

Focus Pick

Healthcare: BioPharmaceuticals

Concert Pharmaceuticals, Inc. | CNCE - \$10.44 - NASDAQ | *Under Review*

Transferring Coverage

Rating Changed, Target Price Changed

Stock Data

| | |
|--------------------|------------------|
| 52-Week Low - High | \$9.26 - \$16.26 |
| Shares Out. (mil) | 17.90 |
| Mkt. Cap.(mil) | \$186.9 |
| 3-Mo. Avg. Vol. | NA |
| 12-Mo.Price Target | NA |
| Cash (mil) | \$119.0 |
| Tot. Debt (mil) | \$17.0 |

Cash is an estimate as of March 2014, post the company's IPO of February 2014.

EPS \$

| Yr Dec | —2013— | —2014— | —2015— |
|--------|---------|--------|--------|
| | | Curr | Curr |
| 1Q | - | - | - |
| 2Q | - | - | - |
| 3Q | - | - | - |
| 4Q | - | - | - |
| YEAR | (4.99)A | - | - |
| P/E | NM | -- | -- |

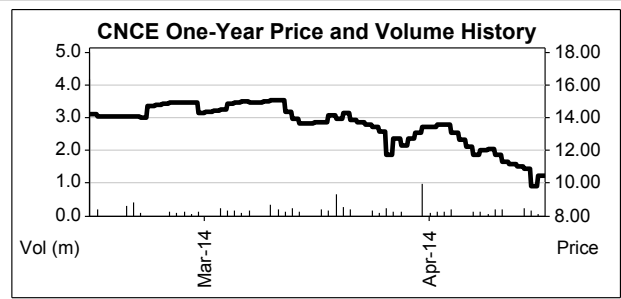
Specific quarterly estimates in prior years for both EPS and revenue have not been provided by Concert. 2014 EPS estimate is pro forma Concert's IPO.

Revenue (\$ millions)

| Yr Dec | —2013— | —2014— | —2015— |
|--------|--------|--------|--------|
| | | Curr | Curr |
| 1Q | - | - | - |
| 2Q | - | - | - |
| 3Q | - | - | - |
| 4Q | - | - | - |
| YEAR | 25.4A | - | - |

CNCE: Transferring Coverage

We are transferring coverage of CNCE to Joe Pantginis due to the departure of the covering analyst and placing shares Under Review. Prior to placing CNCE Under Review, we had a Buy rating and a \$28 price target. Effective with this note, prior estimates, rating and price target should no longer be relied upon.



VALUATION

RISKS

COMPANY DESCRIPTION

Concert Pharmaceuticals create novel medicines that address medically important needs by applying its DCE Platform (Deuterated Chemical Entity Platform) to compounds with well-characterized pharmacological activity. This approach may enable drug discovery and clinical development that is more efficient and less expensive than conventional small molecule drug research and development. The company was co-founded in 2006 by Richard Aldrich, Roger Tung and Christoph Westphal, and is located in the historic town of Lexington, Massachusetts.

Regulation Analyst Certification ("Reg AC"): The research analyst primarily responsible for the content of this report certifies the following under Reg AC: I hereby certify that all views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

Disclosures:

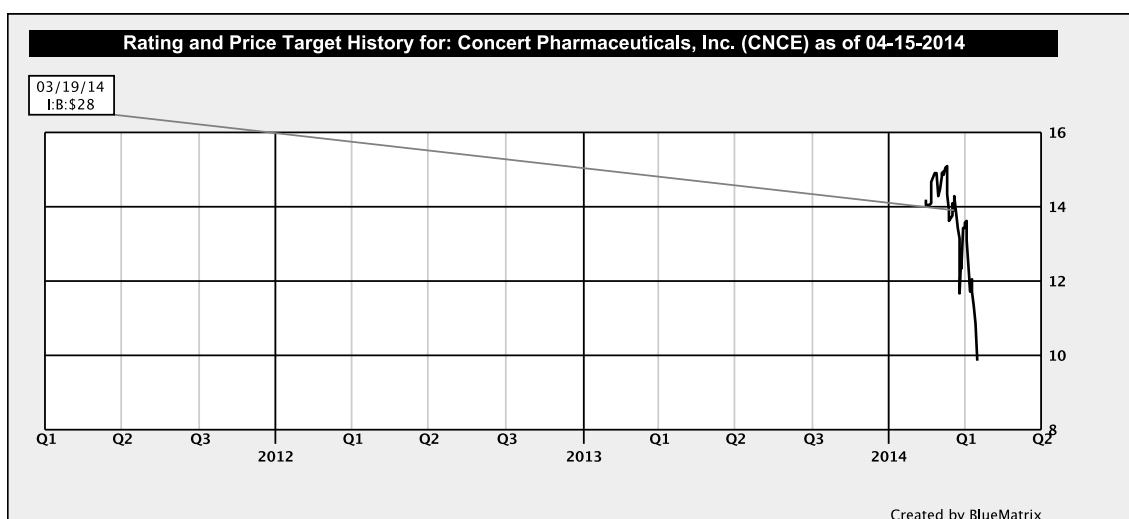
Within the last twelve months, ROTH has received compensation for investment banking services from Concert Pharmaceuticals, Inc..

ROTH makes a market in shares of Concert Pharmaceuticals, Inc. and as such, buys and sells from customers on a principal basis.

Within the last twelve months, ROTH has managed or co-managed a public offering for Concert Pharmaceuticals, Inc..

On September 28, 2010, ROTH changed its rating system in order to replace the Hold rating with Neutral.

On May 26, 2011, ROTH changed its rating system in order to incorporate coverage that is Under Review.



Each box on the Rating and Price Target History chart above 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.

Distribution Ratings/IB Services shows the number of companies in each rating category from which Roth or an affiliate received compensation for investment banking services in the past 12 month.

Distribution of IB Services Firmwide

| Rating | Count | Percent | IB Serv./Past 12 Mos. as of 04/16/14 | |
|-------------------|-------|---------|---|---------|
| | | | Count | Percent |
| Buy [B] | 192 | 82.40 | 110 | 57.29 |
| Neutral [N] | 30 | 12.88 | 11 | 36.67 |
| Sell [S] | 1 | 0.43 | 0 | 0 |
| Under Review [UR] | 9 | 3.86 | 4 | 44.44 |

Our rating system attempts to incorporate industry, company and/or overall market risk and volatility. Consequently, at any given point in time, our investment rating on a stock and its implied price movement may not correspond to the stated 12-month price target.

Ratings System Definitions - ROTH employs a rating system based on the following:

Buy: A rating, which at the time it is instituted and or reiterated, that indicates an expectation of a total return of at least 10% over the next 12 months.

Neutral: A rating, which at the time it is instituted and or reiterated, that indicates an expectation of a total return between negative 10% and 10% over the next 12 months.

Sell: A rating, which at the time it is instituted and or reiterated, that indicates an expectation that the price will depreciate by more than 10% over the next 12 months.

Under Review [UR]: A rating, which at the time it is instituted and or reiterated, indicates the temporary removal of the prior rating, price target and estimates for the security. Prior rating, price target and estimates should no longer be relied upon for UR-rated securities.

Not Covered [NC]: ROTH does not publish research or have an opinion about this security.

ROTH Capital Partners, LLC expects to receive or intends to seek compensation for investment banking or other business relationships with the covered companies mentioned in this report in the next three months. The material, information and facts discussed in this report other than the information regarding ROTH Capital Partners, LLC and its affiliates, are from sources believed to be reliable, but are in no way guaranteed to be complete or accurate. This report should not be used as a complete analysis of the company, industry or security discussed in the report. Additional information is available upon request. This is not, however, an offer or solicitation of the securities discussed. Any opinions or estimates in this report are subject to change without notice. An investment in the stock may involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Additionally, an investment in the stock may involve a high degree of risk and may not be suitable for all investors. No part of this report may be reproduced in any form without the express written permission of ROTH. Copyright 2014. Member: FINRA/SIPC.