Zacks Small-Cap Research

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Advaxis Inc. (ADXS-NASDAQ)

ADXS: Zacks Company Report

ADXS: Phase III of AXAL for cervical cancer initiated, Multiple progresses have been made to advance its clinical programs

Current Price (10/24/16)	$8.81
Valuation	**$25.00**

OUTLOOK

Advaxis is a Listeria based immunotherapy company focused on the development of immunotherapeutics for cancer treatment. We are optimistic about the Company's unique Listeria platform technology which has advantages over its peers.

The Company's lead drug candidate ADXS-HPV (AXAL) is in Phase III trials for the treatment of cervical cancer. Recent collaborations with Merck and MedImmune may lead to license deals for Advaxis. The deal with Amgen not only boosts its balance sheet, but further validates its technology.

SUMMARY DATA

52-Week High	**$15.98**
52-Week Low	**$5.46**
One-Year Return (%)	**-15.14**
Beta	**1.59**
Average Daily Volume (sh)	**827,702**
Shares Outstanding (mil)	**40**
Market Capitalization ($mil)	**$364**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**N/A**
Insider Ownership (%)	**N/A**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2011 Estimate	**N/A**
P/E using 2012 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**Above Avg.,**
Type of Stock	**N/A**
Industry	**Med Products**
Zacks Rank in Industry	**N/A**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Jan)	Q2 (Apr)	Q3 (Jul)	Q4 (Oct)	Year (Oct)
2015	0.00 A	0.00 A	0.00 A	0.00 A	0.00 A
2016	0.25 A	0.00 A	0.00 A	0.00 E	0.25 E
2017					1.00 E
2018					30.00 E

Earnings per Share
(EPS is operating earnings before non recurring items)

	Q1 (Jan)	Q2 (Apr)	Q3 (Jul)	Q4 (Oct)	Year (Oct)
2015	-$0.33 A	-$0.52 A	-$0.44 A	-$0.33 A	-$1.62 A
2016	-$0.59 A	-$0.45 A	-$0.48 A	-$0.61 E	-$2.13 E
2017					-$2.48 E
2018					-$1.33 E

Zacks Projected EPS Growth Rate - Next 5 Years % **N/A**

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WHAT'S NEW

Update on GOG-0265 Phase II Trial of AXAL

GOG-0265 is an open-label, single-arm, two-stage **Phase II** study (NCT01266460) designed to evaluate the safety, tolerability and efficacy of axalimogene filolisbac (AXAL, or ADXS-HPV) in approximately 67 patients with Persistent or Recurrent Metastatic Cervical Cancer (**PRmCC**) who have received at least one prior line of systemic therapy. The primary efficacy endpoint is 12-month overall survival rate, with secondary efficacy endpoints of progression-free survival, overall survival and objective tumor response. The primary safety endpoints are the number of patients with dose-limiting toxicities and the frequency and severity of adverse effects.

The trial is being conducted in the United States by GOG (now part of NRG Oncology) under the sponsorship of the Cancer Therapy Evaluation Program (CTEP) of the National Cancer Institute (NCI).

In September 2015, Advaxis announced **positive data from Stage 1** of the ongoing two-stage Phase II study at the 2015 American Gynecological & Obstetrical Society (AGOS) annual meeting. The Stage 1 data showed that treatment with axalimogene filolisbac resulted in a **38.5%** 12-month overall survival rate **in 26 patients**.

Updated Stage 1 results were presented at **2016 ASCO** with 12-month OS of 38.5%. Median PFS was 3.1 months and median OS was 7.7 months.

Preliminary assessment of OR includes 1 unconfirmed PR and 9 SD. Post-hoc analysis of the 18/26 pts (69%) who received all 3 per-protocol doses of ADXS11-001 showed a median OS > 1 yr (12.1 [95% CI: 6.8–NR] mo), and 12-mo OS rate of 55.6%.

On October 24, 2016, Advaxis announced topline results from the early closure of **stage 2** of the **Phase II** GOG-0265 trial.

The second stage enrolled 24 patients prior to the clinical hold that affected Advaxis' clinical development programs last year. The second stage was not completed as designed due to the clinical hold.

A preliminary analysis of 12-month overall survival data from **24 patients** enrolled in the second stage prior to the clinical hold showed that treatment with axalimogene filolisbac resulted in a **37.5% 12-month overall survival rate**. These preliminary findings are consistent with stage 1 data that showed a 38.5% 12-month overall survival rate in 26 patients.

Based on protocol defined prognostic factors of patients who enrolled in the study (n=50), a 12-month survival rate of 25% would have been expected. Comparing this 25 percent 12-month overall survival rate to the 38% 12-month overall survival rate actually observed across the total study population, treatment with axalimogene filolisbac resulted in a 52% increase in the expected 12-month overall survival rate.

ADXS-HPV was generally safe and well tolerated.

Axalimogene filolisbac was recently classified as an advance therapy medicinal product (ATMP) in the EU, has received FDA Fast Track Designation as an adjuvant therapy for treating high risk, locally advanced cervical cancer (HRLACC), and has been granted U.S. orphan drug designation for the treatment of invasive cervical cancer.

Patients with PRmCC who have failed at least one line of therapy face a life threatening condition with an estimated survival of 4 to 7 months and no available treatment options. The 38% 12-month survival is a meaningful step forward in meeting the needs of women who require second-line treatment for PRmCC.

The GOG has conducted over 17 studies of a diverse set of investigational agents and regimens, but never has the 12-month overall survival rate exceeded 30 percent in people with PRmCC.

Advaxis Initiates Combination Portion of Phase I/II Study with Merck

On Oct. 20, 2016, Advaxis announced the commencement of Part B of the **KEYNOTE-046** clinical trial evaluating Advaxis' ADXS-PSA, in combination with KEYTRUDA (pembrolizumab) in patients with previously treated, metastatic castration-resistant prostate cancer (**mCRPC**).

In Part A of the **Phase I/II** study, 14 patients were treated with ADXS-PSA monotherapy across three dose levels, with no dose limiting toxicities, paving the way for initiating Part B of the study.

KEYNOTE-046 is a multicenter, open-label, nonrandomized, dose determining, Phase I/II trial evaluating the safety of ADXS-PSA. Part B of the study is evaluating the tolerability of ADXS-PSA in combination with KEYTRUDA in 30 patients with mCRPC. Secondary objectives for this study are to evaluate antitumor activity and progression-free survival of ADXS-PSA. KEYNOTE-046 is the first-in-human study of Advaxis' Lm immunotherapy candidate for prostate cancer. It is the second study initiated to evaluate the use of KEYTRUDA in the treatment of advanced prostate cancer.

Update on Planned AXAL Phase III for Cervical Cancer

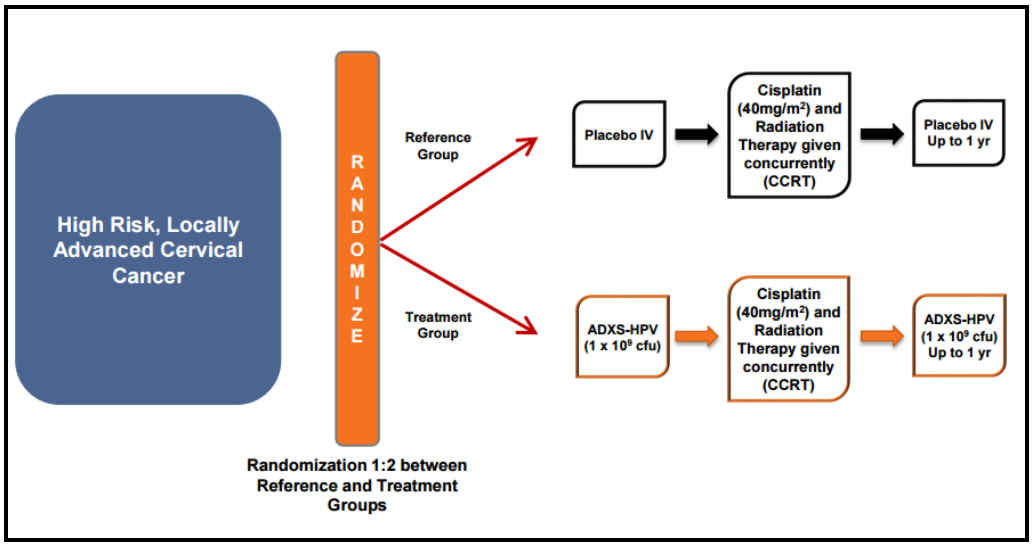
Also on October 20, Advaxis announced initiation of its **Phase III AIM2CERV** study.

In July, 2016, Advaxis announced that it reached an agreement with the FDA under the Special Protocol Assessment **(SPA)** process for the Phase III AIM2CERV trial evaluating the Company's lead Lm immunotherapy candidate, axalimogene filolisbac (AXAL), in patients with high-risk, locally advanced cervical cancer (HRLACC).

AIM2CERV is a multinational, randomized, controlled clinical trial conducted in collaboration with The GOG Foundation. The primary objective of the trial is **disease-free survival**, with secondary objectives including examining overall survival and safety.

Advaxis received Fast Track designation for AXAL as an adjuvant therapy for HRLACC patients.

The Phase III clinical trial (**AIM2CERV**) will be a double-blind, placebo-controlled multinational study of ADXS-HPV administered in the adjuvant setting following concurrent chemoradiation given with curative intent in patients with HRLACC for whom recurrence has not yet occurred.



We believe the ADXS-HPV for cervical cancer is the company's key value driver in both the short term and long term as this is the most advanced clinical program in the company's pipeline. It will validate the company's key technology if the trial can demonstrate the efficacy and safety of the candidate.

Balance Sheet Boosted by Recent Financing and Collaboration

On Aug. 16, Advaxis announced that it has entered into a definitive securities purchase agreement with healthcare institutional specialist investors to sell approximately 2.2 million shares of its common stock at a price of $13.50 per share in a registered direct offering for gross proceeds of approximately **$30 million.**

Also on Aug. 2, Advaxis and **Amgen** announced a global agreement for the development and commercialization of Advaxis' **ADXS-NEO**, a novel, preclinical investigational cancer immunotherapy treatment that is designed to activate a patient's immune system to respond against the unique mutations, or neoepitopes, contained in and identified from each individual patient's tumor. This collaboration brings together Amgen's development expertise in immuno-oncology with Advaxis' MINE™ (My Immunotherapy Neo-Epitopes) program, which is uniquely positioned to develop a customized approach to cancer treatment.

Under the terms of the agreement, Amgen receives exclusive worldwide rights to develop and commercialize ADXS-NEO. Amgen will make an upfront payment to Advaxis of **$40 million** and purchase **$25 million** of Advaxis common stock. Amgen will be fully responsible for funding clinical and commercial activities. Advaxis will lead the clinical development of ADXS-NEO through proof-of-concept, retain manufacturing responsibilities, and receive development, regulatory and sales milestone payments of up to **$475 million** and potential high single digit to mid-double digit royalty payments based on worldwide sales.

The Advaxis Lm Technology™ utilizes live attenuated Listeria monocytogenes (Lm) bioengineered to produce and deliver tumor antigen/adjuvant fusion proteins within antigen presenting cells with the goal of generating strong, T-cell-mediated immunity. For ADXS-NEO, DNA from each patient's primary tumor and/or metastases as well as normal cells, is sequenced and compared to identify mutations in genes coding for potential neo-antigens in the cancer. Advaxis then engineers and manufactures patient-specific Lm-LLO (listeriolysin O) vectors capable of immunizing them against neoepitopes exclusive to their cancer. After the ADXS-NEO infusion, neoepitope peptides corresponding to each patient's cancer-associated mutations are delivered directly into their antigen presenting cells by Lm-LLO, where they can stimulate cellular immune responses against multiple neoepitopes simultaneously.

Clinical trials for ADXS-NEO are expected to begin in 2017.

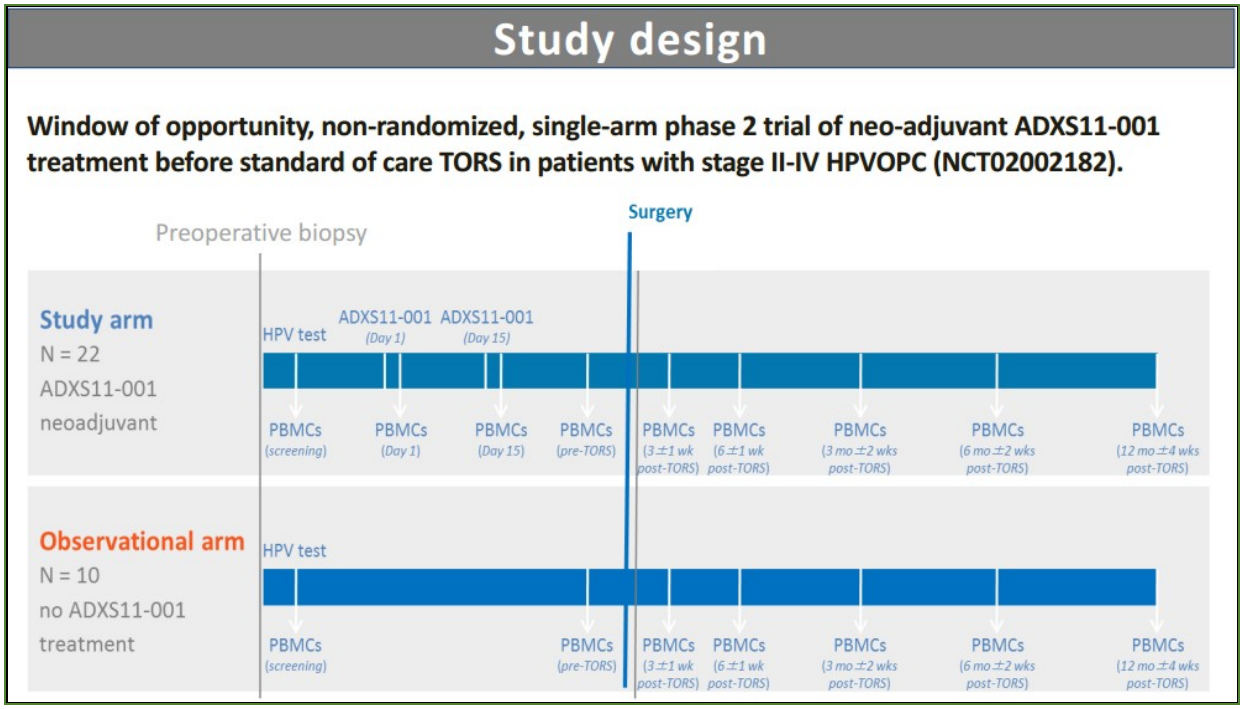
The new financing and the collaboration with Amgen **not only** boost the company's balance sheet immediately, but further validate the company's technology and programs.

As of July 31, 2016, Advaxis held $78.7 million in cash and investments. With the proceeds from the new financing and collaboration, the cash balance can support the company's operations to the fourth quarter of 2018.

Phase II Head and Neck Cancer Study with AXAL Advances to Second Stage

Background of the Trial

This Phase II trial is a "**window of opportunity**" trial, which was designed to evaluate the effect of AXAL on anti-tumor immunity in the tumor immune microenvironment (TME) of patients with late-stage HPV-associated oropharyngeal cancer (**HPVOPC**) by conducting an analyses and comparison of the TME between pre-treatment tumor biopsy and post-treatment resected tumor tissue, as well as pre and post AXAL treatment blood samples.



The trial uniquely leveraged a 5-6 week "window of opportunity" between diagnosis and TORS (trans-oral robotic surgery) with curative intent, to administer two doses of AXAL treatment at $1x10^9$CFU 2 weeks apart. This unique clinical setting or "window of opportunity", makes it possible to analyze and compare changes to the TME after the compressed regimen of AXAL treatment as well as pre and post treatment blood samples. In this limited timeframe, patients received two doses of AXAL separated by only two weeks, followed by TOR surgery 1-2 weeks after the second dose.

The Trial Has Moved to Stage II

On Aug. 11, 2016, Advaxis announced that its **Phase II** "window of opportunity" clinical study of axalimogene filolisbac (AXAL) in patients with late-stage HPV-associated oropharyngeal cancer (HPVOPC) met its **stage 1 primary objective** and is advancing into the second stage of the clinical study.

The clinical study is designed to show that AXAL is highly immunogenic and worth further investigation if the overall rate of vaccine-induced T-cell responses is 75 percent or more. By looking at both IFN-γ and TNFα expressing T cells in the peripheral blood, it was found that systemic HPV-reactive T-cell responses were increased in eight of the anticipated nine patients to be enrolled treated with AXAL to meet the stage 1 immune response target. This evidence of systemic response is consistent with a recent abstract presented at the American Association for Cancer Research (AACR) describing increased cytotoxic T-cell infiltration into the tumor microenvironment in HPVOPC patients treated with AXAL.

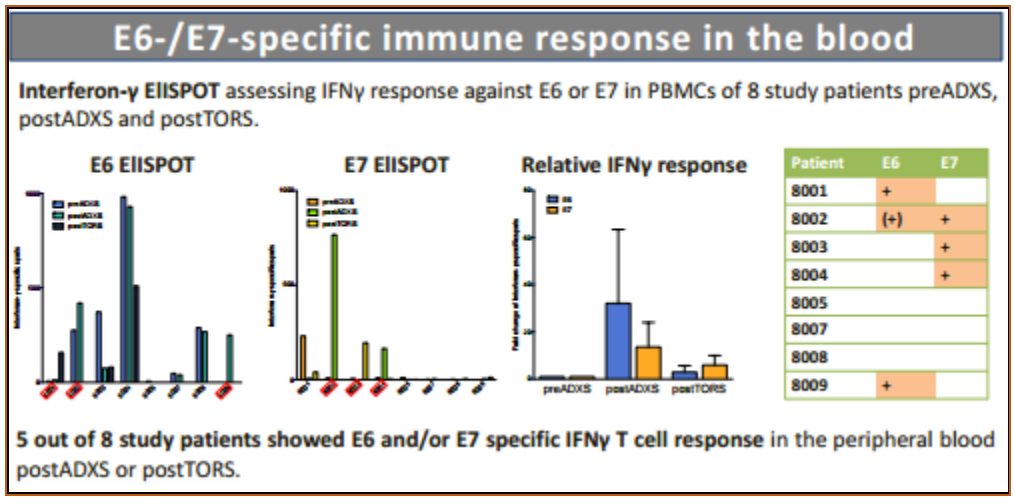
Stage 2 of the clinical study will enroll up to **13 patients** with late-stage HPVOPC. This stage of the clinical study will be conducted at the Icahn School of Medicine at Mount Sinai and a second investigative site anticipated to be the Baylor College of Medicine. The study received a three-year $1.1 million grant from the U.S. Food and Drug Administration's Office of Orphan Products Development, which funds research for the development of products for rare diseases.

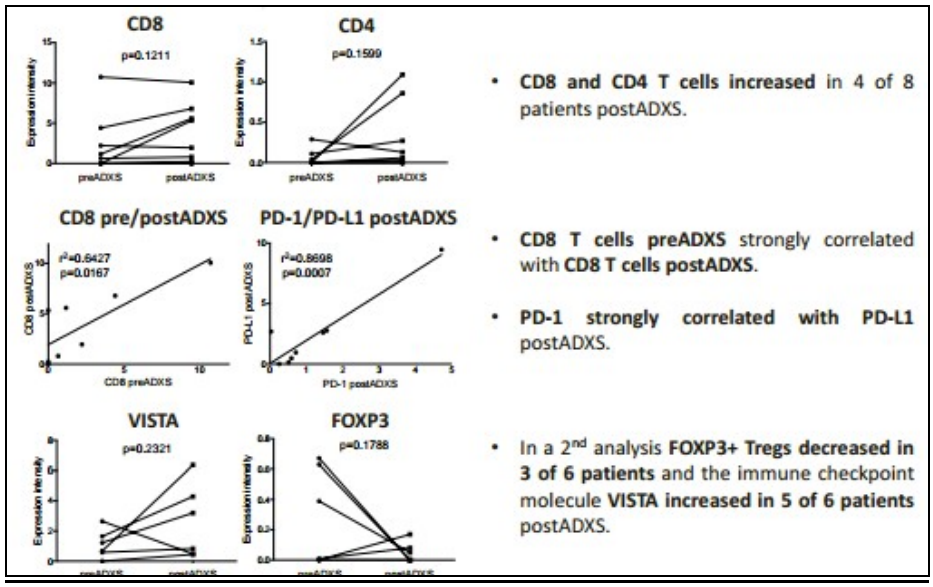
The Data Presented at AACR

On April 18, 2016, Advaxis (ADXS) announced clinical data from the Company's ongoing **Phase II study** of its lead immunotherapy candidate, axalimogene filolisbac (**AXAL)**, in patients with late-stage HPV-associated **oropharyngeal cancer** (HPVOPC).

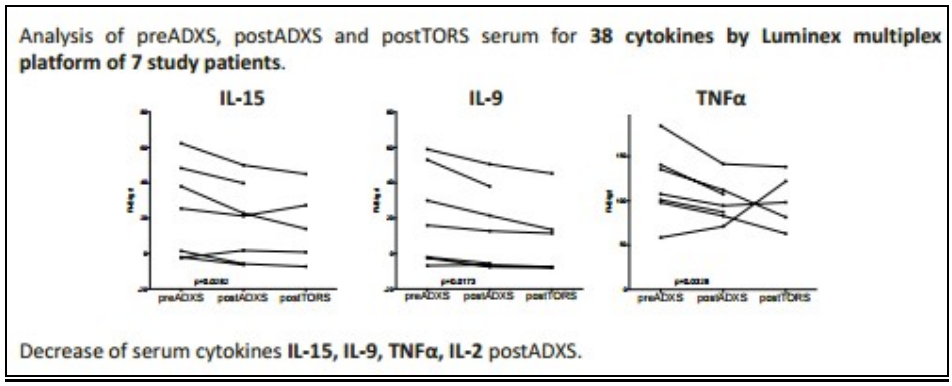
The clinical data were selected for "Late Breaking Abstract" status and will be presented in the poster session of the American Association for Cancer Research (AACR) Annual Meeting on April 18, 2016. The poster (abstract LB-095) is titled "HPV E7 antigen-expressing Listeria-based immunotherapy (AXAL) prior to robotic surgery for HPV-positive oropharyngeal cancer enhances HPV-specific T cell immunity"

The data presented showed that HPV E7- and/or E6-specific **T cell responses** increased in the peripheral blood in **five** of the study patients. Increased infiltration of both CD4+ and CD8+ T cells were observed in the TME of four patients, with a reduction of FOXP3+ regulatory T cells within the tumors of 3/6 patients. Increased T cell responses to HPV E6 supports enhanced immune activity against additional tumor targets. Changes to the TME included cytotoxic T cell infiltration into the post-resection tumor, increased immune activation, a reduction of regulatory T cells, infiltration of cytotoxic T cells, and increased expression of inflammatory activation markers.





In addition, fluctuations of circulating serum cytokine (IL-15, IL-9, TNfa, IL-2 and MIP-1b) levels were observed potentially suggesting consumption by activated T cells and migration of T cells to the TME.



Our Takeaways

While the data presented at the AACR are preliminary, we believe AXAL has the potential to increase the immune response in cancer patients.

We are pleased to see increased T cell response, evidence of epitope spreading, and signs of increased immune activation consistent with expansion and infiltration of activated T cells into the tumor. We are also pleased to see the trends towards a reduction in immuno-suppressive Tregs. Importantly, in several patients when compared to pre-treatment tumor tissue, post-treatment tissue analysis showed conversion of the TME into a site of active inflammation characterized by infiltration of activated T cells, and increased expression of activation markers including PD-1 and PD-L1.

We think the preliminary data are very encouraging and suggest that AXAL and the company's Lm Technology has the potential to generate beneficial immunologic responses in patients with HPV+ head and neck cancer and other cancer patients.

Update on Expansion of Ongoing Phase II Study of AXAL for Cervical Cancer

On March 07, 2016, ADXS announced dose administration for the first patient in the **expansion phase** of an ongoing **Phase II** clinical trial of axalimogene filolisbac (AXAL) in patients with persistent or recurrent metastatic (squamous or non-squamous cell) carcinoma of the cervix **(PRmCC).**

The interventional, open-label, non-randomized dose-escalation study is designed to evaluate the safety, efficacy and immunological effect of AXAL administered at doses up to 1 x 10^{10} colony forming units (CFU) in repeat cycles of treatment in approximately 25 women with cervical cancer whose disease recurred after receiving one prior cytotoxic treatment regimen.

The initiation of the expansion phase study follows positive preliminary data from 9 patients who showed that AXAL could be safely administered with prophylactic antibiotics up to 1 x10^{10} CFU, a tenfold increase from prior dosing regimens at 1 x 10^{9}. Adverse events at this high dose were consistent with previous experience with predominately grade 1 or grade 2, transient events that self-resolved or were resolved with anti-inflammatory agents (NSAIDS) and antiemetics. The high dose expansion phase will include 15 patients.

The company plans to complete enrollment of the Phase II dose-escalation study in the first half of 2016.

We believe the high dose expansion study is an important step in AXAL's development program. A higher dose could increase the efficacy of the agent and increase the commercial opportunity in the future.

Update on Phase I/II of AXAL in combination with Durvalumab

In August 2015, Advaxis and MedImmune (part of AstraZeneca) began to enroll patients in a **Phase I/II** clinical trial of axalimogene filolisbac (AXAL, ADXS-HPV) in combination with MedImmune's investigational anti-PD-L1 immune checkpoint inhibitor, **durvalumab** (MEDI4736), for the treatment of patients with advanced, recurrent or refractory HPV-associated **cervical cancer** and HPV-associated **head and neck cancer**.

The Phase I/II trial will be a two-part, open-label study designed to evaluate the safety and efficacy of axalimogene filolisbac as a monotherapy and in combination with durvalumab**. The Phase I portion** is a dose-confirmation combination study with axalimogene filolisbac and durvalumab, which is expected to establish the maximum tolerated dose. **The Phase II portion** will randomize patients to receive axalimogene filolisbac monotherapy, durvalumab monotherapy, or the combination. The primary efficacy endpoints include objective response rate and progression-free survival.

The trial completed first dose-escalation cohort in **late March 2016**. The **first dose-escalation** cohort evaluated AXAL at $1x10^9$ cfu with 3mg/kg durvalumab and the second dose-escalation cohort will examine AXAL at $1x10^9$ cfu in combination with 10mg/kg durvalumab.

On July 26, 2016, Advaxis announced it has completed **the second dose-escalation cohort** and has commenced enrollment for the Part A expansion and Part B phases of the study.

The goal of the Part A expansion is to enroll 20 patients with HPV-associated head and neck cancer to receive AXAL at $1x10^9$ cfu plus 10 mg/kg of durvalumab. Part B of the trial will evaluate AXAL at $1x10^9$ cfu with 10mg/kg of durvalumab in patients with cervical cancer, with the goal to randomize 45 patients to a durvalumab monotherapy and 45 patients for the combination therapy.

Data from the first dose-escalation cohort will be submitted as an abstract for an upcoming major medical meeting this fall.
Upon completion of dose escalation, the Phase II study will randomize 90 patients to receive AXAL in combination with durvalumab vs. durvalumab alone. The primary efficacy endpoints include objective response rate and progression-free survival.

The company plans to complete the enrollment in late 2016. Data from the Phase I/II will be available in the **first half of 2017**, which will determine the future clinical development program for the combination.

Update on ADXS-HER2 Program

In late September 2015, Advaxis initiated a **Phase Ib** dose-escalation clinical study of ADXS-HER2 for the treatment of patients with metastatic HER2 expressing **solid tumors**.

The dose escalation portion of the study will investigate the safety and tolerability of ADXS-HER2 as a monotherapy in approximately 18 patients diagnosed with metastatic HER2 expressing solid tumors, which include breast, gastric, esophageal and osteosarcoma. Once the maximum tolerated dose (MTD) and recommended **Phase II** dose have been identified, up to 80 patients may be enrolled in up to four HER2 expressing tumor specific cohorts in the **expansion phase** of the Phase Ib study.

Following completion of Part A in the Phase Ib dose escalating study, the company will commence collaboration and cooperative group trial with the Children's Oncology Group in **osteosarcoma.**

In April, 2016, the FDA granted Fast Track Designation for ADXS-HER2 for patients with newly-diagnosed, non-metastatic, surgically-resectable osteosarcoma.

Update on AXAL for Anal Cancer

On June 08, 2016, Advaxis announced dose administration for the first patient in the first stage of its **Phase II** clinical trial of the **FAWCETT study** testing AXAL in patients with persistent or recurrent metastatic **anal cancer**.

The multi-center, open-label, two-stage study is designed to evaluate the efficacy and safety of AXAL as a monotherapy in patients with HPV-associated metastatic anal cancer who have received at least one prior treatment regimen for the advanced disease. **Stage 1** of the trial will enroll **31 patients** with anal cancer whose disease recurred after receiving treatment. Patients will receive AXAL $1x10^9$colony forming unit (CFU) doses every three weeks for up to two years.

In collaboration with Brown University Oncology Research Group, AXAL has been evaluated in high-risk, locally advanced anal cancer with concurrent standard chemotherapy and radiation treatment. Preliminary data show treatment with AXAL indicated a clinical complete response and no recurrence in all 10 patients who completed the treatment regimen.

The FAWCETT (Fighting Anal-Cancer with CTL Enhancing Tumor Therapy) study was named in honor of Farrah Fawcett, who passed away due to HPV-associated anal cancer. In 2015, the Farrah Fawcett Foundation honored Advaxis with its inaugural “Medical Visionary Angel Award” based on the Company's clinical research and efforts to treat this disease, initiating a partnership among the organizations.

We Remain Bullish On Advaxis Shares

We continue to be optimistic about the prospect of Advaxis and reiterate our valuation at $25 per share. Our call is based on the recent clinical achievements.

We are optimistic about Advaxis’ live, attenuated Listeria technology, which is a unique immunotherapeutic platform that can target various cancer indications and infectious diseases. This technology has advantages over other immunotherapies and has generated positive clinical data. Combination of its technology with checkpoint inhibitors has the potential to become new standard of care for cancer treatment.

The recent deals are especially encouraging in our view. The deal with Aratana could get ADXS-cHER2 the first approved immunotherapy for animals in 2016. The deals with Biocon and GBP expand the usage of ADXS-HPV therapy for cervical cancer in the world two largest markets of cervical cancer in terms of patient population. The recent deal with Amgen will accelerate the development of the company’s personalized cancer program ADXS-NEO. The favorable terms in the deals not only strengthen Advaxis’ balance sheet in a non-dilutive way, but also validate the Company’s technology and clinical programs. Recent partnership with Knight Therapeutics further expands the global market of Advaxis’ product portfolio.

The collaborations with Merck and MedImmune may lead to license deals and expand the company’s pipeline and validate its key immunotherapy technology platform.

Advaxis has developed a robust pipeline based on its proprietary platform technology. In addition to cervical cancer, ADXS-HPV has potential to target other HPV-mediated cancers, such as head & neck cancer as well as anal cancer.

ADXS-HPV has a huge market potential. Cervical cancer is a worldwide problem and ranks as the 2nd leading cause of cancer death of women in the world. According to WHO, about 630 million people are infected with one of the over 100 strains of HPV. Global prevalence of clinically pre-malignant HPV infections is between 28 to 40 million women. Approximately 500,000 women are diagnosed of cervical cancer each year and about 11.4% of women in the general population are estimated to harbor cervical HPV infection. In the US, about 12000 new cases of cervical cancer are diagnosed each year. Prevalence of cervical cancer is higher in developing countries and India, China and South America are the three regions with highest cervical cancer prevalence (50% of cervical cancer burden).

The Company's balance sheet is strong. Current cash could last through 2018 according to our financial model.

In terms of valuation, we think Advaxis is undervalued at current market price. Currently, the Company shares are trading at about $8.8 per share which values the Company at about $340 million in market cap based on 40 million outstanding shares. This is a deep discount compared to its peers.

We predict ADXS-HPV for cervical cancer to be approved in the US in late 2018 with 75% probability. Sales will reach $180 million in 2020 with earnings per share of $1.56. Using a relative valuation model, we come up with the fair value of $25.00 per share by using 35 x P/E multiple and discounted at 25% for 3.5 years.

Our valuation at $25.00 per share values the Company at $1 billion in market cap, which is still conservative in our view. Apparently, risk is still high for Advaxis at this stage. We will keep a close eye on clinical program advances.

PROJECTED INCOME STATEMENT

	2015A (Oct)					2016E (Oct)					2017E (Oct)	2018E (Oct)	2019E (Oct)	2020E (Oct)
$ in million except per share data	Q1	Q2	Q3	Q4	FYA	Q1	Q2	Q3	Q4	FYE	FYE	FYE	FYE	FYE
Product Revenue	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$30.00	$85.00	$180.00
Licensing/R&D revenue	$0.00	$0.00	$0.00	$0.00	$0.00	$0.25	$0.00	$0.00	$0.25	$0.50	$1.00	$0.00	$0.00	$0.00
Total Revenues	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.25**	**$0.00**	**$0.00**	**$0.25**	**$0.50**	**$1.00**	**$30.00**	**$85.00**	**$180.00**
YOY Growth	-	-	-	-	-	-	-	-	-	-	*200.0%*	*3000.0%*	*283.3%*	*211.8%*
CoGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.50	12.75	27.00
Gross Income	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.25**	**$0.00**	**$0.00**	**$0.25**	**$0.50**	**$1.00**	**$25.50**	**$72.25**	**$153.00**
Gross Margin	-	-	-	-	-	*100.0%*	-	-	*100.0%*	*100.0%*	*100.0%*	*85.0%*	*85.0%*	*85.0%*
R&D	$3.58	$6.14	$7.29	$7.22	$24.22	$13.06	$8.76	$10.14	$13.50	$45.47	$50.00	$35.00	$40.00	$42.00
% R&D	-	-	-	-	-	-				*9093.1%*	*5000.0%*	*116.7%*	*47.1%*	*23.3%*
SG&A	$3.20	$7.70	$6.34	$7.21	$24.45	$7.14	$6.83	$6.42	$7.80	$28.20	$32.00	$36.00	$38.00	$40.00
% SG&A	-	-	-	-	-	-	-	-	-	*5639.1%*	*3200.0%*	*120.0%*	*44.7%*	*22.2%*
Other	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
% Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Income	**($6.8)**	**($13.8)**	**($13.6)**	**($14.4)**	**($48.7)**	**($20.0)**	**($15.6)**	**($16.6)**	**($21.1)**	**($73.2)**	**($81.0)**	**($45.5)**	**($5.8)**	**$71.0**
Operating Margin	-	-	-	-	-	-	-	-	-	-	-	*-151.7%*	*-6.8%*	*39.4%*
Other Net	($0.3)	($0.0)	$0.1	$0.2	$0.0	$0.1	$0.1	$0.1	$0.1	$0.4	($1.0)	($1.0)	($1.0)	($1.0)
Pre-Tax Income	**($7.0)**	**($13.9)**	**($13.6)**	**($14.2)**	**($48.6)**	**($19.8)**	**($15.5)**	**($16.5)**	**($21.0)**	**($72.8)**	**($82.0)**	**($46.5)**	**($6.8)**	**$70.0**
Income taxes(benefit)	$0.0	$0.0	$0.0	($1.6)	($1.6)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.00
Tax Rate	-	-	-	-	-	-	-	-	-	-	-	-	*0.0%*	*0.0%*
Reported Net Income	**($7.0)**	**($13.9)**	**($13.6)**	**($12.6)**	**($47.0)**	**($19.8)**	**($15.5)**	**($16.5)**	**($21.0)**	**($72.8)**	**($82.0)**	**($46.5)**	**($6.8)**	**$70.0**
YOY Growth	-	-	-	-	-	-	-	-	-	-	-	-	*-85.5%*	*-1137.0%*
Net Margin	-	-	-	-	-	-	-	-	-	-	-	-	*-7.9%*	*38.9%*
Shares Out	*21.6*	*26.7*	*31.0*	*32.9*	*28.0*	*33.7*	*34.1*	*34.4*	*34.5*	*34.2*	*33.0*	*35.0*	*37.0*	*40.0*
Reported EPS	**($0.33)**	**($0.52)**	**($0.44)**	**($0.38)**	**($1.68)**	**($0.59)**	**($0.45)**	**($0.48)**	**($0.61)**	**($2.13)**	**($2.48)**	**($1.33)**	**($0.18)**	**$1.75**
YOY Growth	-	-	-	-	-	-	-	-	-	-	-	-	-	-
One time charge	*$0.00*	*$0.00*	*$0.00*	*$1.61*	*$1.61*	*$0.00*	*$0.00*	*$0.00*	*$0.00*	*$0.00*	*$0.00*	*$0.00*	*$0.00*	*$0.00*
Non GAAP Net Income	**($7.0)**	**($13.9)**	**($13.6)**	**($11.0)**	**($45.4)**	**($19.8)**	**($15.5)**	**($16.5)**	**($21.0)**	**($72.8)**	**($82.0)**	**($46.5)**	**($6.8)**	**$70.0**
Non GAAP EPS	**($0.33)**	**($0.52)**	**($0.44)**	**($0.33)**	**($1.62)**	**($0.59)**	**($0.45)**	**($0.48)**	**($0.61)**	**($2.13)**	**($2.48)**	**($1.33)**	**($0.18)**	**$1.75**

Source: Company filing and Zacks Investment Research estimates

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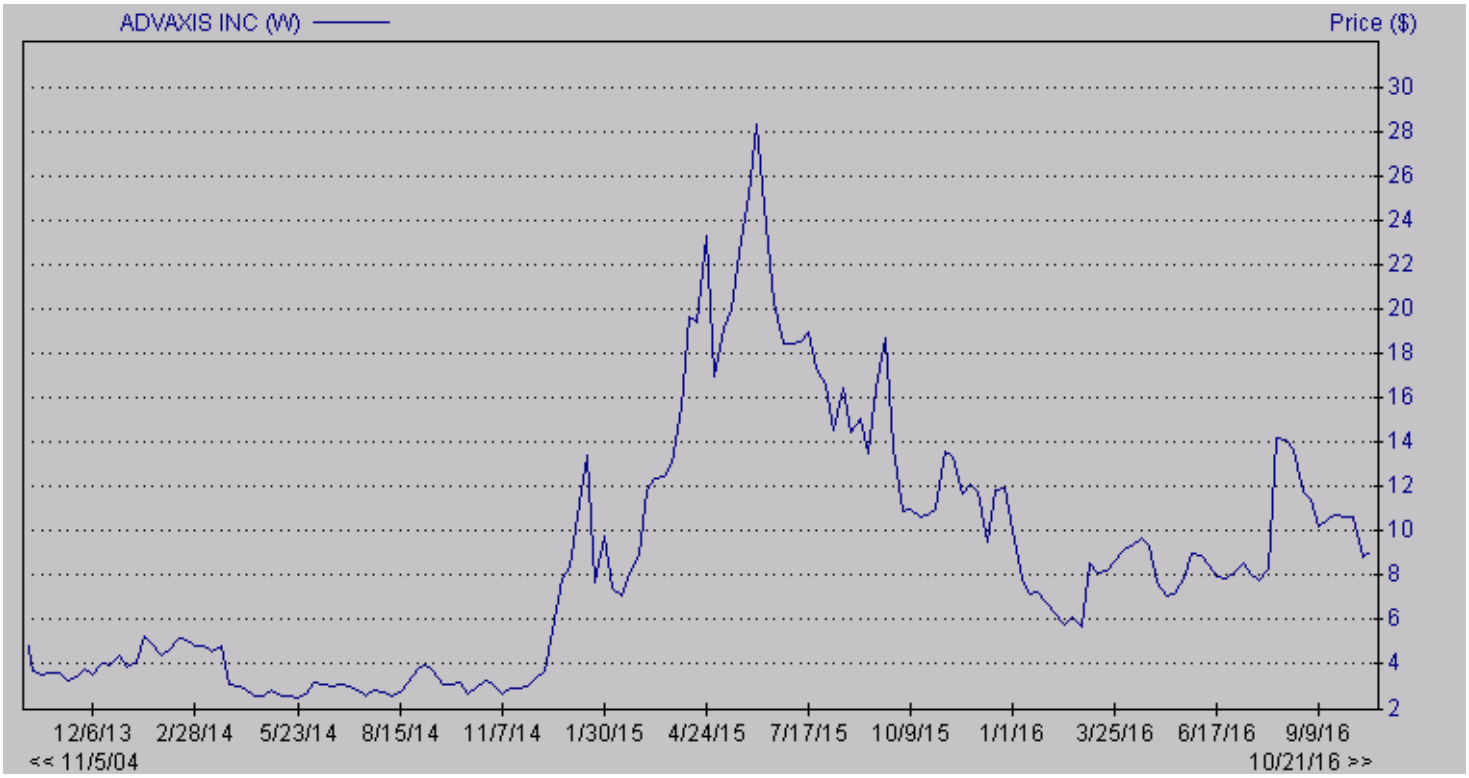
HISTORICAL STOCK PRICE



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