

Specialty Pharmaceuticals

Price:	\$7.90
Fair Value Estimate:	\$20.00
52-Week Range:	\$5.49 - \$16.60
Market Cap (MM):	\$112
Shr.O/S-Diluted (mm):	14.2
Average Daily Volume:	50,982
Yield:	0.0%
Cash/Share:	\$(1.40)
FCF Yield:	NA
Debt/Cap:	15%

FYE: Dec	2014A	2015E
EPS:	\$(1.76)A	\$(1.89)E
Prior EPS:		NC
Consensus	NM	-1.83
P/E Ratio:	NA	NA

Quarterly EPS:

Q1	\$(4.79)A	\$(0.50)A
Q2	\$(7.98)A	\$(0.47)E
Q3	\$(0.22)A	\$(0.47)E
Q4	\$(0.33)A	\$(0.46)E



May 18, 2015

Marinus Pharmaceuticals, Inc (MRNS) - BUY

Pediatric Epilepsy Study Supports Ganaxolone Role in PCDH19

Flash Takeaways

MRNS presented positive supporting clinical data for ganaxolone, their lead product candidate in drug-resistant pediatric epilepsies at the Antiepileptic Drug and Device Trials (AED) XIII conference on Friday. We believe that this data supports our thesis that ganaxolone will report positive clinical results in their Phase 2 Proof-of-Concept trial expected to report out top-line data in early 2H15. Maintain Buy rating, \$20 FV.

Analysts Notes

- AED XIII Presentation: MRNS presented clinical data for the treatment of pediatric seizure disorder in children aged 4 months through 15 years. In total, data was collected from one double-blind and four open-label trials and showed that approximately two thirds of the patients experienced improvements in seizures with one third of patients experiencing a 50% or greater improvement from baseline seizure frequency. With these encouraging results, we feel that this supports our thesis for a positive read-out for the Phase 2 POC trial in PCDH19, a rare and orphan indication.
- What is PCDH19?: PCDH19 female pediatric epilepsy is a rare disease effecting between 15,000 to 30,000 females in the US caused by a specific gene mutation. PCDH19 manifests as cluster seizures before the age of 5 with patients experiencing multiple seizure types throughout childhood with developmental delay, intellectual disability, and behavioral problems following into adolescence and adulthood. There are no current approved treatments for PCDH19.
- What is Ganaxolone? Ganaxolone is a small molecule synthetic analogue of allopregnanolone, which is being developed for various epileptic indications including drug-resistant focal onset epilepsy, PCDH19 and Fragile X syndrome. Currently, MRNS is working to develop a full range of formulations including oral, liquid suspension and intravenous. By having these formulations, ganaxolone can cover a large swath of patients from children to adults and in environments that range from acute to home health care.
- Proof of Concept Trial Design and Endpoints: The POC trial is small, enrolling ~10 patients between 2 and 10 years old that have confirmed PCDH19 mutation via genetic testing. Baseline seizure will be established and patients will be treated with Ganaxolone for 26 weeks. Primary endpoint is change in seizure frequency per 28 days relative to baseline.

IMPORTANT DISCLOSURES

Research Analyst Certification

I, Chiara Russo, the Primarily Responsible Analyst for this research report, hereby certify that all of the views expressed in this research report accurately reflect my personal views about any and all of the subject securities or issuers. No part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views I expressed in this research report.

Janney Montgomery Scott LLC ("Janney") Equity Research Disclosure Legend

Marinus Pharmaceuticals, Inc currently is, or during the past 12 months was, a Janney Montgomery Scott LLC client. Janney Montgomery Scott LLC, provided investment banking related services.

Janney Montgomery Scott LLC managed or co-managed a public offering of securities for Marinus Pharmaceuticals, Inc in the past 12 months.

Janney Montgomery Scott LLC received compensation for investment banking services from Marinus Pharmaceuticals, Inc in the past 12 months.

Janney Montgomery Scott LLC intends to seek or expects to receive compensation for investment banking services from Marinus Pharmaceuticals, Inc in the next three months.

The research analyst is compensated based on, in part, Janney Montgomery Scott's profitability, which includes its investment banking revenues.

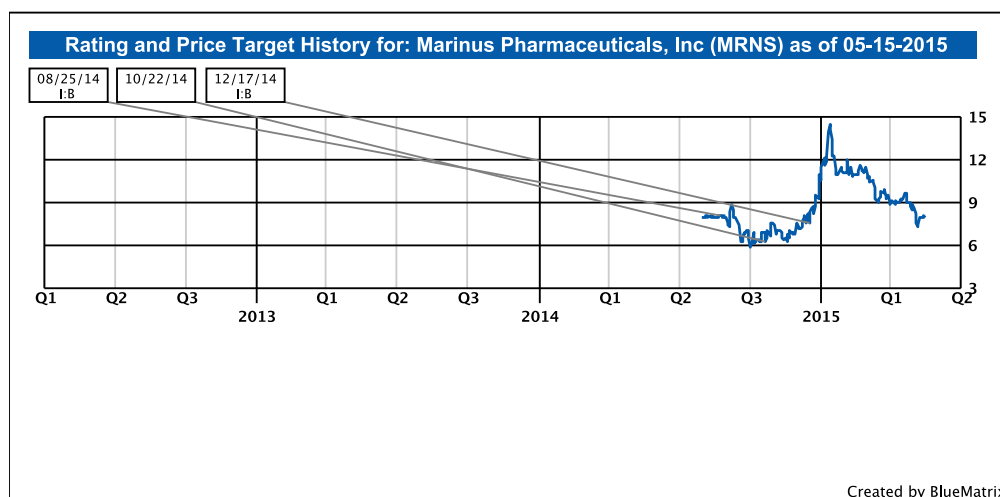
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BUY: Janney expects that the subject company will appreciate in value. Additionally, we expect that the subject company will outperform comparable companies within its sector.

NEUTRAL: Janney believes that the subject company is fairly valued and will perform in line with comparable companies within its sector. Investors may add to current positions on short-term weakness and sell on strength as the valuations or fundamentals become more or less attractive.

SELL: Janney expects that the subject company will likely decline in value and will underperform comparable companies within its sector.

Price Charts



Janney Montgomery Scott Ratings Distribution as of 3/31/15

Rating	Count	Percent	IB Serv./Past 12 Mos.	
			Count	Percent
BUY [B]	140	50.36	21	15.00
NEUTRAL [N]	137	49.28	14	10.22
SELL [S]	1	0.36	0	0.00

*Percentages of each rating category where Janney has performed Investment Banking services over the past 12 months.

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