

Dermira (DERM : US\$15.26)

Dermira sinks 14% in 2015, underperforming 85% of the market

Dermira, Inc., sank US\$2.42 (or 13.7%) year to date in 2015 to close at US\$15.26. This means the stock has underperformed 85% of NASDAQ-listed stocks in 2015. Compared with the NASDAQ-100 Index which has risen 4.4% YTD, this is a relative price change of -18.1%. The volume YTD has been 0.8 times the average trading of 55,427 shares. In 2015 the market cap has declined US\$59.5 million.

Introduction with Trends

We are currently bearish on this stock in the long-term based on fundamental metrics, but are neutral in the short-term based on technical indicators

What makes us bearish on the stock is the following:

- The Q Ratio, defined by James Tobin as MCap divided by Total Assets, is 2.1. Compared with the rest of the market the stock is overvalued.

However, there are some reasons why we remain neutral on the stock for the short-term:

- Its Moving Average Convergence Divergence indicators are falling, with its 12-day EMA lower than its 26-day EMA.
- The price to 200-day MAP ratio is 0.79, a bearish indicator.

Stock Summary

Sector	Total Nasdaq Market
Market Cap	US\$375.4 million
Shares Outstanding	24,600,000
ISIN	US24983L1044
Relative Strength (3 mo)	5

MCap: A Historical Perspective

	Share Price (USD)	Market Cap (US\$)
Last	15.3	375.4 million

Analysis

Bullish Signals

- In the last 8 trading sessions there has been a net rise of 0.33%; the stock has advanced nine times and the biggest one day rise was 9.5% on Mar 26.
- The Price/MAP of 0.79 for DERM is higher than the Price/MAP for the NASDAQ-100 Index of 0.6.
- The current short volume is 0.1 times its own historical average of 0.1%.

Undervaluation:

- The Price to Book of 2.5 lower than average of 7.0 for the Total NASDAQ Market and 7.0 for the Total NASDAQ Market.
- The company is cash rich with Cash to Market Capitalisation at 14.7%.

Other Bullish Signals:

Also, the following criteria set by Benjamin Graham:

- "A stock price down to at least two-thirds of tangible book value per share"; the price is 0.66 times tangible book value per share of \$US23.23.
- "Current ratio of two or more"; current assets are 8.9 times current liabilities.

Bearish Signals

- Falls to Rises: In the last three months the number of falls outnumbered rises 33:28 or 1.18:1.
- In the NASDAQ market of 2,406 stocks and 1 unit traded today, the stock has a 6-month relative strength of 47 which means it has underperformed 53.0% of the market.
- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 15.17 minus the 26-day EMA of 15.36 is negative suggesting a bearish signal.
- The price to 200-day MAP ratio is 0.79, a bearish indicator. The stock is trading below both its MAPs at US\$19.25 for the 200-day MAP and US\$26.11 for the 50-day MAP, a bearish indicator. The 200-day MAP has decreased to US\$19.25. A decrease is another bearish indicator.

Overvaluation:

- Price/Sales of 51.42 versus market average of 2.4.
- The Q Ratio, defined by James Tobin as MCap divided by Total Assets, is 2.1. Compared with the rest of the market the stock is overvalued.

Other Bearish Signals:

The stock has a score of merely 1 out of 9 set by Joseph Piotroski [pass mark ≥ 5]:

Improvement in current ratio from 5 to 8.9.

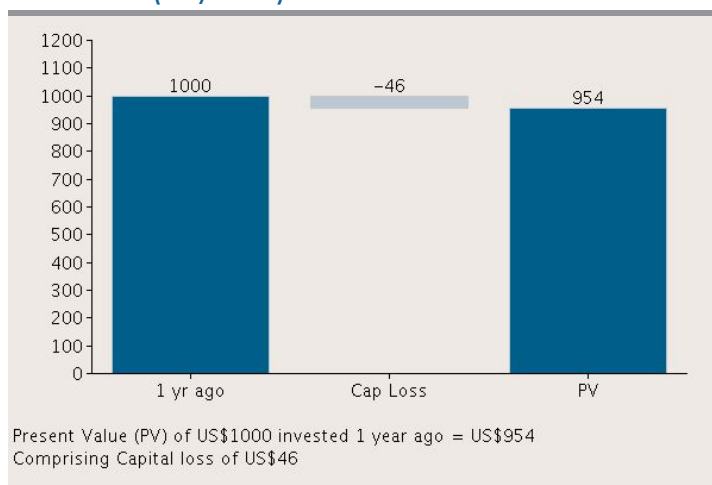
Bearish Indicators and Rank in Market:

Description	Value	Rank In Market
Price/MAP200	0.79	In Bottom Quartile
Price/MAP50	0.58	In Bottom 8%
Annual Revenue	US\$7.3 million	In Bottom 5%

Note

- The present value of US\$1,000 (PV1000) invested one year ago in Dermira is US\$954, for a capital loss of US\$46.

PV1000 (1 year)

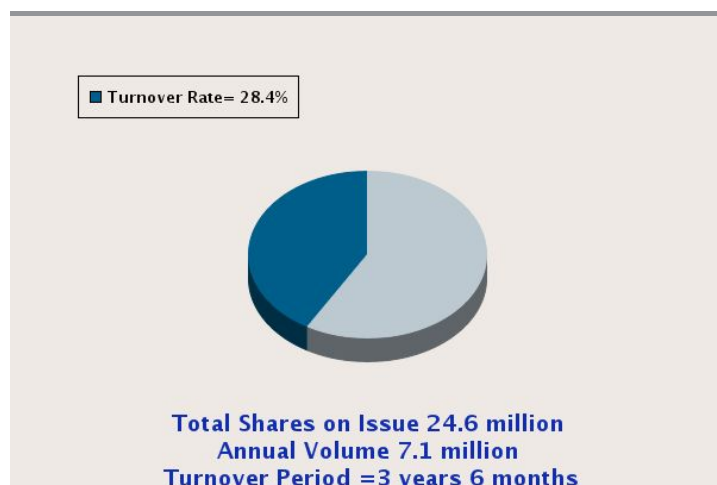


Neutral Indicators and Rank in Market:

Description	Value	Rank In Market
MCap	US\$375.4 million	In 2nd Quartile
Turnover in Quarter	US\$46.3 million	In 3rd Quartile

Analysis (continued)

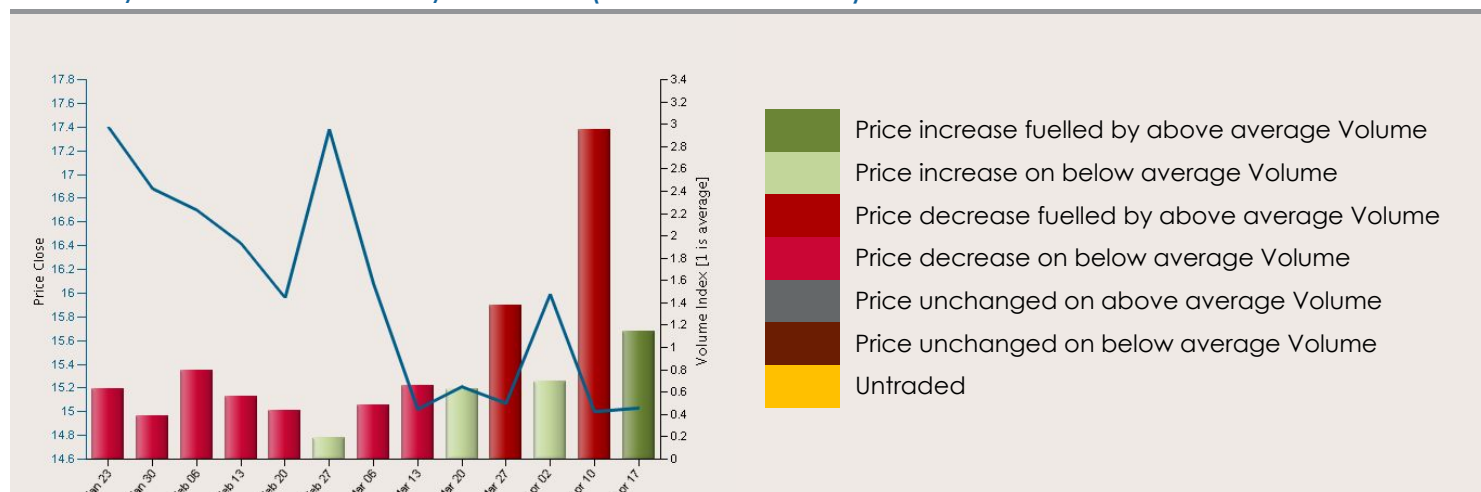
Turnover Rate & Turnover Period



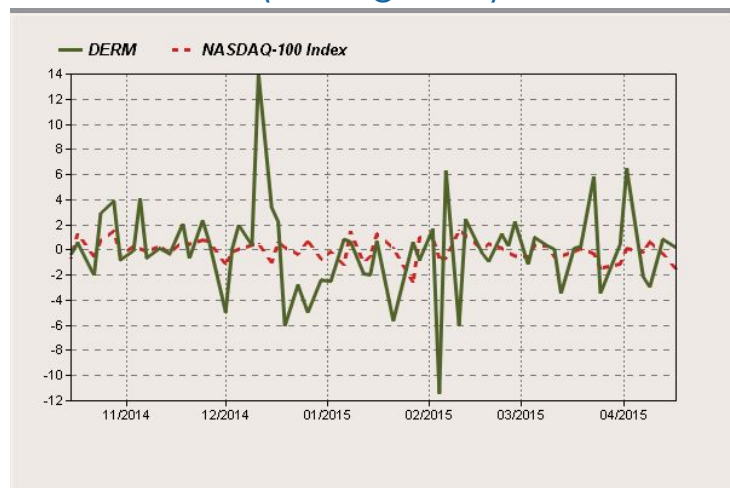
Trailing 3 months

Turnover	US\$46.3 million
Volume	2,943,661
Volume Index (1 is avg)	0.9

Weekly Price Volume Dynamics (Last 12 Weeks)



Stock v Index (Trailing Year)



Price/Moving Average Price [P/MAP]



Recent Analyst Recommendations

Date	Brokerage	Action	Past Rating	Current Rating	Prev Target	Price Target
26-Mar-2015	Leerink Swann	Boost Price Target	-	Outperform	32	34
09-Feb-2015	Citigroup Inc.	Downgrade	Buy	Neutral	-	-

Company Overview

Activities

Dermira, Inc is a specialty bio-pharmaceutical company focused on bringing innovative and differentiated medical dermatology products to dermatologists and their patients.

Further details can be found at
www.dermira.com.

Ranking

Dermira is placed 1413/2416 in BSS News Bites's ranking of NASDAQ performers in the past year, a percentile ranking of 38%.

Regulatory Announcements

April 10: Dermira Doses First Patient in DRM01 Phase 2b Acne Trial

[News Story] MENLO PARK, Calif., April 9, 2015 Dermira, Inc. (Nasdaq:DERM), a specialty biopharmaceutical company focused on bringing innovative and differentiated products to dermatologists and their patients, today announced the initial dosing of the first patient in a Phase 2b dose-ranging trial for DRM01 in patients with facial acne vulgaris.

[For more details click here.](#)

Conferences/Exhibitions

April 08: Events Calendar: Dermira to Present at the 14th Annual Needham Healthcare Conference

MENLO PARK, Calif., April 8, 2015 -- Dermira, Inc. (Nasdaq:DERM), a specialty biopharmaceutical company focused on bringing innovative and differentiated products to dermatologists and their patients, today announced that it will present at the 14th Annual Needham Healthcare Conference. Tom Wiggans, chairman and chief executive officer of Dermira, is scheduled to present at 10:40 a.m.

[For more details click here.](#)

March 26: Dermira Reports Fourth Quarter and Full Year 2014 Financial Results and Provides Corporate Update

[News Story] MENLO PARK, Calif., March 25, 2015 (GLOBE NEWSWIRE) -- Dermira, Inc. (Nasdaq:DERM), a specialty biopharmaceutical company focused on bringing innovative and differentiated products to dermatologists and their patients, today reported financial results for the quarter and year ended December 31, 2014 and provided an update on its clinical development programs and outlook for 2015.

[For more details click here.](#)

March 23: Clinical Data for Dermira's DRM01 Acne Program Presented at Dermatology Meeting

[News Story]

Dermira, Inc. (Nasdaq:DERM), a specialty biopharmaceutical company focused on bringing innovative and differentiated products to dermatologists and their patients, today announced the presentation of clinical data from its successful DRM01 Phase 2a trial in patients with facial acne vulgaris.

[For more details click here.](#)

Financial Results

March 19: Dermira to Report Fourth Quarter and Full Year 2014 Financial Results

[News Story] MENLO PARK, Calif., March 18, 2015 -- Dermira, Inc. (Nasdaq:DERM), a specialty biopharmaceutical company focused on bringing innovative and differentiated dermatology products to dermatologists and their patients, today announced that it will report fourth quarter and full year 2014 financial results after the close of U.S.

[For more details click here.](#)

March 12: Dermira Announces Late-Breaking Oral Presentation on DRM01 in Acne at 2015 AAD Annual Meeting

[News Story]

MENLO PARK, Calif., March 12, 2015-- Dermira, Inc. (Nasdaq:DERM), a specialty biopharmaceutical company focused on bringing innovative and differentiated products to dermatologists and their patients, today announced that clinical data from its DRM01 Phase 2a trial in acne will be presented at the Late-Breaking Research in Dermatology Forums during the American Academy of Dermatology (AAD) Annual Meeting being held March 20-24, 2015, in San Francisco.

[For more details click here.](#)

February 06: Dermira Announces Positive Phase 2b Results for DRM04 in Patients With Hyperhidrosis

[News Story] MENLO PARK, Calif., Feb. 5, 2015 -- Dermira, Inc. (Nasdaq:DERM), a specialty biopharmaceutical company focused on bringing innovative and differentiated products to dermatologists and their patients, today announced positive Phase 2b study results for DRM04, its proprietary topical anticholinergic product, in patients with axillary hyperhidrosis, or excessive underarm sweating.

[For more details click here.](#)

8-K other news

March 27: Dermira: Results of Operations and Financial Condition

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1557883_000110465915023156_0001104659-15-023156.txt

Source: 8-K United States Securities and Exchange Commission

Company Overview (continued)

November 12: Dermira: Results of Operations and Financial Condition

[News Story]

http://www.buysellsignals.net/hbn/8kviewer.jsp?doc=_Archives_edgar_data_1557883_000110465914079776_0001104659-14-079776.txt

Source: 8-K United States Securities and Exchange Commission

Issued Capital

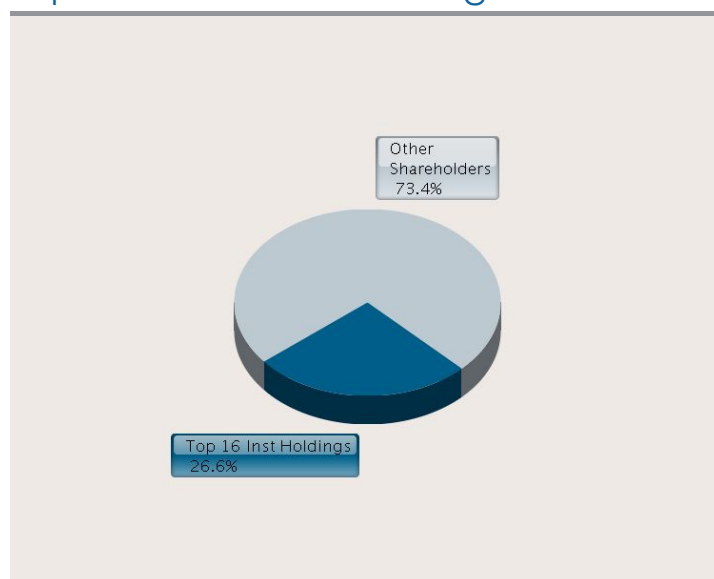
Based on 24,600,000 issued equity shares the market capitalisation is US\$375.4 million.

The top sixteen shareholders hold 26.6% of the issued capital leaving a float of 73.4%.

Top 10 Shareholders

Name of Shareholder	No. of Shares	% Held
Fmr Llc	3,236,136	13.16
Aisling Capital Llc	1,102,046	4.48
Franklin Resources Inc	407,600	1.66
Sabby Management Llc	352,088	1.43
Clough Capital Partners L P	277,700	1.13
Adage Capital Partners Gp Llc	200,000	0.81
Blackrock Advisors Llc	195,103	0.79
Alyeska Investment Group L.P.	144,348	0.59
Goldman Sachs Group Inc	119,081	0.48
Blackrock Group Ltd	113,200	0.46
Total	6,147,302	24.99

Top 16 Institutional Holdings



Board and Management

Thomas G. Wiggins
CEO



Tom co-founded Dermira in 2010 and is our Chief Executive Officer and Chairman of our board of directors. Tom brings over 25 years of experience in specialty pharma and 18 years of experience in dermatology. Prior to founding Dermira, Tom served as Chairman of the board of directors and Chief Executive Officer of Peplin, Inc. until Peplin's acquisition by LEO Pharma A/S in 2009. Previously, Tom served as Chairman of the board of directors and Chief Executive Officer of Connetics Corporation until Connetics was acquired by Stiefel Laboratories, Inc. in 2006. Prior to Connetics, Tom served as President and Chief Operating Officer of CytoTherapeutics Inc., and in various management positions at Ares-Serono S.A., including President of its U.S. pharmaceutical operations and Managing Director of its U.K. pharmaceutical operations. Tom began his career with Eli Lilly and Company. Tom has served on the boards of various industry organizations, educational institutions and private and public companies, including service on the boards of directors of Onyx Pharmaceuticals, Inc., until its acquisition by Amgen in 2013, Sangamo Biosciences, Inc. and Somaxon Pharmaceuticals, Inc. In addition, Tom is Chairman of the Biotechnology Institute, a non-profit educational organization, and is a member of the board of trustees of the University of Kansas Endowment Association. Tom holds a B.S. in pharmacy from the University of Kansas and an M.B.A. from Southern Methodist University.

Andrew Guggenheimer
CFO & Chief Operating Officer



Andrew joined Dermira in 2014 as our Chief Operating Officer and Chief Financial Officer and brings over 20 years of experience in finance and corporate development. Prior to joining Dermira, Andrew was the Chief Financial Officer for CardioDx, Inc., a molecular diagnostics life sciences company, where he currently serves as a director. Andrew has also served as Chief Financial Officer for Calistoga Pharmaceuticals, Inc. until its acquisition in 2011 by Gilead, Facet Biotech Corporation until its acquisition in 2010 by Abbott Laboratories, PDL BioPharma, Inc. and Neoforma, Inc. Andrew began his career in financial services at Merrill Lynch & Co. and Wells Fargo & Company. Andrew holds an M.B.A. from the J.L. Kellogg Graduate School of Management at Northwestern University and a B.A. in international politics and economics from Middlebury College.

Matthew Fust
Director



Matt joined Dermira as a director in 2014. Most recently, Matt was Executive Vice President and Chief Financial Officer at Onyx Pharmaceuticals until its acquisition by Amgen in 2013. Prior to joining Onyx, Matt was Chief Financial Officer at Jazz Pharmaceuticals, Inc., Perlegen Sciences, Inc. and ALZA Corporation. Previously, Matt was a manager in the healthcare strategy practice at Andersen Consulting. Matt serves as a member of the board of directors of MacroGenics, Inc., Sunesis Pharmaceuticals, Inc., and Ultragenyx Pharmaceutical, Inc. Matt holds a B.A. in accounting from the University of Minnesota and an M.B.A. from the Stanford Graduate School of Business.

Board and Management (continued)

Jake Nunn
Director



Jake has been a director of Dermira since 2011. He has been a Partner at New Enterprise Associates, Inc. (NEA) since June 2006. Prior to joining NEA, Jake served as a Partner and an analyst for the MPM BioEquities Fund, a life sciences fund at MPM Capital, L.P., a private equity firm. Previously, he was a healthcare research analyst and portfolio manager at Franklin Templeton Investments and an investment banker with Alex, Brown & Sons. Jake currently serves on the boards of directors of Hyperion Therapeutics, Inc., Transcept Pharmaceuticals, Inc., Trevana, Inc. and TriVascular Technologies, Inc. Jake received his A.B. in economics from Dartmouth College and his M.B.A. from the Stanford Graduate School of Business. He also holds the Chartered Financial Analyst designation, and is a member of the C.F.A. Society of San Francisco.

Eugene A. Bauer
Director & Chief Medical Officer



Gene is a co-founder of Dermira, our Chief Medical Officer and a member of our board of directors. Prior to founding Dermira, Gene served as a member of Peplin's board of directors, and its President and Chief Medical Officer, until its acquisition by LEO Pharma in 2009. Gene was also the Chief Executive Officer of Neosil Inc., and a co-founder and member of the board of directors at Connetics. Before initiating his career in industry, Gene served as the Dean of the Stanford University School of Medicine and as Chair of the Department of Dermatology at the Stanford University School of Medicine. Gene is a Lucy Becker Professor, Emeritus, in the School of Medicine at Stanford University, a position he has held since 2002. Gene has served on the boards of directors of a number of public and private companies. He is currently a member of the boards of directors of Medgenics, Inc., Dr. Tattoff, Inc., First Wave Technologies, Inc., Cerecor, Inc., and Kadmon Corporation. Gene has previously served as a member of the boards of directors of Protalex, Inc., Vyteris, Inc., Peplin, PetDRx, Inc., Arbor Vita Corp., Patient Safety Technologies, Inc., MediSync Bioservices and Modigene Inc. (now PROLOR Biotech, Inc.). Gene was a U.S. National Institutes of Health, or NIH, funded investigator for 25 years and has served on review groups for the NIH. Gene has been elected to several societies, including the Institute of Medicine of the National Academy of Sciences. Gene received a B.S. in medicine and an M.D. from Northwestern University.

Fred Craves
Director



Fred Craves, Ph.D. has been a director of Dermira since 2010. Fred is an investment partner, a Managing Director and a co-founder of Bay City Capital (BCC), and has served as a member of the board of directors and Chairman of the executive committee of BCC since June 1997. Prior to founding BCC, he founded Burrill & Craves, a merchant bank focused on biotechnology and emerging pharmaceutical companies. Fred served as Executive Vice President of Schering Berlin, Inc., and Chief Executive Officer and President of Berlex Laboratories, Inc. He was also the founding Chairman of the board of directors and Chief Executive Officer of Codon Devices, Inc. and co-founder of Creative Biomolecules. Fred previously served as a member of the boards of directors of VIA Pharmaceuticals, Inc. and Poniard Pharmaceuticals, Inc. He currently serves as a member of The J. David Gladstone Institutes' Advisory Council and is a member of the board of trustees of Loyola Marymount University in Los Angeles. Fred earned a B.S. degree in biology from Georgetown University, an M.S. in biochemical pharmacology from Wayne State University and a Ph.D. in pharmacology and experimental toxicology from the University of California, San Francisco.

Board and Management (continued)

David E. Cohen Director



David joined Dermira as a director in 2014, after previously serving as a scientific advisor from our inception. David has held a variety of positions at the New York University School of Medicine, including Charles C. and Dorothea E. Harris Professor of Dermatology, Vice Chairman of Clinical Affairs, Chief of Allergy and Contact Dermatitis, and Director of Occupational and Environmental Dermatology. David has served as a lecturer of Environmental Sciences at the Columbia University School of Public Health, has been an attending physician at the Ronald O. Perleman Department of Dermatology at the Tisch Hospital at New York University Medical Center and at Bellevue Hospital Center. David has served as a clinical consultant to numerous companies and on the boards and committees of a number of professional organizations, including as President of the American Contact Dermatitis Society, as a founding board member of the American Acne and Rosacea society, as President of the Dermatology Section for the New York Academy of Medicine and on several committees of the American Academy of Dermatology and the American College of Allergy, Asthma, and Immunology. He is also a member of the editorial board of Journal of Drugs in Dermatology and the editorial advisory boards of Dermatitis and Skin and Allergy News. David also served on the boards of directors of Vyteris and Connetics.

Mark McDade Director



Mark joined Dermira as a director in 2014. Mark is currently at UCB S.A. serving as their Executive Vice President, Established Brands, Solutions and Supply. Prior to UCB, Mark served as Chief Executive Officer and on the board of directors of PDL BioPharma, Chief Executive Officer of Signature BioScience, co-founder, President and Chief Operating Officer at Corixa Corporation, Chief Operating Officer of Boehringer Mannheim Therapeutics, the biopharmaceutical division of Corange Limited, and held numerous business development and general management positions at Sandoz Ltd. He is currently a director of Five Prime Therapeutics and has previously served on the board of directors of Cytokinetics. Mark received a B.A. from Dartmouth College and an M.B.A. from Harvard Business School.

Wende Hutton Director



Wende has been a director of Dermira since 2011. Wende is currently a General Partner at Canaan Partners, a global venture capital firm. Ms. Hutton served on the board of directors of Chimerix, Inc. and currently sits on the boards of directors of a number of private companies. Prior to Canaan Partners, Wende was a General Partner at Spring Ridge Partners and the Mayfield Fund. Prior to entering venture capital, Wende held general management positions at GenPharm International and business development and marketing positions at Nellcor Inc. Wende earned an A.B. in human biology from Stanford University and an M.B.A. from Harvard Business School.

Board and Management (continued)

Luis Peña Executive Vice President- Product Development



Luis is a co-founder of Dermira and serves as our Executive Vice President of Product Development, and brings over 25 years of product development and portfolio management experience. Prior to joining Dermira, Luis served as Vice President, Head of Global Prescription Development at Stiefel, and was Senior Vice President Portfolio Planning and Management at Stiefel Laboratories, prior to its acquisition by GlaxoSmithKline. Luis also held leadership roles in portfolio management and product development at Connetics, Nuvelo, Inc. and Theravance, Inc. as well as various positions in manufacturing, research and development at Genentech. Luis currently serves as an advisor to the SPARK program for the Stanford University School of Medicine. Luis holds a B.S. in biochemistry from San Francisco State University.

Christopher Griffith Vice President-Corporate Development & Strategy



Chris is a co-founder of Dermira and serves as our Vice President of Corporate Development and Strategy, bringing over 13 years of experience in corporate development, strategy and venture capital. Prior to joining Dermira, Chris held strategy and corporate development roles at Gilead Sciences, Inc., Genentech, Inc. and Bay City Capital. Chris received B.S. and M.S. degrees in biological sciences from Stanford University and an M.B.A. degree from Harvard Business School.

Financial Results (Annual)

31 December, 2014

Annual Report for the year ended December 31, 2014

year-on-year comparisons with previous corresponding period

Favourable Changes

- EPS continued to be negative like in the previous year
- However, there was an improvement from \$US-27.03 in the previous year to \$US-4.96
- Total liabilities to total assets down 78.1% to 0.1
- Current ratio up 78.1% to 8.9.

Unfavourable Changes

- Loss of \$US31.9m
- EBIT loss of \$US31.7m
- EBIT Margin of -434.1%
- EBITDA loss of \$US31.4m
- Operating cash flow is negative
- Working capital to total assets down 21.5% to 52.5%.

Major Common Size Ratios

- Total current assets to total assets down from 83.7% to 59.2%
- Total non-current assets to total assets up from 16.3% to 40.8%
- Cash to total assets down from 82.4% to 31.1%.

INCOME STATEMENT

Currency in Thousand of USD	2014-12-31	2013-12-31	Change %
Collaboration revenue from a related party	7,300		
Operating expenses:			
Research and development	30,710	17,937	Up 71.2
General and administrative	8,288	4,366	Up 89.8
Total operating expenses	38,998	22,303	Up 74.9
Loss from operations	-31,698	-22,303	Deterioration 42.1
Interest and other income (expense), net	7	-38	Recovery
Interest expense	153	9	Up 1,600.0
Loss before taxes	-31,844	-22,350	Deterioration 42.5
Provision for income taxes	31		
Net loss	-31,875	-22,350	Deterioration 42.6
Net loss per share, basic and diluted	-496.0c	-2,703.0c	Reduced 81.7
Weighted-average common shares used to compute net loss per share, basic and diluted	6,426,022	826,757	Up 677.3

BALANCE SHEET

Currency in Thousand of USD	2014-12-31	2013-12-31	Change %
Assets			

Financial Results (Annual) (continued)

31 December, 2014

Current assets:

Cash and cash equivalents	55,358	22,144	Up 150.0
Short-term investments	41,793		
Collaboration receivable from a related party	7,300		
Prepaid expenses and other current assets	1,012	344	Up 194.2
Total current assets	105,463	22,488	Up 369.0
Property and equipment, net	192	61	Up 214.8
Long-term investments	66,483		
Intangible assets	3,520	3,520	Steady
Goodwill	771	771	Steady
	4,291	4,291	Steady
Other assets	1,792	31	Up 5,680.6
	72,758	4,383	Up 1,560.0
Total assets	178,221	26,871	Up 563.2

Liabilities, convertible preferred stock and stockholders' equity (deficit)

Current liabilities:

Accounts payable	5,563	2,322	Up 139.6
Accrued liabilities	6,327	1,999	Up 216.5
Convertible preferred stock warrant liability		61	
Bank term loan, current portion		133	
Total current liabilities	11,890	4,515	Up 163.3

Long-term liabilities:

Deferred revenue	10,000	10,000	Steady
Bank term loan, net of current portion	1,936	1,786	Up 8.4
Deferred tax liability	816	785	Up 3.9
Total liabilities	24,642	17,086	Up 44.2

Commitments and contingencies

Convertible preferred stock, 0.001 par value per share; no shares and 10,107,111 shares authorized as of December 31, 2014 and 2013, respectively; no shares and 9,540,158 shares issued and outstanding as of December 31, 2014 and 2013, respectively

59,588

Stockholders' equity (deficit):

Financial Results (Annual) (continued)

31 December, 2014

Preferred stock, 0.001 par value per share; 10,000,000 shares authorized as of December 31, 2014; no shares issued and outstanding as of December 31, 2014 and 2013

Common stock: 0.001 par value per share; 500,000,000 shares authorized as of December 31, 2014; 24,628,670 and 901,308 shares issued and outstanding as of December 31, 2014 and 2013, respectively	25	1	Up 2,400.0
Additional paid-in capital	236,414	970	Up 24,272.6
Accumulated other comprehensive loss	-211		
Accumulated deficit	-82,649	-50,774	Deterioration 62.8
Total stockholders' equity (deficit)	153,579	-49,803	Recovery
	153,579	9,785	Up 1,469.5
Total liabilities, convertible preferred stock and stockholders' equity (deficit)	178,221	26,871	Up 563.2

CASH FLOW

Currency in Thousand of USD	2014-12-31	2013-12-31	Change %
Cash flow from operating activities			
Net loss	-31,875	-22,350	Deterioration 42.6
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	47	22	Up 113.6
Stock-based compensation	1,643	292	Up 462.7
Loss on disposal of property and equipment	7	2	Up 250.0
Amortization of premiums on available-for-sale securities	190		
Amortization of bank term loan issuance costs	17		
	207		
Revaluation of convertible preferred stock warrant liability	78		
Changes in assets and liabilities:			
Collaboration receivable from a related party	-7,300		
Prepaid expenses and other current assets	-572	-184	Deterioration 210.9
Other assets	-1,207	125	Deterioration
Accounts payable	3,209	338	Up 849.4
Accrued liabilities	4,328	-402	Recovery
Deferred revenue		10,000	
Deferred taxes	31		
Net cash used in operating activities	-31,404	-12,157	Deterioration 158.3

Financial Results (Annual) (continued)

31 December, 2014

Cash flow from investing activities			
Purchases of available-for-sale securities	-109,324		
Purchases of property and equipment	-156	-50	Deterioration 212.0
Net cash used in investing activities	-109,480	-50	Deterioration 218,860.0
Cash flow from financing activities			
Net proceeds from issuance of convertible preferred stock	53,825	24,499	Up 119.7
Proceeds from initial public offering, net of commissions	116,250		
Payment of initial public offering costs	-3,488		
Proceeds from private placement concurrent with initial public offering	7,500		
Proceeds from common stock option exercises	11		
Net borrowings from bank term loan		1,980	
Net cash provided by financing activities	174,098	26,479	Up 557.5
Net increase (decrease) in cash and cash equivalents	33,214	14,272	Up 132.7
Cash and cash equivalents at beginning of period	22,144	7,872	Up 181.3
Cash and cash equivalents at end of period	55,358	22,144	Up 150.0

EBITDA AND MARGINS

	2014-12-31	2013-12-31
EBITDA Margin %	-430.64	
Earnings from Cont. Ops. Margin %	-434.12	
Net Income Margin %	-436.64	

PERFORMANCE RATIOS

	2014-12-31	2013-12-31	Change %
Return on Equity (%)	-20.75	-228.41	Reduced 90.9
Return on Assets (%)	-17.89	-83.18	Reduced 78.5
Total debt to net tangible assets (%)		34.93	
Total Liabilities to EBITDA	-0.78	-0.77	Deterioration 2.4
Total Liabilities to Operating Cash Flow	-0.78	-1.41	Reduced 44.2
Debt/Equity		0.2	
Total Liabilities/Total Assets	0.14	0.64	Down 78.3
Interest Cover	-207.13	-2,482.33	Reduced 91.7
Current Ratio	8.87	4.98	Up 78.1

Financial Results (Annual) (continued)

31 December, 2014

PER SHARE FIGURES

	2014-12-31	2013-12-31	Change %
Sales	US\$1.14		
EBIT	-493.17c	-2,702.25c	Reduced 81.7
EBITDA	-489.21c	-2,699.58c	Reduced 81.9
Cash	US\$8.61	US\$26.78	Down 67.8
Working Capital	US\$14.56	US\$21.74	Down 33.0
Shareholders' Funds	US\$23.90	US\$11.84	Up 101.9
Total Liabilities	US\$3.83	US\$20.67	Down 81.4
Total Assets	US\$27.73	US\$32.50	Down 14.7
Current Debt		16.09c	
Non Current Debt	30.13c	US\$2.16	Down 86.1
Total Debt		US\$2.32	
Net Tangible Assets	US\$23.23	US\$6.65	Up 249.6
EPS Final	-496.0c	-2,703.0c	Reduced 81.7

BuySellSignals Financial Research provides equity research on over 48,000 companies listed in more than 90 countries and 120 markets across the world. BuySellSignals believes that every stock has a story to tell and that this story changes every day. To capture this story, BuySellSignals offers the latest pertinent and comprehensive information so that investors can make well-informed investment decisions.

BuySellSignals publishes equity research reports on each stock, sector and index daily to capture the latest market movements and sentiments. BuySellSignals eschews "hot tip" or headline investing in favour of high-quality, ultra-current, targeted technical and fundamental information including specific bullish and bearish signals for each stock. Insights that will guide you to the investments that are hard to find in today's hyperactive mainstream markets.

For further details on definitions and quotations from investing legends, [Click here](#)

Disclaimer: While this document is based on information sources which are considered reliable, it has been prepared without consideration of your specific investment objectives, financial situation or needs, so you should carry out your own analysis or seek professional investment advice before an investment decision is made. The document contains unbiased, independent equities data from BuySellSignals (AFS Licence 222756) and News Bites Pty Ltd, who provide round the clock data on every Australian stock and sector. Neither BuySellSignals nor News Bites are brokers, and neither have an executing, corporate advisory or investment banking function. BuySellSignals and News Bites Pty Ltd, its directors, employees and consultants do not represent, warrant or guarantee, expressly or impliedly, that the information contained in this document is complete or accurate. The data is sourced from annual reports and company releases and may not be fully up to date. It should be used as a guide only.
