined by both investigator and patient assessments. We note that Allergan did evaluate Botox on endpoints assessing LCL severity at rest, though only data from the smile endpoints is included in the prescribing label.

In the first study, patients were randomized to receive 24 U of Botox (12 U per side) or placebo. The second study evaluated 24 U of Botox versus placebo, and also assessed the simultaneous treatment of crow's feet and glabellar lines. Both studies showed statistically significant results for Botox versus placebo at the primary efficacy endpoint. Allergan received FDA approval for Botox for crow's feet in September 2013.

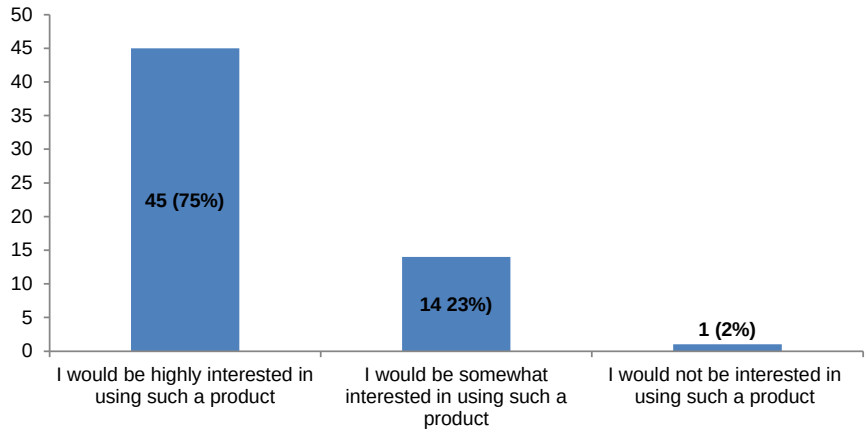
Physician Survey Reveals Strong Enthusiasm for a Needle-Free Alternative

We polled 60 cosmetic surgeons and dermatologists to gauge their views on how a potential needle-free neuromodulator would fit into their medical aesthetics practices. The feedback in our view certainly bodes well for RT001, and dovetails nicely with Revance's own market research that showed that RT001, once available, is likely to significantly expand the footprint for neuromodulators by attracting patients who are new to neuromodulator procedures.

Exceedingly high interest in a product like RT001, and not just in LCL. In our poll, the majority of respondents (63%) treat up to 100 patients per month with a neuromodulator for aesthetic purposes, with another 30% treating anywhere from 100 to 250 patients per month. The interest level in a product like RT001 was exceedingly high according to our poll. Out of the 60 respondents, 75% noted that they would be highly interested in using the product. Interestingly, 70% of the doctors we polled noted that they would be highly interested in using the product in other parts of the face even if the initial label is only in crow's feet. This is not totally surprising since over the years, cosmetic surgeons and dermatologists, especially at high-volume practices, have generally used Botox Cosmetic liberally in various parts of the face even though the label for a long time only reflected approval in glabellar lines. We note that our estimates reflect usage of RT001 in crow's feet but not other parts of the face.

Exhibit 16

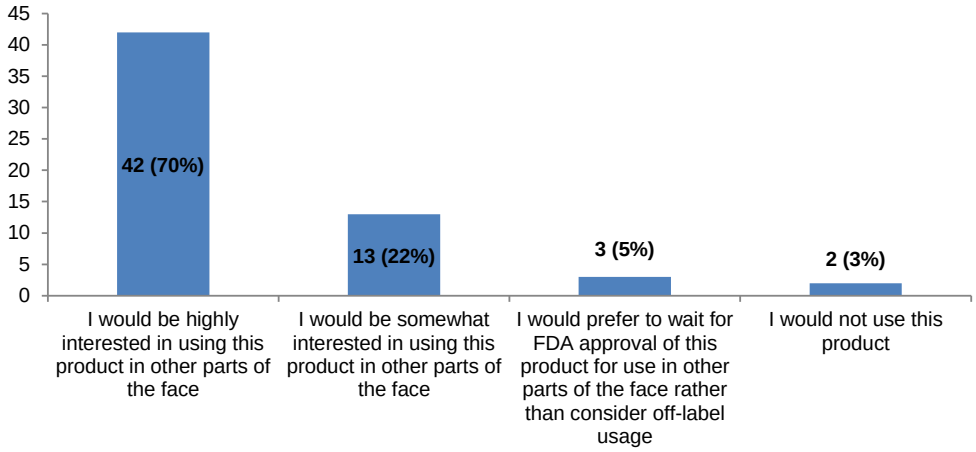
WHAT WOULD BE YOUR LEVEL OF INTEREST IN USING A NEEDLE-FREE (I.E., TOPICAL) FORM OF BOTULINUM TOXIN IF IT BECAME AVAILABLE? PLEASE CHOOSE FROM ONE OF THE FOLLOWING.



Source: PJC Research

Exhibit 17

RT001, A TOPICAL, NEEDLE-FREE FORM OF BOTULINUM TOXIN, WOULD INITIALLY BE FDA APPROVED FOR LATERAL CANTHAL LINES (I.E., CROW'S FEET). WITH THAT IN MIND, WHAT IS THE EXTENT TO WHICH YOU WOULD BE OPEN TO USING THE PRODUCT TO TREAT WRINKLES IN OTHER PARTS OF THE FACE (E.G., GLABELLAR LINES)? PLEASE CHOOSE FROM ONE OF THE FOLLOWING.

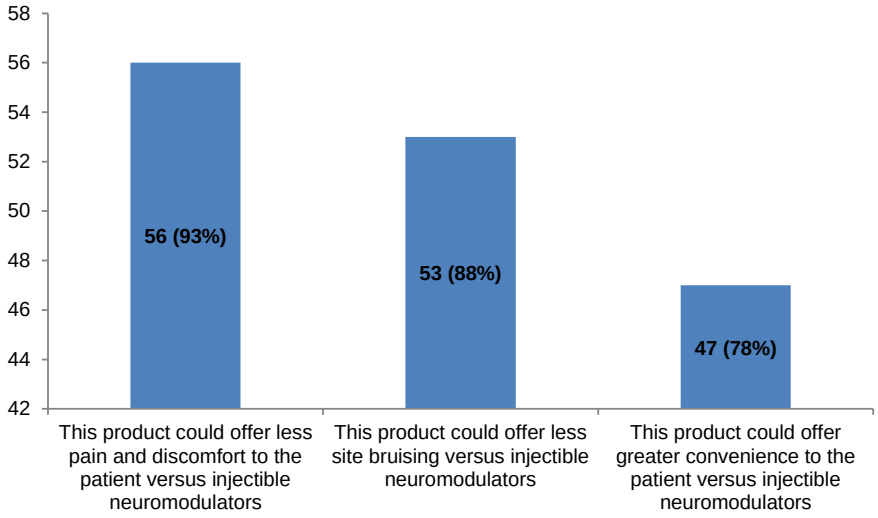


Source: PJC Research

In our poll, we assessed how doctors would perceive a needle-free product versus the injectibles. Significant majorities of the physicians we polled noted that a needle-free, topical option would potentially result in less site pain, less bruising and greater convenience to the patient. Importantly, around 43% of doctors polled noted that a needle-free option would enable them to attract significantly more new patients to their practices, and another 47% of doctors polled noted that a needle-free option would enable them to attract slightly more patients to their practices.

Exhibit 18

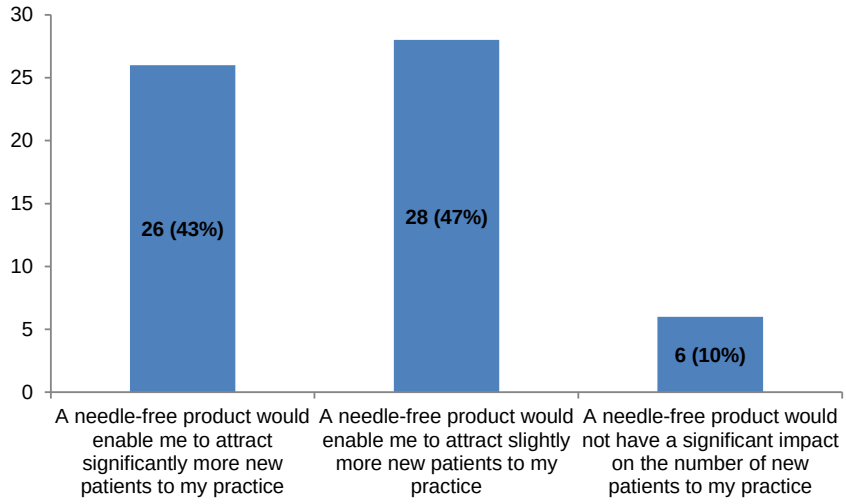
PLEASE CHECK AS MANY AS APPLY REGARDING THE POTENTIAL ADVANTAGES OF A NEEDLE-FREE (I.E., TOPICAL) FORM OF BOTULINUM TOXIN.



Source: PJC Research

Exhibit 19

HOW WOULD THE AVAILABILITY OF A NEEDLE-FREE (I.E., TOPICAL) FORM OF BOTULINUM TOXIN IN YOUR VIEW IMPACT YOUR ABILITY TO ATTRACT NEW PATIENTS TO YOUR COSMETIC PRACTICE? PLEASE CHOOSE FROM ONE OF THE FOLLOWING.



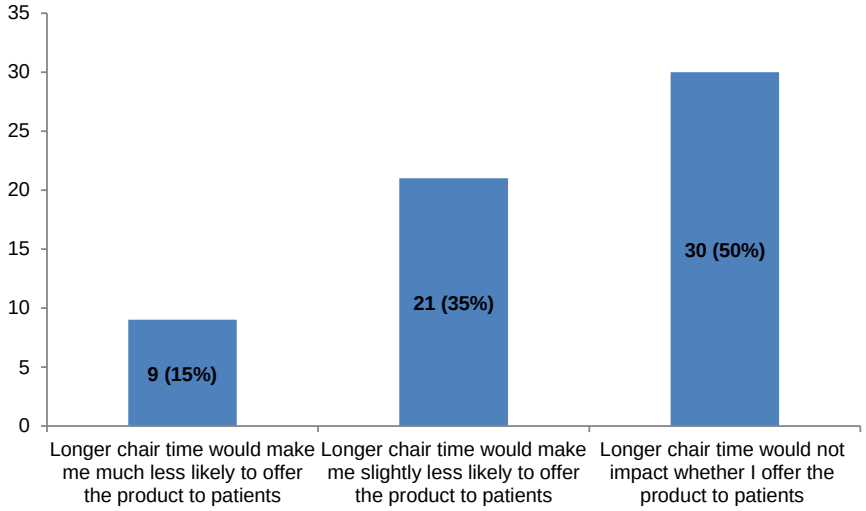
Source: PJC Research

Survey shows that it's not a zero-sum game between RT001 and the injectibles. In our poll, we also looked to gauge how physicians' approach to the injectible neuromodulators would change with the availability of a needle-free option. Interestingly, 82% of physicians noted that they could envision using both an injectible and a topical like RT001 for different wrinkles in the same patient. This is on the surface counter-intuitive since the vast majority of physicians in our poll noted that they are comfortable with injecting a neuromodulator near the eyes. That said, there are two important points to make here. First, just because physicians are comfortable with injections around the eyes (and 60% of those we polled noted that they perform injections to treat crow's feet in at least 40% of their neuromodulator patients) does not mean that patients (whether they are existing patients or potential new ones) are comfortable with it. Second, it is important to keep in mind that physicians in our poll noted that they are likely to use a topical for wrinkles in other parts of the face (in other words, they don't look at RT001 as just an alternative for crow's feet). Taken together, it appears that physicians on the whole are looking at a needle-free alternative as broadening the menu of neuromodulator options available to patients.

Longer "chair time" does not appear to be a meaningful limitation for RT001. In our poll, a significant majority of physicians we polled noted that patients spend "either less than 10 minutes" or "between 10-15 minutes" in the chair for an injectible neuromodulator procedure. Since this was a poll exclusively of physicians, it is not clear if the respondents were also factoring in the patient prep time as well (this is a part of the process that is often managed by nurses). That said, half of the physicians we polled noted that the longer chair time associated with RT001 (a function of the product needing time to dry and then proper removal) would not impact whether they would offer the product to their patients, and another 35% noted that the longer chair time would only make them slightly less likely to offer the product to their patients.

Exhibit 20

ASSUMING THAT IN THE CONTEXT OF A TOPICAL BOTULINUM TOXIN PRODUCT, THE PATIENT WILL NEED TO SPEND SEVERAL MORE MINUTES "IN THE CHAIR" VERSUS THE "CHAIR TIME" FOR AN INJECTIBLE NEUROMODULATOR IN ORDER FOR THE GEL TO DRY PROPERLY, HOW WOULD THAT IMPACT YOUR DECISION TO USE THE TOPICAL NEUROMODULATOR? CHOOSE FROM ONE OF THE FOLLOWING.



Source: PJC Research

Our Thoughts on The Sales Potential for RT001 in LCL

We estimate that RT001 will become commercially available in the U.S. for crow's feet in 2017, with 2018 sales totaling $109 million, and growing to $354 million by 2023. Below we provide additional color on the assumptions underlying our estimates for RT001:

- **Broader neuromodulator market and estimates for RT001 penetration.** According to available literature, there are roughly 2 million users of injectible neuromodulators for cosmetic use in the U.S. In this population, we have assumed that RT001 would initially capture about 4.5% of the market for existing neuromodulator cosmetic users in the 2017 launch year, and we estimate this could potentially grow to approximately a 35% penetration by 2023. To be clear, this capture is not necessarily at the expense of injectibles. We believe that much of this penetration will encompass patients who are comfortable with their existing injectible regimens, but would rather have a topical applied near the eyes. Our views here are supported by feedback from our physician survey, where 82% of doctors we polled noted that they could envision using both an injectible and a topical to treat different wrinkles in the same patient.

  Further, we estimate that there are an additional 4 million individuals who would consider the use of neuromodulators but are not customers, largely because of the fear of needles and potential side effects of an injectible treatment (e.g., bruising). In this population, we assume more modest penetration initially, of about 2% in the 2017 launch year, growing to 15% by 2023.

- **Pricing.** We assume that the container size for RT001 is the same in equivalent units as a 100 U vial of Botox. Botox for crow's feet is dosed at 12 U per eye. In other words, we estimate approximately one-fourth of a container of RT001 is used in a given LCL procedure, and that a given patient receives an average of two procedures in a year. Our model assumes initial pricing at $500 per container of RT001. We note that the cost of 100 U of Botox injection is currently $525. Further, our model does not factor in any annual price increases.

- **Ex-U.S. contribution.** Our model reflects royalty income from an ex-U.S. partner on RT001. We are reflecting royalty income starting in 2018, and a royalty rate of 20% on ex-U.S. sales.

Exhibit 21

RT001 SALES PROJECTIONS FOR LCL

(Sales $ in millions)	2014E	2015E	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E
Lateral canthal lines (LCL; "Crow's Feet")										
Number of existing neuromodulator cosmetic patients [1]	2,060,000	2,121,800	2,185,454	2,251,018	2,318,548	2,388,105	2,459,748	2,533,540	2,609,546	2,687,833
Annual Growth	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*
% RT001 Penetration [1]				*4.5%*	*12.0%*	*19.0%*	*25.0%*	*31.0%*	*33.0%*	*35.0%*
Number of potential patients new to neuromodulators [2]	4,020,000	4,040,100	4,060,301	4,080,602	4,101,005	4,121,510	4,142,118	4,162,828	4,183,642	4,204,561
Annual Growth	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*
% RT001 Penetration [2]				*2.0%*	*5.0%*	*7.0%*	*9.0%*	*11.0%*	*13.0%*	*15.0%*
Number of patients treated with RT001				182,908	483,276	742,246	987,728	1,243,309	1,405,024	1,571,426
Net cost per RT001 container [3]				$500	$500	$500	$500	$500	$500	$500
Average number of RT001 containers per procedure [4]				0.25	0.25	0.25	0.25	0.25	0.25	0.25
Average number of LCL procedures per year				2.0	2.0	2.0	2.0	2.0	2.0	2.0
Average annual cost per patient				$250	$250	$250	$250	$250	$250	$250
Gross RT001 U.S. Sales in LCL				**$45.7**	**$120.8**	**$185.6**	**$246.9**	**$310.8**	**$351.3**	**$392.9**
Discounts and allowances				10%	10%	10%	10%	10%	10%	10%
Net RT001 U.S. Sales in LCL				**$41.2**	**$108.7**	**$167.0**	**$222.2**	**$279.7**	**$316.1**	**$353.6**

(1) Roughly 2 million injectible neuromodulator users in 2013. Assumes that the bulk of RT001 users from this patient pool are adding the product to their existing injectible treatments focus on other areas (e.g., glabellar lines)
(2) Assumes nearly 4 million individuals consider neuromodulators but elect not to have the procedure, and that Revance captures modest portion of this group
(3) Assumes that a container size is the same in equivalent units as a 100U vial of Botox, which has a list price of $525
(4) The Botox dose for LCL is 12U per eye; with essentially parity pricing to a 100U vial of Botox, approximately one-fourth of a container of RT001 is used in a given LCL procedure

Source: Company reports, Industry reports and PJC estimates

Hyperhidrosis: RT001's Bid to Become a "Super" Anti-Perspirant

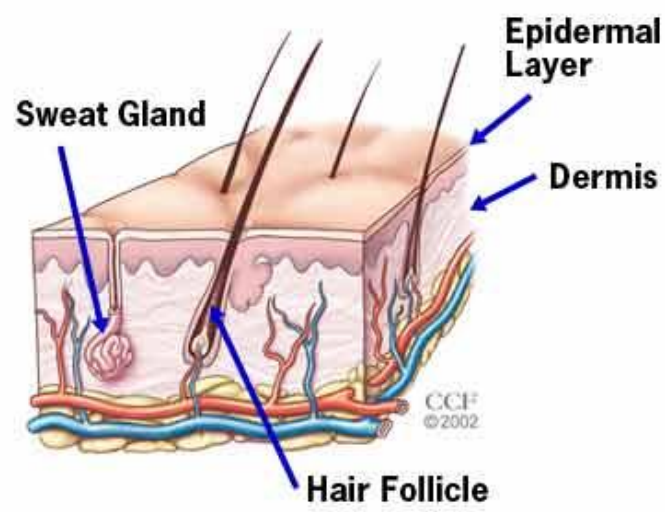
Revance is aiming to move RT001 into a Phase II study in patients with severe axillary (i.e., underarm) hyperhidrosis. According to management, the timeline for regulatory filings in this setting is roughly two years behind the timeline in crow's feet, pointing to a U.S. label expansion in 2019. Hyperhidrosis is technically a therapeutic indication, with severe HH essentially thought of as a clinical disorder. That said, it is also intuitive to think about HH as a cosmetic indication as well. In other words, there are patients who are simply uncomfortable with how much they sweat, and may seek to do something about it provided that an optimal treatment is available. A topical, needle-free neuromodulator in our view would be a perfect fit for this treatment setting.

Brief Overview of Hyperhidrosis

Sweating releases a salty liquid from the body's sweat glands, helping regulate body temperature. It is a normal and important mechanism for thermoregulation (in other words, sweat acts as a coolant to protect the body against overheating). The body consists of millions of sweat glands, the majority of which are known as eccrine glands. These glands secrete sweat through evaporative heat loss (when the core temperature of the body increases, these glands are triggered to bring additional moisture to the surface of the skin). Hyperhidrosis (HH), or excessive sweating, is defined as sweating greater than necessary to maintain normal body thermoregulation. More specifically, HH involves overactive eccrine glands. Eccrine glands can be activated by nerves due to various stimuli, which include heat, stress, physical activity and hormones. In patients with HH, eccrine glands are more sensitive to these stimuli causing a release of more sweat than is needed to regulate body temperature. Though the condition is of course not life-threatening in and of itself, it can have significant negative quality-of-life and psychological ramifications. HH commonly affects the armpits (i.e., the axilla, known as axillary HH), palms of the hands (palmar HH), or the soles of the feet (plantar HH), and in a small number of patients it can occur over the whole body surface.

Exhibit 22

SWEAT GLAND IN THE UNDERLYING DERMIS



Source: The Cleveland Clinic

HH can be diagnosed by a physician through a thorough physical exam, which can include several tests. Examples of tests that can be conducted are: (1) the starch-iodine test, where an iodine solution layered with starch sprinkles is applied to the sweaty area. The mixture will produce a dark blue color where there is excess sweat production; (2) the paper test, where paper is placed on the skin to be later weighed to determine the extent of sweating; and (3) general lab tests such as blood glucose, thyroid function, urine and uric acid measurements in order to determine if there is a more serious underlying condition that is associated with excessive sweating.

Not a small population. According to available literature, there are approximately 8 million individuals in the U.S. who suffer from HH. It is estimated that greater than half of suffers are not diagnosed or treated (only a little over a third of suffers seek treatment, according to available literature). Prevalence in the U.S. is slightly higher in men than in women, though it has been observed that women are more likely to seek treatment compared to men. According to Revance, nearly 1.5 million individuals in the U.S. suffer from severe cases of underarm (axillary) HH. Revance also has noted that in its own market research, it believes that an additional 3.5 million individuals would consider treatment for cosmetic purposes if the right treatment were to become available (namely a needle-free neuromodulator).

Botox has not gained a ton of traction in the treatment of severe HH despite the limitations of conventional over-the-counter (OTC) and prescription (Rx) strength anti-perspirants. There are a variety of treatment options for HH. Aluminum chloride antiperspirants such as the Rx strength brands Drysol and Xerac AC are thought to have anticholinergic effects by acting on choline transport in the nerve terminals (i.e., blocking sympathetic nerve transmission to the eccrine sweat glands). That said, longer-term use can result in degeneration or atrophy of eccrine glands. Another medical treatment option to treat HH is iontophoresis. This is a process where the hands or feet are placed in water and a medical device sends a low-voltage current through the water to "stun" the sweat glands. The process is conducted over 5-10 treatment visits over a few weeks. Though the success rate of this treatment is relatively high, it can be painful and also is not a viable treatment option for patients with underarm HH.

Botox was approved in 2004 for severe axillary HH that is inadequately managed with topical agents. Though Botox has shown to be a therapeutically effective treatment option, the main drawback is that the treatment requires up to 30 injections in the underarms over several months. Given the potential for significant pain associated with the large number of injections, it is not surprising that Botox has not gained meaningful traction in this setting. When other treatment options have failed, surgery may be recommended (specifically, a procedure known as sympathectomy, where a portion of the nerve trunk is destroyed).

Promising Early Data for RT001 in HH

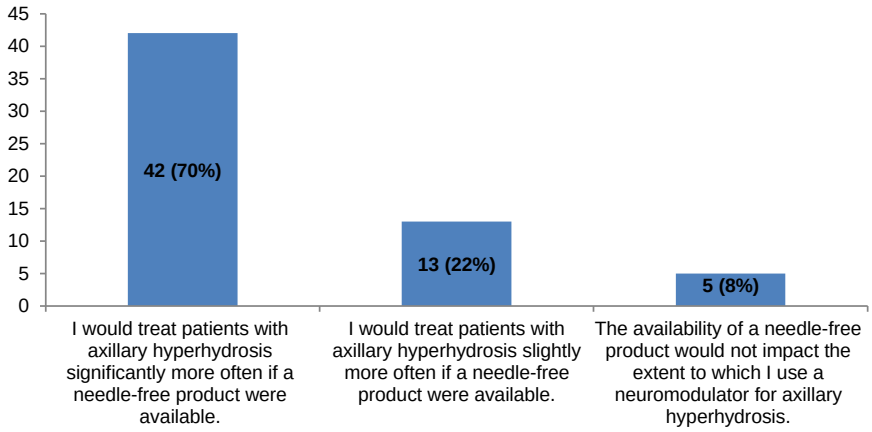
In a Phase I/II study, RT001 appeared to be as safe and well tolerated for the treatment of axillary HH. In this multi-center, double-blind, randomized study, Revance studied 36 patients with moderate to severe HH. The results showed a dose response relationship and no dose-related increase in adverse events. Further, all adverse events were mild or moderate in nature. Given that neuromodulators have shown clear efficacy for the treatment of severe axillary HH, we would view this clinical program for RT001 as relatively low risk. Revance intends to conduct additional Phase II studies evaluating the efficacy of at least a 25 ng/mL dose of RT001 versus placebo (data read-outs from one or more of these studies are possible in 2015).

Physician Survey Reveals Significant Enthusiasm for a Needle-Free Neuromodulator for Hyperhidrosis

In our physician survey (discussed in more detail above), we also asked respondents about their views of a topical, needle-free form of botulinum toxin in the axillary HH setting. Out of the 60 respondents, 50 (83%) noted that they currently use an injectible neuromodulator for the treatment of axillary HH. Interestingly, 70% of the physicians polled noted that they would treat a significantly higher number of patients with axillary HH if a needle-free neuromodulator were to become available. Another 21% noted that they would treat slightly more patients with axillary HH should a product like RT001 become available. The feedback in our view underscores the extent to which an injectible neuromodulator is simply sub-optimal for patients (not because it doesn't work but because of the obvious discomfort associated with a series of injections in the armpits). We believe the feedback points to RT001 gaining significant traction in this setting should it gain approval.

Exhibit 23

HOW WOULD THE AVAILABILITY OF A NEEDLE-FREE (I.E., TOPICAL) FORM OF BOTULINUM TOXIN IMPACT THE EXTENT TO WHICH YOU WOULD USE A NEUROMODULATOR FOR AXILLARY HYPERHIDROSIS? PLEASE CHOOSE FROM ONE OF THE FOLLOWING.



Source: PJC Research

Our Thoughts on The Sales Potential for RT001 in Hyperhidrosis

We estimate that RT001 will become commercially available in the U.S. for HH in 2019, with 2020 sales totaling $45 million, growing to $111 million by 2023. Below we provide additional color on the assumptions underlying our estimates for RT001 in HH:

- **Broader HH market opportunity and estimates for penetration.** We estimate that there are just north of 1.5 million individuals in the U.S. with severe axillary HH. Further, we estimate that there are roughly 3.5 million individuals in the U.S. who seek treatment for cosmetic purposes (i.e., these are patients that have not been diagnosed with severe axillary HH, but do seek treatment since they are simply uncomfortable with how much they sweat). We believe the absence of a needle makes it far more likely that patients with excessive underarm sweating will consider a product like RT001, even if they have to have it administered in the doctor's office. We model modest penetration (under 5%) into the population of patients with severe axillary HH in RT001's first full year of commercialization (2020). By 2023, we estimate penetration of 11% into the U.S. population with severe axillary HH and less than a penetration of 2% into the broader population of patients seeking axillary HH treatment for cosmetic use.

- **Pricing.** We assume that the container size for RT001 is the same in equivalent units as a 100 U vial of Botox. Botox for axillary HH is dosed at 50 U per underarm. Our model assumes initial pricing at $500 per container of RT001. We note that the cost of 100 U of Botox injection is currently $525. We are modeling an average of one procedure per patient per year. Further, our model does not factor in any annual price increases.

Exhibit 24

RT001 SALES PROJECTIONS FOR HYPERHIDROSIS

(Sales $ in millions)	2014E	2015E	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E
Axillary Hyperhidrosis (HH; excessive underarm sweating)										
U.S. population with severe axillary HH	1,515,000	1,530,150	1,545,452	1,560,906	1,576,515	1,592,280	1,608,203	1,624,285	1,640,528	1,656,933
Annual Growth	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	*1.0%*
% RT001 Penetration						*1.5%*	*4.0%*	*7.0%*	*9.0%*	*11.0%*
RT001 Penetration in severe HH (number of patients)						23,884	64,328	113,700	147,648	182,263
Number of patients seeking axillary HH treatment for cosmetic use [5]	3,434,000	3,468,340	3,503,023	3,538,054	3,573,434	3,609,169	3,645,260	3,681,713	3,718,530	3,755,715
Annual Growth	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	*1.0%*
% RT001 Penetration [5]						*0.5%*	*1.0%*	*1.3%*	*1.5%*	*1.7%*
RT001 Penetration in cosmetic HH (number of patients)						18,046	36,453	47,862	55,778	63,847
Number of patients treated with RT001						41,930	100,781	161,562	203,425	246,110
Net cost per container [3]						$500	$500	$500	$500	$500
Average number of containers per procedure [6]						1.0	1.0	1.0	1.0	1.0
Average number of procedures per year						1.0	1.0	1.0	1.0	1.0
Average annual cost per patient						$500	$500	$500	$500	$500
Gross RT001 U.S. Sales in HH						**$21.0**	**$50.4**	**$80.8**	**$101.7**	**$123.1**
Discounts and allowances						10%	10%	10%	10%	10%
Net RT001 U.S. Sales in Axillary HH		**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$18.9**	**$45.4**	**$72.7**	**$91.5**	**$110.7**
Total RT001 U.S. Sales		**$0.0**	**$0.0**	**$41.2**	**$108.7**	**$185.9**	**$267.6**	**$352.4**	**$407.7**	**$464.3**

(5) Refers to patients who believe they sweat too much but do not have clinically severe axillary HH

(6) Botox for axillary HH is dosed at 50U per underarm (i.e., a full RT001 container is used for axillary HH treatment)

Source: Company reports, Industry reports and PJC estimates

RT001 for Other Uses: Multiple Long-Term Shots-on-Goal

Our estimates for RT001 out to 2020 do not reflect any contribution from these potential expansion settings. That said, we do expect that Revance will ramp up R&D spending in other indications as it completes its Phase III work on RT001 in LCL and HH.

Chronic Migraine

Another logical use for RT001 that Revance will explore is in prevention of migraine. Recall that Botox was approved for the prevention of migraines in chronic sufferers in 2010 (specifically, Allergan ran its pivotal studies in patients who had experienced at least 15 migraines per month at screening). Though this setting has unquestionably been an attractive expansion opportunity for Botox, the product can require over 30 injections to the patients head and neck regions. Revance has completed a 40-patient Phase II study of RT001 as a preventative treatment for chronic migraine, in which the gel was applied topically to five areas of the head and removed after 30 minutes (a 25 ng/mL dose was tested). Treatment with RT001 showed a statistically significant improvement for the study's primary composite endpoint of the Headache Impact Test-6 (HIT-6) score, number of migraines and migraine intensity at four weeks post-treatment (43.8% for RT001 versus 10.5% for placebo; $p = 0.0498$). The HIT-6 test is a questionnaire completed by the patient regarding migraine frequency, extent of pain, and other qualitative questions (eligible patient responses range from "never" to "always"). At the completion of the questionnaire, a quantitative score is calculated based on the patient's responses.

Management intends to conduct a second Phase II study in 90 patients. This will be a randomized, double-blind, placebo-controlled, dose-ranging trial. The study will attempt to confirm the efficacy shown in the first Phase II study and determine an optimal dose to be advanced to later-stage studies.

Neuropathic Pain

This is a condition involving the nerve itself as the source of the pain (in other words, a disorder or dysfunction of the peripheral nerves). These peripheral neuropathies include motor, sensory and autonomic disorders. Injuries to the central nervous system (CNS) can occur as a result of stroke or other conditions involving the brain and/or spinal cord. Neuropathic pain is often chronic and can have a significant impact on quality of life. RT001 is currently in preclinical development in this setting.

Rhinitis

Irritation and/or inflammation of the mucous membrane inside the nose is called rhinitis. Symptoms include congestion, sneezing and itching. Estimates of the prevalence of allergic rhinitis in the U.S. range from 9% to 16% of the general population. Injectible botulinum toxin has shown early evidence of efficacy in patients with rhinitis. However, because of significant side effects and overall discomfort with nasal injections, the treatment is not something that resonates all that well with physicians and patients. Revance conducted a small Phase II study which demonstrated RT001 was safe and well tolerated for the treatment of allergic rhinitis.

RT002: A POTENTIAL LONG-ACTING INJECTIBLE NEUROMODULATOR

Revance's second product candidate based on its TransMTS technology is RT002, which is an injectible formulation of botulinum toxin that is optimized for deeper delivery of the toxin to produce a longer lasting effect. These effects have been confirmed in preclinical studies. Revance is initially evaluating the use of RT002 for the treatment of glabellar lines and will also explore the product in therapeutic indications in which injectible botulinum toxin are already approved, such as movement disorders and overactive bladder.

Glabellar Lines in Brief

Glabellar lines (GL), also known as frown lines, are vertical lines that appear between the eyebrows that can appear over time from the effects of age, sun exposure and habitual frowning due to tension. More scientifically, frown lines may arise as a result of overactivity of the underlying corrugator supercilii, procerus and orbicularis oculi muscles. As elasticity of the skin lessens with age, these frown lines can be more pronounced and can even become permanent. There are a number of treatment options available to reduce the severity of GL, such as injections of collagen, silicone oil, or autologous fat. Surgical options are also available. However, none of these treatments addresses the underlying issue of muscle overactivity. Botulinum toxin products like Botox, Dysport and Xeomin are all approved treatments for GL.

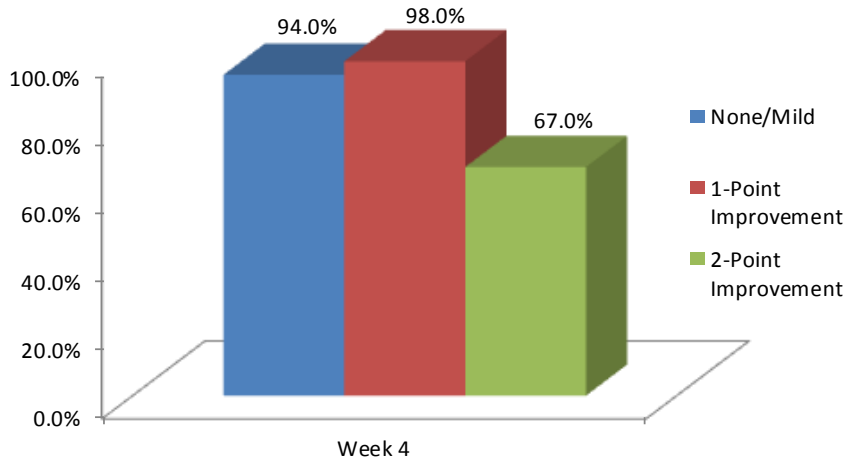
Early Data Supports The Advancement of RT002 in GL

Revance conducted a four-cohort Phase I/II dose escalation trial outside the U.S. testing RT002 for improvement of moderate to severe GL and also to assess overall safety versus placebo. The primary efficacy measure in the study was the investigator assessment for the Glabellar Line Severity Score (GLSS), which is a 4-point scale that measure the extent of frown lines (a score of 3 reflects severe wrinkles, where a score of 0 reflects no wrinkles). The assessment was measured in patients at maximum frown. In a total of 48 patients, all dose groups showed strong response rates, with the lowest dose appearing to deliver response rates that are at least as good as current approved injectible botulinum toxin products for GL. All four doses of RT002 were observed to be well tolerated with minimal AEs. Further, based on pre-clinical and clinical studies to date, RT002 could have a longer duration of efficacy (possibly as long as 6-7 months) compared to the conventional injectible neuromodulators (closer to 3-4 months).

Later this year, Revance intends to initiate a Phase II single-dose, dose-ranging, placebo-controlled study evaluating the efficacy, safety, and duration of effect of RT002 in patients with moderate-to-severe GL. Data from this study should be available in 2015. A Phase III program for GL, which could begin as early as 2H15, is expected to include two single dose, placebo-controlled studies and an open label, repeat dose safety study. With positive data in hand, Revance could be in position to file a BLA in early 2018, pointing to a commercial launch sometime in 2019.

Exhibit 25

GLABELLAR LINE SEVERITY SCALE (GLSS) AT MAXIMUM FROWN, % RESPONDERS



Source: Company reports

Our Thoughts on The Sales Potential for RT002 for Glabellar Lines

We estimate that RT002 will become commercially available in the U.S. for GL in 2019, with 2020 sales totaling $63 million, growing to $112 million by 2023. We note that our estimates do not reflect usage of RT002 for other indications. Our estimates do reflect modest royalty income from ex-U.S. sales. Below we provide additional color on the assumptions underlying our estimates for RT002:

- **Broader neuromodulator market and estimates for penetration.** Within the roughly 2 million users of injectible neuromodulators in the U.S., we have assumed that RT002 would initially capture about 12% of the market in the 2019 launch year and we estimate this could potentially grow to approximately a penetration of 34% by 2023. Unlike RT001 in crow's feet, we believe that a significant chunk of the penetration of RT002 will come from cannibalization of injectible neuromodulators. Among the 4 million people that would consider the use of neuromodulators but do not receive treatment, we assume little to no penetration initially in the 2019 launch year. Longer term, we could envision modest penetration into this setting given that there may be some patients who are attracted to the idea of an infrequent injection (i.e., may not necessarily be a needle-phobe, but still would rather keep the frequency of injections to a minimum).

- **Pricing.** We assume that the container size for RT002 is the same in equivalent units as a 100 U vial of Botox (similar to our assumption for RT001). We estimate approximately one-fourth of a container of RT002 is used in a given GL procedure, and that a given patient receives only one procedure per year on average. Our model assumes initial pricing at $625 per 100 U container of RT002, which is a 25% premium to the price of 100 U of Botox. We believe the premium pricing is justified by the potentially longer duration of benefit for RT002 versus current neuromodulators, including Botox.

Exhibit 26

RT002 SALES PROJECTIONS

(Sales $ in millions)	2014E	2015E	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E
Glabellar lines (GL)										
Number of existing neuromodulator cosmetic patients [1]	2,060,000	2,121,800	2,185,454	2,251,018	2,318,548	2,388,105	2,459,748	2,533,540	2,609,546	2,687,833
Annual Growth	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*
% RT002 Penetration						*12.0%*	*22.0%*	*26.0%*	*30.0%*	*34.0%*
Number of potential patients new to neuromodulators [1]	4,020,000	4,040,100	4,060,301	4,080,602	4,101,005	4,121,510	4,142,118	4,162,828	4,183,642	4,204,561
Annual Growth	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*
% RT002 Penetration						*0.0%*	*0.5%*	*1.2%*	*1.5%*	*2.0%*
RT002 Penetration (number of patients)						286,573	561,855	708,674	845,619	997,954
Net cost per container [3]						$625	$625	$625	$625	$625
Average number of containers per procedure						0.2	0.2	0.2	0.2	0.2
Average number of procedures per year						1.0	1.0	1.0	1.0	1.0
Average annual cost per patient						$125	$125	$125	$125	$125
Gross U.S. Sales in GL						**$35.8**	**$70.2**	**$88.6**	**$105.7**	**$124.7**
Discounts and allowances						10%	10%	10%	10%	10%
Total RT002 U.S. Sales						**$32.2**	**$63.2**	**$79.7**	**$95.1**	**$112.3**

(1) Roughly 2 million injectible neuromodulator users in 2013. Assumes that the bulk of RT002 patients are switching from their existing injectible neuromodulator products

(2) Assumes nearly 4 million individuals consider neuromodulators but elect not to have the procedure, and that Revance captures a very modest portion of this group

(3) Assumes pricing that is a 25% premium to the list price of a 100U vial of Botox (justified by the potentially longer duration of benefit for RT002 versus current neuromodulators)

Source: Company reports, and PJC estimates

AN EXTENSIVE PATENT ESTATE

Revance has been issued a total of 86 patents encompassing intellectual property in the U.S., Europe, Latin America, and Asia (10 of these patients have been issued in the U.S.). The company also has roughly 150 patent applications pending worldwide. Approximately 78 of these patients cover both RT001 and RT002, approximately 62 cover the RT001 formulation and/or uses only, and 14 cover the RT002 formulation and/or uses only. For RT001, these patents protect the TransMTS composition, several indications, methods of manufacturing, the applicator device and safe disposal of the toxin. The principal patents covering RT001, patent #8,398,997 and #8,404,249, expire in October 2027 and July 2029, respectively. For RT002, Revance has patents surrounding the product's composition of matter.

COMPANY MANAGEMENT

Revance is led by a seasoned management that has skillfully shepherded RT001 through a lengthy and sometimes tortuous clinical development program (recall that for instance, in addition to a garden variety Phase IIb study, the company had to run a study assessing the toxin and peptide separately as controls). CEO Dan Browne, one of the co-founders of Revance, has provided steady leadership as the company has advanced RT001 and RT002 into development (and pivotal studies in the case of RT001), and in our view is ideally suited to lead Revance through its transition into a fully integrated, commercial-stage neuromodulator-focused business.

L. Daniel Browne, Co-Founder, Director, President and Chief Executive Officer. Mr. Browne is one of the co-founders of Revance and has served on the company's board as well as its President and CEO since the company began operations in 2002. Prior to joining Revance, Mr. Browne served as President and CEO at a medical technology and biomaterials company called Neomend, Inc. from 2001 to 2003 and as the President of Prograft Medical, Inc. from 1997 through 2000. Previously, Mr. Browne spent more than 16 years in various leadership positions, including Business Leader, at the Gore Medical Products Division of W.L. Gore & Associates, Inc. Mr. Browne received a B.S. in Cell and Molecular Biology from the University of Hawaii and an M.B.A from Pepperdine University.

Niquette Hunt, Senior Vice President, Commercial Development. Ms. Hunt has been the SVP of Commercial Development at Revance since June in 2009. Prior to joining Revance, she served as the Principal at McLean-Hunt Consulting Group, working with early stage medical device and pharmaceutical companies from 2000 to 2009. Ms. Hunt served as the VP of Marketing at ChemTrak from 1996 through 1999 and formerly held various sales and marketing roles The Procter & Gamble Company and Warner-Lambert Company. She received a B.A. from Stanford University.

Lauren P. Silvernail, Executive Vice President, Corporate Development and Chief Financial Officer. Ms. Silvernail joined Revance as CFO and EVP of Corporate Development in March of 2013. Previously, Ms. Silvernail served as the CFO and VP of Corporate development at ISTA Pharmaceuticals from 2003 until the company was acquired by Bausch & Lomb in June 2012. She served in various corporate development and operating positions at Allergan, Inc. from 1995 to 2003, including VP of Business Development, and was a General Partner at the investment firm Glenwood Ventures prior to that. Ms. Silvernail received a B.A. in Biophysics from the University of California, Berkeley and an M.B.A from the Anderson Graduate School of Management at the University of California, Los Angeles.

Curtis Ruegg, Ph.D., Executive Vice President, Research and Development and Technical Operations. Dr. Ruegg has worked at Revance as its EVP of Research and Development and Technical Operations since September 2006. From 2004 to 2006, he held various management and R&D positions at a biopharmaceutical company called CoTherix, Inc. Dr. Ruegg served as the VP of Preclinical and Process Development at InterMune, Inc. from 2002 to 2004 and as the VP of R&D at AP Cells, Inc. from 1999 to 2001. He was also a Senior Scientist and Group Leader at Dendreon Corporation from 1993 to 1998. Dr. Ruegg is a member of the American Association for the Advancement of Science and the American Association of Immunologists. He received a B.S. in toxicology from the University of California, Davis and a Ph.D. in pharmacology from the Johns Hopkins University School of Medicine.

Jacob Waugh, M.D., Chief Scientific Officer. Dr. Waugh is also a co-founder of Revance and has served as the company's Chief Scientific Officer and Medical since 2002. Prior to joining Revance, he worked at the Stanford University School of Medicine from 1997 to 2004. Dr. Waugh has been granted six patents in the U.S. and has others pending. Additionally, he has written more than 30 publications and research manuscripts in the fields of molecular and cell biology, tissue engineering, and gene therapy, and has been an expert reference for various medical and scientific journals. Dr. Waugh received a B.S. from Rice University and an M.D. from the Baylor College of Medicine.

INVESTMENT RISKS

Clinical trial and regulatory risk. Though RT001 showed strong Phase II data in LCL, there is always the risk that the results seen to date are not replicated in the Phase III program. The mitigating factor here is that the underlying molecule (botulinum toxin) is a well-known quantity, and this is simply just a new way of delivering the drug. That said, this is a novel formulation, so there is always the risk that the formulation does not adequately deliver the active drug across the skin (though to be clear, we did see strong data in Phase II). For RT001 in other settings like hyperhidrosis, the product is in earlier-stage trials, and has not been proven in larger clinical studies. Lastly, there is always the risk that the FDA will have safety concerns for RT001 above and beyond the concerns surrounding injectible neuromodulators (such as leakage of the formulation into the eyes). Thus far, we have not seen any adverse events that are out of keeping with that are typically seen with the injectible neuromodulators.

Competition. The neuromodulator market is highly competitive and promotion sensitive. In the context of cosmetic use, this is of course a consumer-driven market. Revance is planning to build its own sales organization to promote both RT001 and RT002 to physicians (mainly dermatologists and cosmetic surgeons). Revance will be competing against well-established players in the U.S., namely Allergan and Valeant. Though the neuromodulator market has demonstrated consistent double-digit growth and has therefore accommodated new entrants, there is always the risk that Revance will not be able to compete effectively given that its resources will be more limited compared to its larger peers.

Pricing pressure. There can be significant discounting seen by competitors in order to gain a bigger foothold in the various markets in which neuromodulators are used. Volume discounting, particularly during peak seasons, is not uncommon. Price competition could result in lower than expected sales for RT001 and RT002.

Revance Therapeutics - Quarterly and Annual Income Statement

Fiscal Year Ends December 31 ($ In millions, except for EPS)	2012A	2013E	2014E 1QE	2QE	3QE	4QE	2014E	2015E	2016E	2017E	2018E	2019E	2020E
Product sales													
RT001 (U.S. only)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$41.2	$108.7	$185.9	$267.6
RT002 (U.S. only)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	32.2	63.2
Total Product Sales	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$0.0**	**$41.2**	**$108.7**	**$218.1**	**$330.8**
Ex-U.S. royalties and other revenues [1]	0.7	0.4	0.1	0.1	0.1	0.1	0.4	0.5	0.5	0.5	11.4	22.3	33.6
Total Revenue	**$0.7**	**$0.4**	**$0.1**	**$0.1**	**$0.1**	**$0.1**	**$0.4**	**$0.5**	**$0.5**	**$41.7**	**$120.1**	**$240.4**	**$364.4**
Cost of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.8	22.8	43.3	61.9
Gross Profit	**$0.7**	**$0.4**	**$0.1**	**$0.1**	**$0.1**	**$0.1**	**$0.4**	**$0.5**	**$0.5**	**$20.8**	**$97.3**	**$197.1**	**$302.4**
Research & development	32.7	30.0	11.0	11.0	11.0	11.0	44.0	58.0	50.0	45.0	45.0	45.0	45.0
Selling, general and administrative	11.2	11.0	3.0	3.3	3.5	4.0	13.8	16.0	24.0	52.8	76.6	111.0	144.3
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total expenses	**$43.9**	**$41.0**	**$14.0**	**$14.3**	**$14.5**	**$15.0**	**$57.8**	**$74.0**	**$74.0**	**$97.8**	**$121.6**	**$156.0**	**$189.3**
Operating Income	**($43.2)**	**($40.6)**	**($13.9)**	**($14.2)**	**($14.4)**	**($14.9)**	**($57.4)**	**($73.5)**	**($73.5)**	**($77.0)**	**($24.3)**	**$41.1**	**$113.1**
Other income (expense), net	11.6	(1.5)	(0.9)	(0.9)	(0.9)	(0.9)	(3.6)	(1.3)	(0.8)	(0.5)	(0.5)	0.0	1.0
Income (loss) before taxes	**($31.6)**	**($42.1)**	**($14.8)**	**($15.1)**	**($15.3)**	**($15.8)**	**($61.0)**	**($74.8)**	**($74.3)**	**($77.5)**	**($24.8)**	**$41.1**	**$114.1**
Income tax provision	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	**($31.6)**	**($42.1)**	**($14.8)**	**($15.1)**	**($15.3)**	**($15.8)**	**($61.0)**	**($74.8)**	**($74.3)**	**($77.5)**	**($24.8)**	**$41.1**	**$114.1**
Non-GAAP EPS, basic	**($14.72)**	**($5.87)**	**($1.00)**	**($0.81)**	**($0.82)**	**($0.84)**	**($3.43)**	**($3.27)**	**($3.05)**	**($3.06)**	**($0.94)**	**$1.50**	**$4.10**
Non-GAAP EPS, diluted	**($14.72)**	**($5.87)**	**($1.00)**	**($0.81)**	**($0.82)**	**($0.84)**	**($3.43)**	**($3.27)**	**($3.05)**	**($3.06)**	**($0.94)**	**$1.36**	**$3.64**
Shares outstanding, basic [3]	2.1	7.2	14.8	18.6	18.7	18.8	17.8	22.8	24.3	25.3	26.3	27.3	27.8
Shares outstanding, diluted [3]	2.1	7.2	14.8	18.6	18.7	18.8	17.8	22.8	24.3	25.3	26.3	30.3	31.3
Expenses as % of total sales:													
COGS										50.0%	19.0%	18.0%	17.0%
R&D										108.0%	37.5%	18.7%	12.3%
Selling, general and administrative										126.8%	63.7%	46.2%	39.6%
Margins:													
Gross margin										50.0%	81.0%	82.0%	83.0%
Operating margin												17.1%	31.0%
Net income												17.1%	31.3%
Income Tax										0.0%	0.0%	0.0%	0.0%
Y-O-Y Growth rates:													
Total revenue											**188.4%**	**100.2%**	**51.6%**
R&D								31.8%	-13.8%	-10.0%	0.0%	0.0%	0.0%
Selling, general and administrative								16.4%	50.0%	120.0%	45.0%	45.0%	30.0%
Operating profit													175.0%
Net income													**177.4%**

Proprietary to Piper Jaffray. March 3, 2014

RVNC: David Amsellem; david.a.amsellem@pjc.com; 212.284.9455

(1) Reflects the signing of an ex-U.S. partnership on both RT001 and RT002, with estimated royalties of 20% on ex-U.S. sales (and assumes a European launch of RT001 in 2018 and a European launch of RT002 in 2019)

(2) Cash paid for interest; excludes non-cash interest expense

Revance - Annual Cash Flow Statement

($ in millions)

	2011A	2012A	2013E	2014E	2015E	2016E	2017E	2018E
Beginning Cash & Equivalents	**$4.0**	**$29.6**	**$4.1**	**$3.6**	**$31.2**	**$65.5**	**$137.5**	**$63.5**
Operating Activities								
Net Income (loss)	($30.2)	($31.6)	($42.1)	($61.0)	($74.8)	($74.3)	($77.5)	($24.8)
Depreciation	$2.0	$1.8	$1.6	$2.0	$2.5	$3.0	$3.5	$4.0
Other	($0.4)	($2.0)	($1.0)	($1.0)	($1.0)	($1.0)	($1.0)	($1.0)
Stock-based Compensation	$0.3	$0.1	$0.5	$2.0	$3.0	$4.0	$6.0	$12.0
Net Change in Assets and Liabilities	($0.1)	($7.1)	$0.7	$1.6	$1.7	$1.7	($9.0)	($5.0)
Cash From Operations	**($28.4)**	**($38.9)**	**($40.3)**	**($56.4)**	**($68.6)**	**($66.6)**	**($78.0)**	**($14.8)**
Investing Activities								
Capital Expenditures	($0.2)	($0.3)	($3.0)	($3.0)	($2.0)	($1.5)	($1.0)	($1.0)
Short-Term Investments	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Acquisition of Tangible Assets	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Acquisition of Intangibles	$0.0	$0.0	$0.0	($7.0)	$0.0	$0.0	$0.0	$0.0
Other Investment [1]	$0.1	$0.1	$2.8	$0.0	$0.0	$100.0	$0.0	$0.0
Cash From Investing Activities	**($0.1)**	**($0.2)**	**($0.2)**	**($10.0)**	**($2.0)**	**$98.5**	**($1.0)**	**($1.0)**
Financing Activities								
Debt Issuance	$67.2	$18.2	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Debt Repayments	($12.1)	($3.4)	($5.6)	($4.8)	$0.0	$0.0	$0.0	$0.0
Share Repurchases	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Stock and Option Issuances [2]	$0.0	$0.0	$45.6	$98.7	$105.0	$40.0	$5.0	$5.0
Other, Net	($1.0)	($1.2)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Cash From Financing Activities	**$54.1**	**$13.6**	**$40.1**	**$93.9**	**$105.0**	**$40.0**	**$5.0**	**$5.0**
Currency Translation Differences	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Proprietary to Piper Jaffray. March 3, 20:	$25.6	($25.5)	($0.4)	$27.5	$34.4	$71.9	($74.0)	($10.8)
Year End Cash	**$29.6**	**$4.1**	**$3.6**	**$31.2**	**$65.5**	**$137.5**	**$63.5**	**$52.7**

(1) Reflects the signing of ex-U.S. partnerships on RT001 and RT002 (and associated upfront payments)

(2) Reflects additional equity capital raises in 2015 and 2016

Proprietary to Piper Jaffray. March 3, 2014

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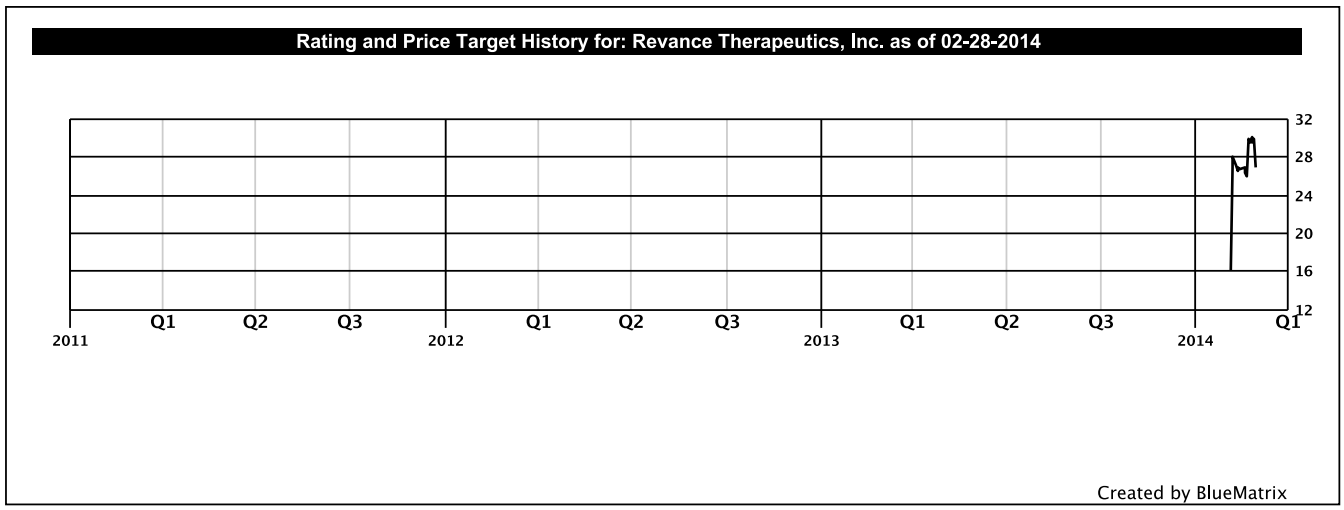
Revance - Annual Balance Sheet

($ in millions)

	2011A	2012A	2013E	2014E	2015E	2016E	2017E	2018E
Current Assets								
Cash & Equivalents	$29.6	$4.1	$3.6	$31.2	$65.5	$137.5	$63.5	$52.7
Restricted Cash	$0.1	$0.1	$0.1	$0.1	$0.1	$0.1	$0.1	$0.1
Accounts Receivable, net	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$3.2	$6.6
Inventories	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$7.7	$11.3
Other Current Assets	$0.4	$1.2	$1.3	$1.4	$1.4	$1.5	$1.6	$1.7
Total Current Assets	**$30.1**	**$5.4**	**$5.0**	**$32.6**	**$67.1**	**$139.1**	**$76.0**	**$72.3**
Property, Plant & Equipment, Net	$8.4	$7.0	$13.1	$14.1	$13.6	$12.1	$9.6	$6.6
Goodwill & other intangible assets	$0.0	$0.0	$0.0	$7.0	$7.0	$7.0	$7.0	$7.0
Other Assets	$1.4	$1.0	$2.8	$2.8	$2.8	$2.8	$2.8	$2.8
Total Assets	**$39.9**	**$13.4**	**$20.9**	**$56.5**	**$90.5**	**$161.0**	**$95.4**	**$88.6**
Liabilities & Equity								
Current Liabilities	$8.9	$31.0	$31.7	$33.3	$34.9	$36.7	$38.5	$40.4
Long-Term Debt	$63.5	$98.0	$4.8	$0.0	$0.0	$0.0	$0.0	$0.0
Other Liabilities	$27.6	$5.8	$6.1	$6.1	$6.1	$6.1	$6.1	$6.1
Equity	($60.0)	($121.3)	($21.7)	$17.1	$49.4	$118.2	$50.8	$42.1
Total Liabilities & Equity	**$39.9**	**$13.4**	**$20.9**	**$56.5**	**$90.5**	**$161.0**	**$95.4**	**$88.6**

Proprietary to Piper Jaffray. March 3, 2014
RVNC: David Amsellem; 212.284.9455

IMPORTANT RESEARCH DISCLOSURES



Notes: The boxes on the Rating and Price Target History chart above indicate the date of the Research Note, the rating, and the price target. Each box 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.

Legend:
I: Initiating Coverage
R: Resuming Coverage
T: Transferring Coverage
D: Discontinuing Coverage
S: Suspending Coverage
OW: Overweight
N: Neutral
UW: Underweight
NA: Not Available
UR: Under Review

Distribution of Ratings/IB Services
Piper Jaffray

			IB Serv./Past 12 Mos.	
Rating	Count	Percent	Count	Percent
BUY [OW]	351	59.39	78	22.22
HOLD [N]	219	37.06	22	10.05
SELL [UW]	21	3.55	0	0.00

Note: Distribution of Ratings/IB Services shows the number of companies currently in each rating category from which Piper Jaffray and its affiliates received compensation for investment banking services within the past 12 months. FINRA rules require disclosure of which ratings most closely correspond with "buy," "hold," and "sell" recommendations. Piper Jaffray ratings are not the equivalent of buy, hold or sell, but instead represent recommended relative weightings. Nevertheless, Overweight corresponds most closely with buy, Neutral with hold and Underweight with sell. See Stock Rating definitions below.

Analyst Certification — David Amsellem, Sr. Research Analyst
— Traver A. Davis, Research Analyst
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- **Overweight (OW):** Anticipated to outperform relative to the median of the group of stocks covered by the analyst.
- **Neutral (N):** Anticipated to perform in line relative to the median of the group of stocks covered by the analyst.
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