

Neothetics Inc

Ticker: NEOT

Country: US

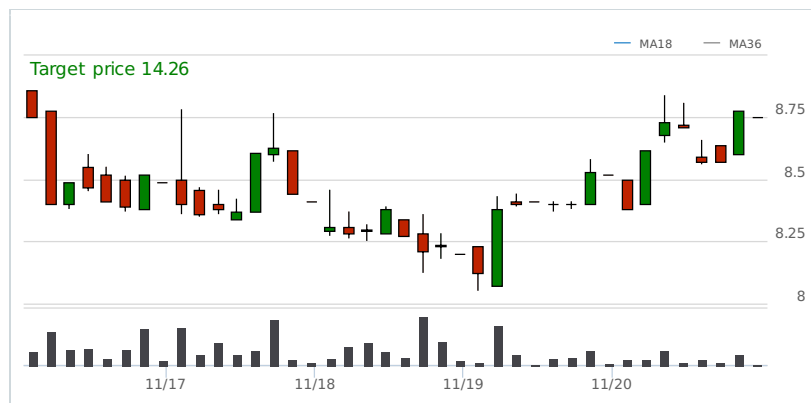
Currency: USD Exchange: NSQ

Industry: Pharmaceuticals

Buy

	Current (\$)	1W (\$)	1W (%)	LW (\$)
Close price	8.75	-0.07 ▼	-0.79 %	8.82
Target price	14.26	-0.03 ▼	-0.20 %	14.29

Neothetics, Inc. is a clinical-stage specialty pharmaceutical company. The Company develops therapeutics for the aesthetic market. The Company's initial focus is on localized fat reduction and body contouring. The Company's lead product candidate LIPO-202 is an injectable treatment for the reduction of central abdominal bulging due to subcutaneous fat in non-obese patients. The Company has completed Phase II development of LIPO-202. LIPO-202 is administered in a subcutaneous injection procedure that activates a natural metabolic process to shrink fat cells, without killing them, resulting in localized fat reduction, measurable results within four weeks and minimal risk with no downtime. The Company is also developing another product candidate LIPO-102, an injectable form of a combination of salmeterol xinafoate and fluticasone propionate.



Ratios	This week	Last week
Close price	8.75 ▼	8.82
High	8.85 ▼	8.88
Low	8.38 ▼	8.44
Beta	- -	-
Market cap	120 M ▼	121 M
Volume	- -	-
P/S ratio	- -	-
P/E ratio	- -	-
P/B ratio	1.83 x ▼	1.84 x
DPS yield	- -	-
EV/EBITDA	- -	-

(Unit : \$)

Headline

Created at	Type	Title
2015/10/06	reuters.com	BRIEF-Neothetics says issuance by USPTO of additional patent directed to lipo-202 lead clinical asset
2015/09/30	reuters.com	BRIEF-Neothetics initiates study to evaluate the safety of LIPO-202
2015/09/08	reuters.com	BRIEF-Neothetics enrolls last patient for subcutaneous abdominal fat reduction clinical trials

Rating and Target Price

(Unit : \$)

Target price	Last week	Weight
Buy	14.26	
Valuation analysis		
Undervalued	Undervalued	
Target price	10.53	10.61 +37 %
Analysts consensus		
Outperform	Outperform	
Target price	16.50	16.50 +63 %
Retail consensus		
Target price	-	-

Analyst projections(2015)

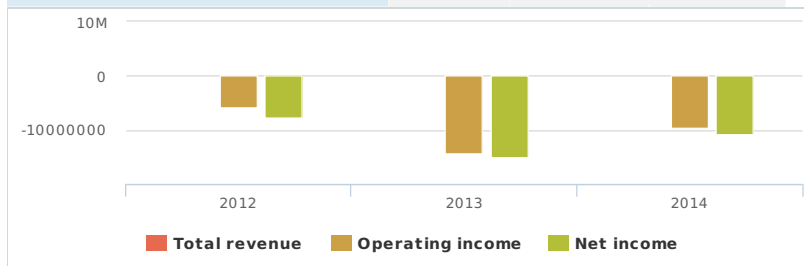
(Unit : \$)

	Consensus	vs.LFY	High	Low	Participants
Revenue	0 M	-	0 M	0 M	3
EPS	-3.69	+31.06 %	-3.29	-4.20	3
DPS	0.00	-	0.00	0.00	1

Income Statement Summary

(Unit : \$)

	2012	2013	2014
Revenue	0 M	0 M	0 M
Operating income	-5 M	-14 M	-9 M
Net income	-7 M	-15 M	-10 M



The company profile, other company-related information, analysts' opinion and projections in this Report are supplied by Thomson Reuters. This Report is intended to be used for information and reference purposes only, and does not constitute a solicitation, or an offer to make an investment in, or to purchase or sell, any specific investment products. The information in this Report may contain projections, opinions, assumptions, estimates and forecasts relating to future business performance and events. Minkabu Group makes no warranty regarding the accuracy or reliability of such projections, opinions, assumptions, estimates or forecasts, and has no liability for any damage of any kind arising out of reliance on such information. For more details, please refer to the Disclaimer on the last page of this Report.

Neothetics Inc

Ticker: NEOT Exchange: NSQ

Valuation analysis

Undervalued	based on	Target price	Potential	(Last week)	Undervalued	based on	Target price
	P/B ratio	10.53 \$	+20.34 %			P/B ratio	10.61 \$

Overall results

Neothetics Inc is considered undervalued in both of its historical (KPI: P/B ratio) and peer (KPI: P/B ratio) comparison analysis. As a result, this stock is considered 'undervalued'. However Neothetics Inc would be considered 'overvalued' if its price exceeded 10.53 \$. Disclaimer: The fact that Neothetics Inc is considered "undervalued" by the analysis does not mean that its price will rise in the future. Monitor the net assets of Neothetics Inc closely and keep an eye on its external environment to support your investment decision.

Recent figures (3 months)

(Unit : \$)

	Curr.	Ø	Max.	Min.
Price	8.75	9.96	12.73	7.79
Volume	32,109	59,698	292,200	13,530
Market cap	120 M	135 M	174 M	106 M

		Sales (P/S ratio)	Profit (P/E ratio)	BookValue (P/B ratio)	Dividend (DPS yield)	Cash-flow (EV/EBITDA)
Valuation analysis		-	-	1.83 x	-	-
Historical comparison	Result			undervalued		
	Average	-	-	2.20 x	-	-9.11 x
	Importance	Low	Low	High	Low	Low
Peer comparison	Result			undervalued		
	Average	-	-	6.49 x	-	-
	Adjusted	-	-	3.67 x	-	-
	Correlation	-	-	0.46	-	-
	Comparison					
	Importance	Low	Low	High	Low	Low

Historical comparison

Currently, Neothetics Inc is considered 'undervalued' by the analysis because its P/B ratio is lower than its historical average.

Peer comparison

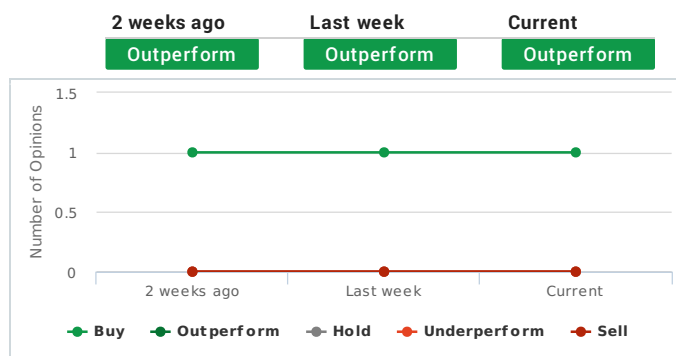
On the other hand, the P/B ratio of this stock tends to have a high correlation with the average of domestic companies in the same industry. As a result, many investors may estimate the trend of its net assets by comparing the company with domestic companies in the same industry. And Neothetics Inc tended to trade at a discount in the past compared to its peers. As a result, this stock is considered 'undervalued' based on a peer comparison.

Analysts consensus

Outperform	Target price	Potential
	16.50 \$	+88.57 %

(Last week)

Outperform	Target price
	16.50 \$



Valuation

Based on analyst projections

	Consensus	Low	High	Domestic(Ø)	Global(Ø)
PSR	-	-	-	44.65 x	19.90 x
PER	-2.36 x	-2.65 x	-2.08 x	29.65 x	34.43 x

Based on last year's results

	Neothetics Inc	Domestic(Ø)	Global(Ø)
P/S ratio	-	8.96 x	7.10 x
P/E ratio	-	29.61 x	54.52 x

Neothetics Inc

Ticker: NEOT Exchange: NSQ

Industry average (domestic): Pharmaceuticals w/Top 3 market cap

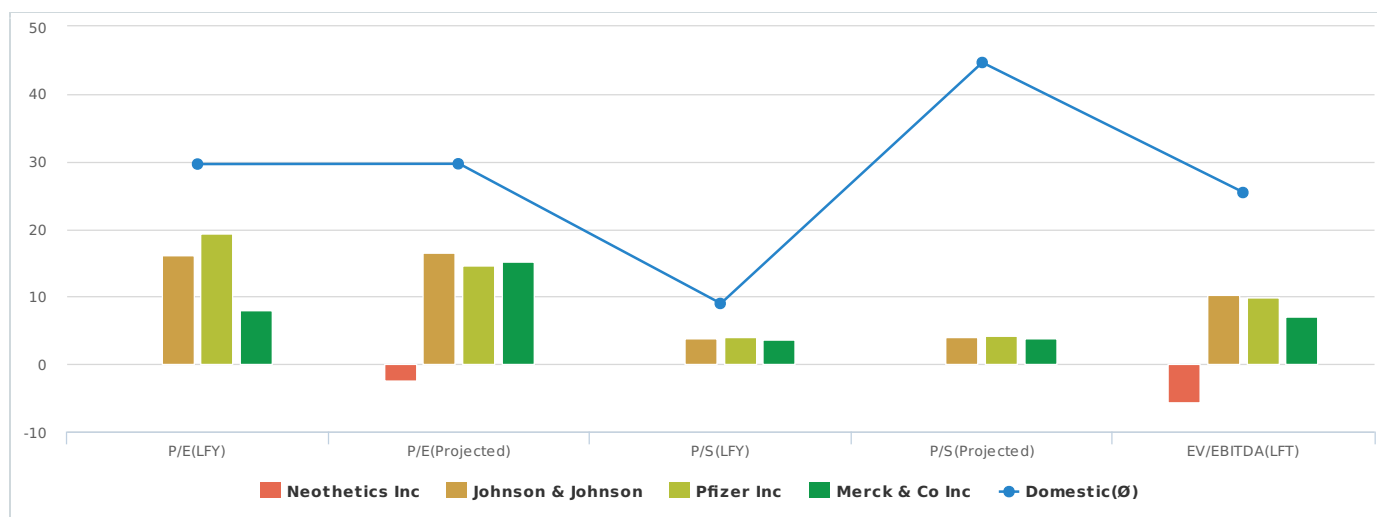
Rating & Valuation

(Unit : \$)

		Neothetics Inc	Johnson & Johnson [JNJ/US]	Pfizer Inc [PFE/US]	Merck & Co Inc [MRK/US]	Domestic(Ø)
Close price		8.75	102.48	32.18	54.10	-
Valuation analysis	Rating	Undervalued	-	Fair	Undervalued	-
	Target price	10.53	-	31.94	57.86	-
	Potential	+20.40 %	-	-0.71 %	+6.95 %	-
Analysts consensus	Rating	Outperform	Outperform	Outperform	Outperform	-
	Target price	16.50	108.12	40.26	62.52	-
	Potential	+88.57 %	+5.50 %	+25.12 %	+15.58 %	-
Retail consensus	Rating	-	-	-	-	-
	Target price	-	-	-	-	-
	Potential	-	-	-	-	-
Market cap		120 M	283,556 M	198,647 M	151,130 M	3,025 M
EnterpriseValue		53 M	269,227 M	199,207 M	156,814 M	4,199 M
P/E ratio	last FY (norm.)	-	16.20 x	19.40 x	8.03 x	29.61 x
	projected	-2.36 x	16.57 x	14.63 x	15.18 x	29.65 x
PSR	last FY	-	3.81 x	4.00 x	3.57 x	8.96 x
	projected	-	4.04 x	4.11 x	3.81 x	44.65 x
EV/EBITDA(LFT)		-5.63 x	10.23 x	9.86 x	6.97 x	25.39 x

Fundamentals

		Neothetics Inc	Johnson & Johnson	Pfizer Inc	Merck & Co Inc	Domestic(Ø)
Sales	last FY	0 M	74,331 M	49,605 M	42,237 M	1,518 M
	projected	0 M	70,172 M	48,288 M	39,589 M	1,630 M
	vs last FY	-	-5.59 %	-2.65 %	-6.26 %	-
Income before tax	last FY	-10 M	20,563 M	12,240 M	17,283 M	647 M
	projected	-51 M	-	-	-	304 M
	vs last FY	-	-	-	-	-
EBITDA(LFY)		-9 M	26,305 M	20,198 M	22,497 M	881 M
Book value(LFY)		65 M	69,752 M	71,301 M	48,647 M	843 M



The company profile, other company-related information, analysts' opinion and projections in this Report are supplied by Thomson Reuters. This Report is intended to be used for information and reference purposes only, and does not constitute a solicitation, or an offer to make an investment in, or to purchase or sell, any specific investment products. The information in this Report may contain projections, opinions, assumptions, estimates and forecasts relating to future business performance and events. Minkabu Group makes no warranty regarding the accuracy or reliability of such projections, opinions, assumptions, estimates or forecasts, and has no liability for any damage of any kind arising out of reliance on such information. For more details, please refer to the Disclaimer on the last page of this Report.

Neothetics Inc

Ticker: NEOT Exchange: NSQ

Industry average (worldwide): Pharmaceuticals Market cap Top3

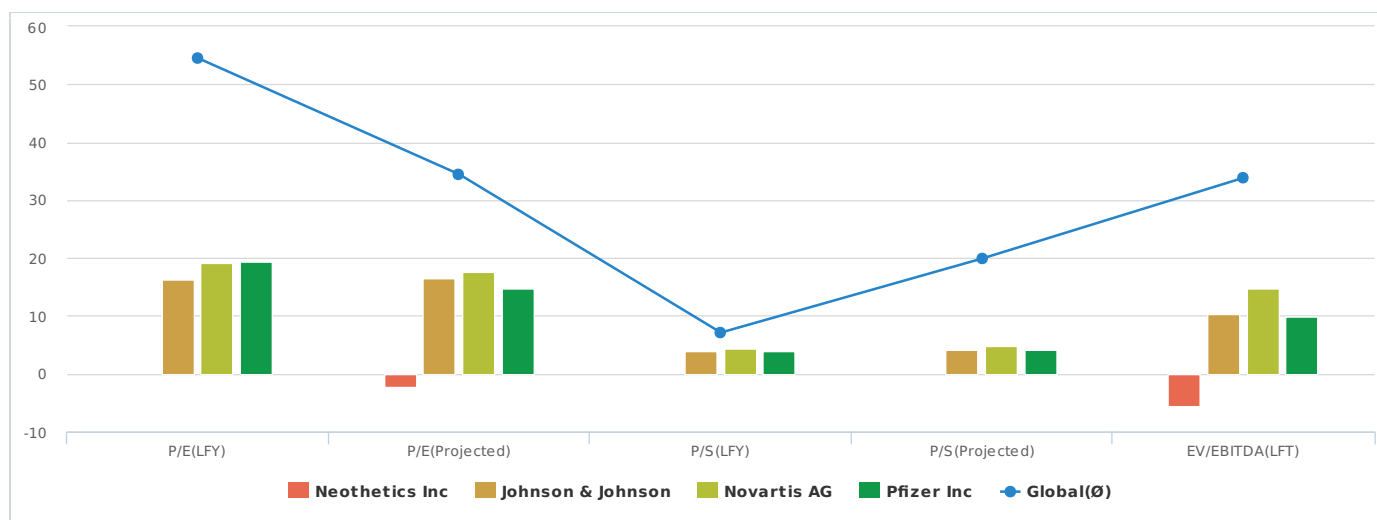
Rating & Valuation

(Unit : \$)

		Neothetics Inc	Johnson & Johnson [JNJ/US]	Novartis AG [NOVN/CH]	Pfizer Inc [PFE/US]	Global(Ø)
Close price		8.75	102.48	89.26	32.18	-
Valuation analysis	Rating	Undervalued	-	Undervalued	Fair	-
	Target price	10.53	-	94.66	31.94	-
	Potential	+20.40 %	-	+6.03 %	-0.71 %	-
Analysts consensus	Rating	Outperform	Outperform	Outperform	Outperform	-
	Target price	16.50	108.12	109.48	40.26	-
	Potential	+88.57 %	+5.50 %	+22.64 %	+25.12 %	-
Retail consensus	Rating	-	-	-	-	-
	Target price	-	-	-	-	-
	Potential	-	-	-	-	-
Market cap		120 M	283,556 M	238,974 M	198,647 M	2,148 M
EnterpriseValue		53 M	269,227 M	245,830 M	199,207 M	125,113 M
P/E ratio	last FY (norm.)	-	16.20 x	19.09 x	19.40 x	54.52 x
	projected	-2.36 x	16.57 x	17.70 x	14.63 x	34.43 x
PSR	last FY	-	3.81 x	4.45 x	4.00 x	7.10 x
	projected	-	4.04 x	4.72 x	4.11 x	19.90 x
EV/EBITDA(LFT)		-5.63 x	10.23 x	14.63 x	9.86 x	33.85 x

Fundamentals

		Neothetics Inc	Johnson & Johnson	Novartis AG	Pfizer Inc	Global(Ø)
Sales	last FY	0 M	74,331 M	53,633 M	49,605 M	584 M
	projected	0 M	70,172 M	50,599 M	48,288 M	854 M
	vs.LFY	-	-5.59 %	-5.65 %	-2.65 %	-
Income before tax	last FY	-10 M	20,563 M	12,272 M	12,240 M	139 M
	projected	-51 M	-	14,215 M	-	182 M
	vs.LFY	-	-	+17.24 %	-	-
EBITDA(LFY)		-9 M	26,305 M	16,791 M	20,198 M	206 M
Book value(LFY)		65 M	69,752 M	70,766 M	71,301 M	542 M



The company profile, other company-related information, analysts' opinion and projections in this Report are supplied by Thomson Reuters. This Report is intended to be used for information and reference purposes only, and does not constitute a solicitation, or an offer to make an investment in, or to purchase or sell, any specific investment products. The information in this Report may contain projections, opinions, assumptions, estimates and forecasts relating to future business performance and events. Minkabu Group makes no warranty regarding the accuracy or reliability of such projections, opinions, assumptions, estimates or forecasts, and has no liability for any damage of any kind arising out of reliance on such information. For more details, please refer to the Disclaimer on the last page of this Report.

Neothetics Inc

Ticker: NEOT Exchange: NSQ

Financials

Income statement

(Unit : M\$)

	2012	2013	2014
Revenue	0	0	0
Total revenue	0	0	0
Selling general administrative expenses total	2	2	4
Research and development	3	11	5
Total operating expense	5	14	9
Operating income	-5	-14	-9
Interest income or expense net non operating	-2	-0	-1
Other net	0	-0	0
Income before tax	-7	-15	-10
Income after tax	-7	-15	-10
Net income before extra items	-7	-15	-10
Net income	-7	-15	-10
Diluted net income	-7	-15	-10
Income available to common excl extra items	-7	-15	-10
Income available to common incl extra items	-7	-15	-10
Diluted weighted average shares	13	13	2

Balance sheet summary

(Unit : M\$)

	2012	2013	2014
Cash and equivalents	11	4	75
Cash and short term investments	11	4	75
Prepaid expenses	1	0	0
Total current assets	12	4	76
Property plant equipment total gross	0	-	0
Accumulated depreciation total	-0	-	-0
Property plant equipment total net	0	0	0
Other long term assets total	0	-	-
Total assets	12	4	76
Accounts payable	0	0	0
Accrued expenses	0	0	0
Current port of lt debt capital leases	0	0	0
Total current liabilities	1	1	1
Long term debt	0	0	9
Total long term debt	0	0	9
Other liabilities total	1	2	0
Total liabilities	3	3	11
Preferred stock non redeemable net	51	57	0
Additional paid in capital	2	2	134
Retained earnings or accumulated deficit	-43	-58	-69
Total equity	9	0	65
Total liabilities and shareholders equity	12	4	76
Total debt	0	0	9

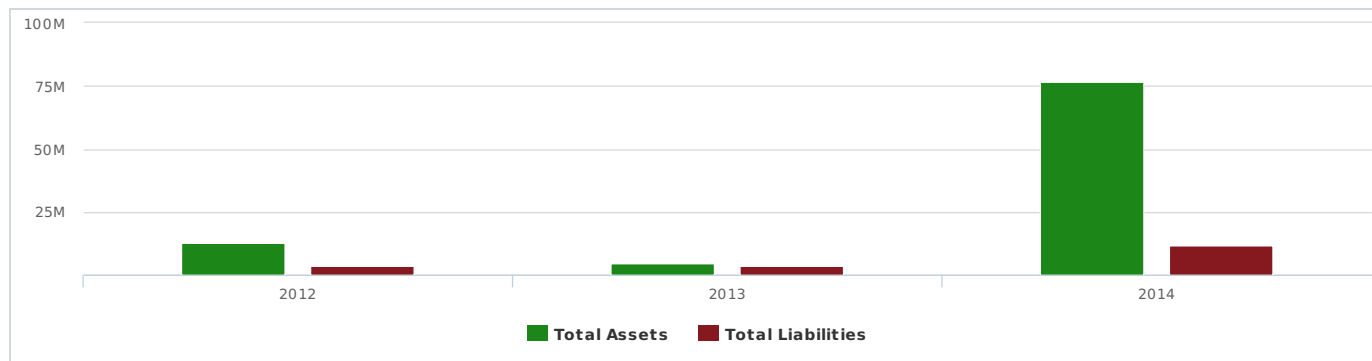
Cash flow summary

(Unit : M\$)

	2012	2013	2014
Net income starting line	-7	-15	-10
Depreciation depletion	0	0	0
Non cash items	2	0	1
Cash interest paid	0	0	0
Changes in working capital	-1	1	-0
Cash from operating activities	-7	-12	-9
Capital expenditures	0	-0	-0
Other investing cash flow items total	0	0	0

The company profile, other company-related information, analysts' opinion and projections in this Report are supplied by Thomson Reuters. This Report is intended to be used for information and reference purposes only, and does not constitute a solicitation, or an offer to make an investment in, or to purchase or sell, any specific investment products. The information in this Report may contain projections, opinions, assumptions, estimates and forecasts relating to future business performance and events. Minkabu Group makes no warranty regarding the accuracy or reliability of such projections, opinions, assumptions, estimates or forecasts, and has no liability for any damage of any kind arising out of reliance on such information. For more details, please refer to the Disclaimer on the last page of this Report.

Cash from investing activities	0	0	-0
Issuance or retirement of stock net	10	6	13
Issuance or retirement of debt net	2	-0	9
Cash from financing activities	12	6	81
Financing cash flow items	-	-	57
Net change in cash	5	-6	71



The company profile, other company-related information, analysts' opinion and projections in this Report are supplied by Thomson Reuters. This Report is intended to be used for information and reference purposes only, and does not constitute a solicitation, or an offer to make an investment in, or to purchase or sell, any specific investment products. The information in this Report may contain projections, opinions, assumptions, estimates and forecasts relating to future business performance and events. Minkabu Group makes no warranty regarding the accuracy or reliability of such projections, opinions, assumptions, estimates or forecasts, and has no liability for any damage of any kind arising out of reliance on such information. For more details, please refer to the Disclaimer on the last page of this Report.

Neothetics Inc

Ticker: NEOT Exchange: NSQ

Corporate profile

Company profile

Business summary	Neothetics, Inc. is a clinical-stage specialty pharmaceutical company. The Company develops therapeutics for the aesthetic market. The Company's initial focus is on localized fat reduction and body contouring. The Company's lead product candidate LIPO-202 is an injectable treatment for the reduction of central abdominal bulging due to subcutaneous fat in non-obese patients. The Company has completed Phase II development of LIPO-202. LIPO-202 is administered in a subcutaneous injection procedure that activates a natural metabolic process to shrink fat cells, without killing them, resulting in localized fat reduction, measurable results within four weeks and minimal risk with no downtime. The Company is also developing another product candidate LIPO-102, an injectable form of a combination of salmeterol xinafoate and fluticasone propionate.
Financial summary	BRIEF: For the nine months ended 30 September 2015, Neothetics Inc revenues was not reported. Net loss increased from \$7.9M to \$33.6M. Higher net loss reflects Research and Development Expense - Bal increase from \$3.1M to \$27M (expense), General and Administrative Expense - Bal increase of 67% to \$4.8M (expense), Interest Expense increase from \$163K to \$845K (expense).
Homepage	http://www.neothetics.com
Address	9171 Towne Centre Dr Ste 270 SAN DIEGO CA
Public contact	
Phone number	1-858-7501008
Contact phone number	
Contact email	info@neothetics.com

Management

Rank	Name	Position	Since	Age
1	George W. Mahaffey	Chairman of the Board, President, Chief Executive Officer	2013	56
2	Susan A. Knudson	Chief Financial Officer	2014-7	51
3	Kenneth W. Locke	Chief Scientific Officer	2008-5	58
4	Christopher Kemmerer	Vice President - Pharmaceutical Development and Manufacturing	2008-4	50
5	Lincoln Krochmal	Chief Medical Officer	2013-11	68

On December 31, 2014 Neothetics Inc had 10 Employees.

The company profile, other company-related information, analysts' opinion and projections in this Report are supplied by Thomson Reuters. This Report is intended to be used for information and reference purposes only, and does not constitute a solicitation, or an offer to make an investment in, or to purchase or sell, any specific investment products. The information in this Report may contain projections, opinions, assumptions, estimates and forecasts relating to future business performance and events. Minkabu Group makes no warranty regarding the accuracy or reliability of such projections, opinions, assumptions, estimates or forecasts, and has no liability for any damage of any kind arising out of reliance on such information. For more details, please refer to the Disclaimer on the last page of this Report.

Neothetics Inc

Ticker: NEOT Exchange: NSQ

Historical Charts

M3 Chart

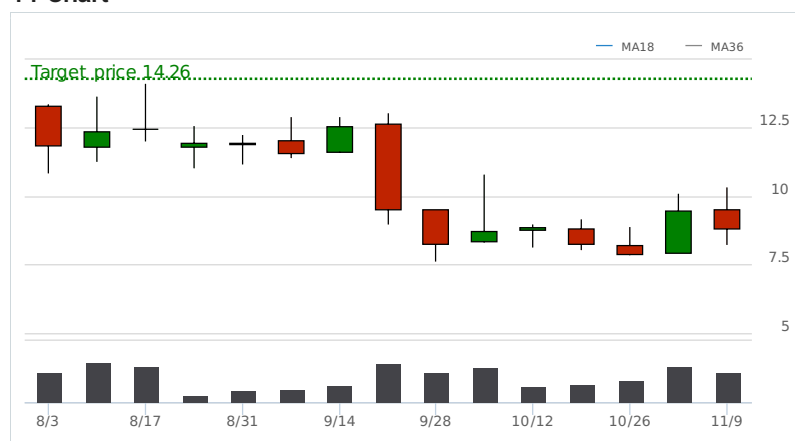


Historical data

(Unit : \$)

	High	Low	Volume
2015/08/24 -	12.55	11.02	96,915
2015/08/31 -	12.21	11.13	150,930
2015/09/07 -	12.87	11.38	165,492
2015/09/14 -	12.87	11.59	226,491
2015/09/21 -	12.99	8.96	503,226
2015/09/28 -	9.50	7.62	380,865
2015/10/05 -	10.78	8.33	452,695
2015/10/12 -	8.94	8.12	203,905
2015/10/19 -	9.13	8.04	244,381
2015/10/26 -	8.88	7.83	282,220
2015/11/02 -	10.08	7.95	467,674
2015/11/09 -	10.30	8.20	380,172
During	12.99	7.62	-

Y1 Chart

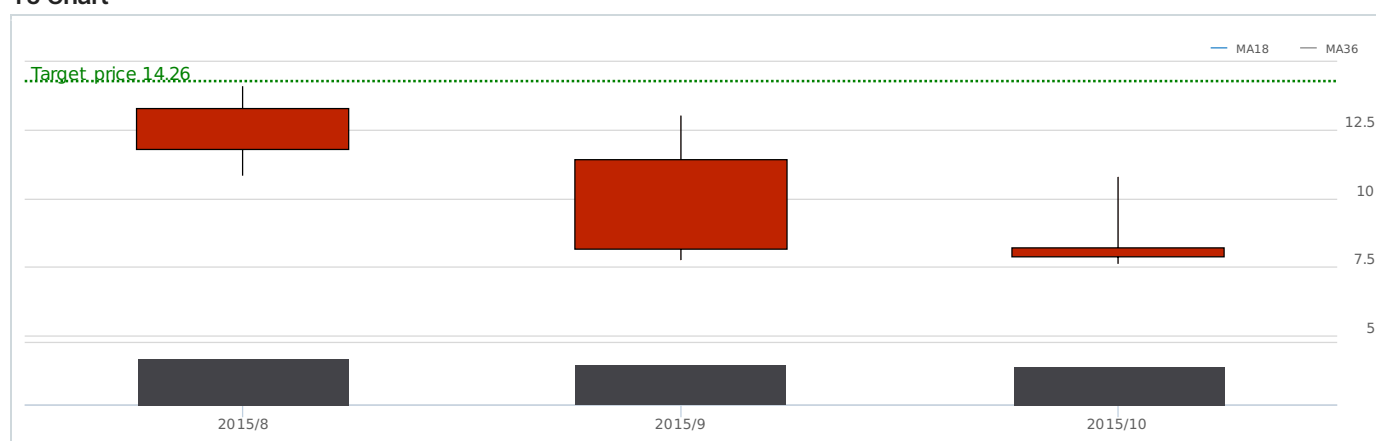


Historical data

(Unit : \$)

	High	Low	Volume
2015/08/01 -	14.05	10.80	1,487,585
2015/09/01 -	12.99	7.77	1,318,432
2015/10/01 -	10.78	7.62	1,271,242
During	14.05	7.62	-

Y5 Chart



The company profile, other company-related information, analysts' opinion and projections in this Report are supplied by Thomson Reuters. This Report is intended to be used for information and reference purposes only, and does not constitute a solicitation, or an offer to make an investment in, or to purchases or sell, any specific investment products. The information in this Report may contain projections, opinions, assumptions, estimates and forecasts relating to future business performance and events. Minkabu Group makes no warranty regarding the accuracy or reliability of such projections, opinions, assumptions, estimates or forecasts, and has no liability for any damage of any kind arising out of reliance on such information. For more details, please refer to the Disclaimer on the last page of this Report.

Neothetics Inc

Ticker: NEOT Exchange: NSQ

Disclaimer

This Report (this "Report") is prepared by Minkabu, Inc. and its subsidiary, sharewise GmbH (collectively, "Minkabu Group") based on information supplied by a third party service provider, namely Thomson Reuters.

The company profile, other company-related information, analysts' opinions and projections in this Report are supplied by Thomson Reuters. Stock and index prices are supplied by Stock Exchanges of Tradegate Exchange, Euronext, Deutsche Börse AG, BME, Stuttgart Stock Exchange, Tradegate Exchange, BATS CHI-X Europe, London Stock Exchange, NASDAQ Stock Market, Indonesia Stock Exchange, Singapore Exchange, Hong Kong Exchanges and Clearing Limited, Taiwan Stock Exchange, Tokyo Stock Exchange, Nagoya Stock Exchange, Toronto Stock Exchange, Shenzhen Stock Exchange, Shanghai Stock Exchange, SIX Swiss Exchange, BM&FBOVESPA S.A, DotEx. HKEX INFORMATION SERVICES LIMITED, ITS HOLDING COMPANIES AND/OR ANY SUBSIDIARIES OF SUCH HOLDING COMPANIES ENDEAVOUR TO ENSURE THE ACCURACY AND RELIABILITY OF THE INFORMATION PROVIDED BUT DO NOT GUARANTEE ITS ACCURACY OR RELIABILITY AND ACCEPT NO LIABILITY (WHETHER IN TORT OR CONTRACT OR OTHERWISE) FOR ANY LOSS OR DAMAGE ARISING FROM ANY INACCURACIES OR OMISSIONS. Any expressions of opinions by analysts are solely the personal opinions of the authors and contributors to this Report. Minkabu Group is not responsible for accuracy, completeness, reliability or timeliness for these information and opinions, and is not responsible for any errors or omissions therein, and assumes no liability for any direct or indirect loss or damage or, in particular, for lost profit, which you may incur as a result of your reliance on such information or the use of this Report.

The information in this Report may contain projections, opinions, assumptions, estimates and forecasts relating to future business performance and events, which are intended as examples only, and do not represent predictions by Minkabu Group about the current or future performance of any company or its securities, or any investment products. Minkabu Group makes no warranty regarding the accuracy or reliability of such projections, opinions, assumptions, estimates or forecasts, and has no liability for any damage of any kind arising out of reliance on such information. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Actual results may differ from those in forward-looking statements as a result of various factors. Minkabu Group is not obligated to update or correct any such information.

This Report does not constitute a recommendation to make an investment in, or to purchase or sell any specific investment products. This Report is not intended to give financial or investment advice. You should conduct your own careful, independent analysis or seek advice from professional advisor as to the suitability of an investment for your needs.

Minkabu Group does not express any opinion on any company or its securities, or any investment products (or any fluctuations in or future performance thereof), and stock price ratings and comments including "Target Price", "Buy", "Sell", or "Hold" are created by an aggregation of opinions from individual investors, or from opinions of analysts of securities companies.

Ratings such as "Overvalued", "Undervalued" or "Fairlyvalued", and "Fair Stock Prices" and others displayed ancillary to ratings are objective facts based on the statistical record, and Minkabu Group does not express any opinion on any company or its securities, or any investment products (or any fluctuations in or future performance thereof) thereby either.

Minkabu Group does not represent or warrant that this Report is appropriate or available for viewing or downloading at any location. You are exclusively responsible for compliance with all applicable local laws and regulations in viewing or downloading this Report.

This Report is intended to be used for information and reference purposes only, and does not constitute a solicitation, or an offer to make an investment in, or to purchase or sell, any specific investment products. Minkabu Group is not a registered broker, dealer, investment advisor, analyst, investment banker or underwriter.

Minkabu Group may hold the securities referred to in this Report including derivative instruments, or may have business relations with the companies discussed herein.

Without prior written consent of Minkabu Group, no reproduction, copy, transmission, transfer, distribution, publication, or any other similar actions of any content of this Report shall be made.