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## Celladon Corp. (CLDN - OUTPERFORM): CUPID 2 Completes Enrollment, Reiterate OUTPERFORM

Price: \$11.07

12-Month Price Target: \$17

- **As anticipated, CLDN reported that it completed enrollment of 250 patients in the Phase IIb CUPID 2 trial of MYDICAR in advanced heart failure (HF).** The study is evaluating MYDICAR against placebo, added to maximal optimized HF therapy, with a primary endpoint of time to recurrent HF-related hospitalizations in the presence of terminal events.
- **Data from the study, expected in April 2015, is likely to be the major catalyst for CLDN shares.** Recall that the EMA has indicated that CUPID 2 would be sufficient to support an MAA submission if MYDICAR demonstrates safety and a highly significant therapeutic effect. CLDN also has an SPA from the FDA for a pivotal Phase III study using the same endpoints as CUPID 2.
- **Separately, CLDN recently announced the full exercise and closing of the underwriter's option to purchase 825,000 additional shares as part of its January IPO.** We project CLDN will end Q1:14 with \$54.2M in cash and 18.5M shares outstanding.
- **Reiterate OUTPERFORM and \$17 price target.** Our price target of \$17 is derived from applying a 6 multiple to estimated 2020 sales of MYDICAR in new heart failure patients, discounted by 35% annually, supplemented by the present value of sales in existing heart failure patients (also discounted by 35% annually).

Risks to the achievement of our price target include clinical failure of MYDICAR, failure to achieve regulatory approval and failure to achieve sales and earnings estimates.

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<b>Company</b>	<b>Disclosure</b>
Celladon Corp.	1,3,5,7

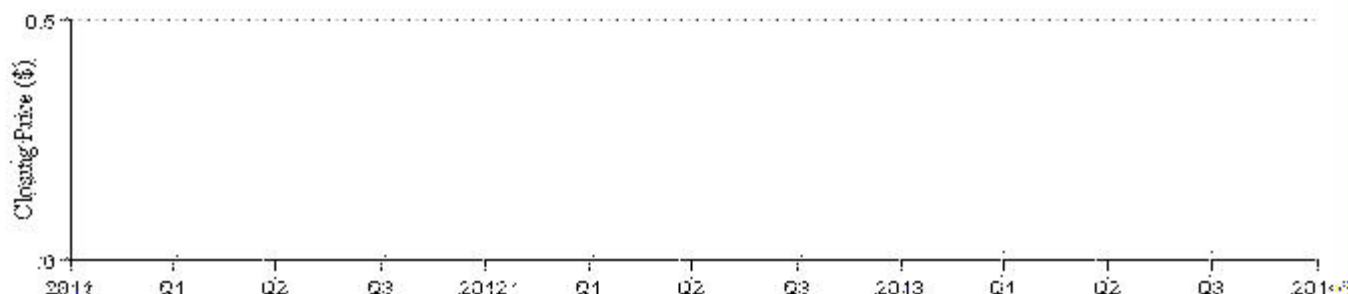
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CLDN



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