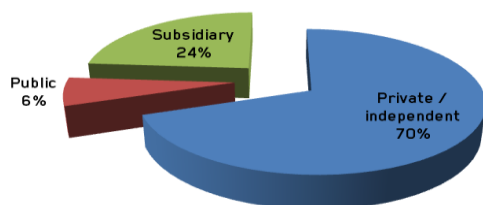


BIOTECHGATE'S (BTG) LONDON-CAMBRIDGE CLUSTER SUMMARY

December 2015: Venture Valuation has prepared this comparison as partner of OneNucleus, provider of their membership directory and manager of the UK Biotech database (www.ukbiotech.com). The information contained herein has been collected from Venture Valuation's Biotechgate database and is also available to its subscribers at www.biotechgate.com. For a full Report on the European Life Sciences Industry ("*Site Selection for Life Sciences Companies*"), can downloaded at www.venturevaluation.com => Resource Center.

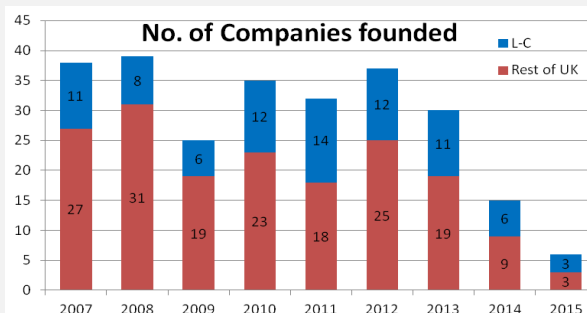
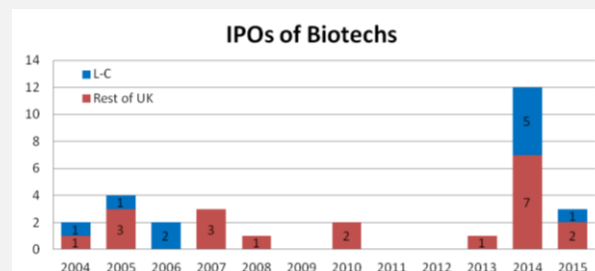
	London Cambridge (L-C)	United Kingdom
Total Biotechnology Companies	231	964
Biotech - Therapeutics & Diagnostics	90	249
Biotech - R&D Services	121	549
Biotech - Other	20	166
Companies Publicly Owned (%)	7%	6%
Financing/Capital Raised 2015 m (YTD, Private)	USD 300 (USD 143)	USD 775 (USD 335)

COMPANY OWNERSHIP, FORMATION AND BIOTECH SECTOR BREAKDOWN



The ownership structure of Biotechs in the L-C cluster and the UK are almost identical, with about 70% private independent companies. A small number are represented by subsidiaries (24%) and the remaining (6%) are publicly listed, most of them on the London Stock Exchange or AIM.

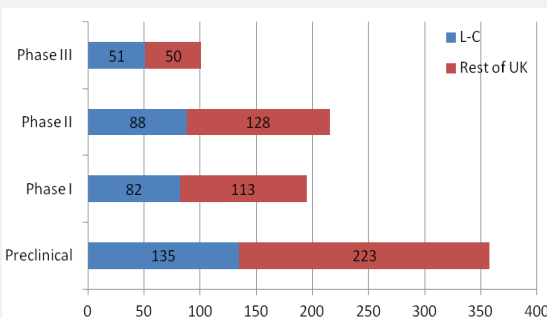
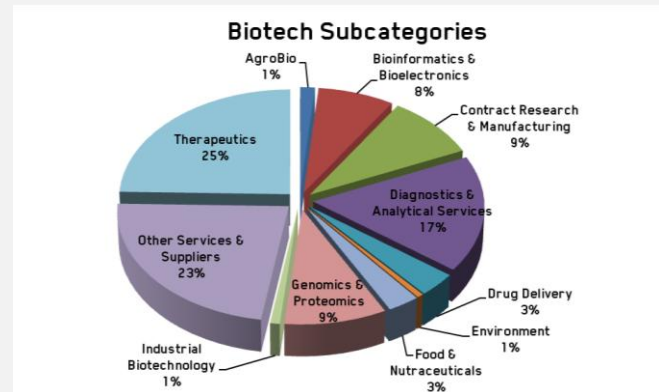
The IPO window was virtually closed after the financial crisis opening just very recently in 2014. For 2015 however, there have only been 3 IPOs (first 10 month). With Acacia Pharma raising GBP 150m L-C had a strong IPO out of the 3 reported so far. 2014 for L-C was very strong with 5 out of the 12 IPOs counted.



The formation of Biotech companies in the UK since 2001 has been relatively stable with around 20 to 40 companies every year. The London-Cambridge cluster provides roughly 30% to 40% of all new companies. For 2014 and also 2015 however, we have seen a decline in new companies being formed. However, many companies have not been active yet and will only show up in next year's analysis.

CATEGORIES AND PRODUCT DEVELOPMENT IN THE L-C CLUSTER

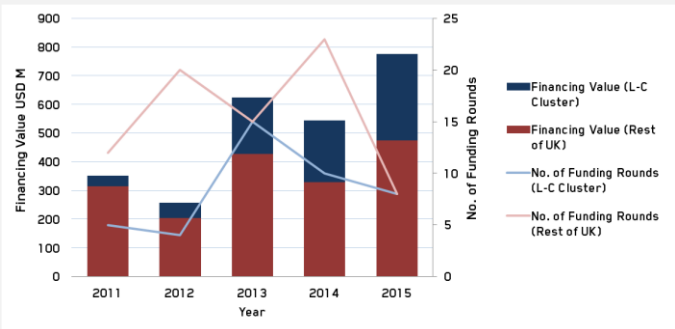
Around 25% of Biotechs in the L-C cluster focus on development of therapeutics, whereas in the UK therapeutics accounts for only 15%, indicating a higher innovation in the L-C cluster compared with the rest of the UK. Bioinformatics is another strong focus of the L-C cluster with 8% compared with 4% in the rest of the UK. All other subcategories are similar in the L-C cluster and the UK by comparison.



With almost 900 products in development by Biotech and Pharma companies, the UK has the biggest pipeline of products in Europe ahead of Germany, France and Switzerland. L-C is contributing around 40% of this pipeline, with an even stronger emphasis on clinical stage programs. Oncology is the focus of about 1/3 of all products in development for both the UK and also L-C.

PRIVATE FINANCING IN THE L-C CLUSTER

Since 2012 the financing of private biotech therapeutic companies in the UK has increased significantly, with L-C contributing over 30%. The first 10 months in 2015 have seen the largest value of financings of private companies in the UK and in L-C. The number of financing rounds has been lower however, this confirms our analysis if there are higher amounts per round, fewer companies get more money.



About us:

Venture Valuation (www.venturevaluation.com)

Venture Valuation specializes in independent, third party assessment, valuation and monitoring of emerging high growth companies in biotechnology, med-tech and pharma.

Biotechgate (www.biotechgate.com)

Biotechgate is the global lead sourcing database for the Biotech, Pharma and Medtech industries. Identify potential licensing opportunities, business partners, new clients and benchmark your deals.

- Over 35 000 companies with a full profile including management contact details and financing rounds
- Only database with in- and out-licensing opportunities
- Benchmark Licensing Deals with key financial information
- Investor Database to identify Investors that fit with your Company's Business Model

For any questions or comments, please contact the author Dr. Patrik Frei at Venture Valuation (p.frei@venturevaluation.com) or visit Biotechgate for a free trial / demo @ www.biotechgate.com.