EDISON

PharmaMar

Valuation upgrade

Strong newsflow expected in 2017

Pharma & biotech

PharmaMar is approaching two key milestones in H217: an approval decision for Aplidin for multiple myeloma in Europe; and Phase III results for lurbinectedin in ovarian cancer. The Chugai licence deal for lurbinectedin in Japan has strengthened the company's financial position (pro forma net debt €32m) and seen it put increased emphasis on its preferred strategy to either self-commercialise or co-promote lurbinectedin in the US. Separately, a US manufacturing patent granted last year has extended IP protection for lurbinectedin until at least December 2032. These developments have prompted us to adopt co-promotion in the US in our base case valuation scenario and to extend our rNPV model to 2035 vs 2030 previously. Our base case valuation has increased by 29% to €1.29bn (vs €1.01bn), or €5.79/share (vs €4.55/share).

Year end	Sales revenue (€m)	PBT* (€m)	EPS* (c)	DPS (c)	P/E (x)	Yield (%)
12/15	162.0	5.9	3.0	0.0	90.0	N/A
12/16	164.0	(24.7)	(10.8)	0.0	N/A	N/A
12/17e	176.4	5.8	2.6	0.0	103.8	N/A
12/18e	195.3	14.0	6.3	0.0	42.9	N/A

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Lurbinectedin ovarian Phase III results in H217

Results from the 443-patient Phase III trial of lurbinectedin in platinum-resistant ovarian cancer are expected in H217. In an earlier Phase IIb trial, progression-free survival (PFS) was much greater for lurbinectedin than for topotecan (5.7 vs 1.7 months), which bodes well for the trial outcome.

European approval decision for Aplidin in H217

A decision from the European Medicines Agency is expected in H217 on PharmaMar's marketing application for Aplidin in multiple myeloma; in Phase III, Aplidin reduced the risk of disease progression or death by 35%. An ongoing pivotal trial of Aplidin in the rare angioimmunoblastic leukaemia could support an application for US approval, potentially around 2020.

Partnering potential could add to newsflow

Japanese rights for lurbinectedin were licenced to Chugai in December 2016 for €30m upfront (only €6m recognised in 2016, cash received January 2017), up to €70m in milestones plus royalties on sales. PharmaMar is evaluating options for commercialising lurbinectedin in the US and favours either marketing the drug itself or co-promoting it with a partner. The pivotal ovarian cancer results in H217 could attract interest from potential partners, if positive.

Valuation: Lifted to €1.29bn (€5.79/share)

We increase our valuation to €1.29bn (vs €1.01bn), or €5.79/share (vs €4.55/share) as we adopt co-promotion of lurbinectedin in the US as our base-case strategy for commercialising the drug (if approved), and extend our DCF forecasts to 2035 (vs 2030), in recognition of additional patent protection for lurbinectedin in the US.

16 March 2017

Price	**€2.70**
Market cap	**€600m**
	$1.1/€
Net debt (€m) at end December 2016 (excludes €30m Chugai upfront)	62.0
Shares in issue	222m
Free float	73%
Code	PHM
Primary exchange	BME
Secondary exchange	N/A

Share price performance

%	1m	3m	12m
Abs	(9.5)	5.1	16.6
Rel (local)	(13.2)	(1.7)	5.0
52-week high/low		€3.2	€1.9

Business description

PharmaMar is a Spanish biopharmaceutical company with a core focus on the development of marine-based drugs for cancer. Yondelis is approved in the US, EU and Japan, and is partnered with Janssen (J&J) in the US and Taiho in Japan. The group also has consumer chemicals, molecular diagnostics and RNAi operations.

Next events

Aplidin approval in Europe	H217
Lurbinectedin ovarian Phase III results	H217
Initiate lurbinectedin breast cancer pivotal trial	H217

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Chugai deal broadens options for lurbinectedin development and commercialisation

PharmaMar signed a licence and commercialisation agreement for lurbinectedin in Japan with Chugai Pharmaceutical in December 2016. Terms include an upfront payment of €30m (paid in January 2017) plus double-digit tiered royalties. PharmaMar will also be eligible to receive development and sales milestones that could potentially total over €70m, taking total potential receipts (excluding royalties) to over €100m.

The €30m Chugai upfront payment received in January 2017 puts PharmaMar in a robust financial position to fund its clinical trial programme, and strengthens its capacity to pursue self-commercialisation or co-promotion of lurbinectedin in the US, which will lead to higher overall returns from the programme over the long term than would an out-licensing deal. We have now adopted co-promotion of lurbinectedin in the US as our base case scenario in our valuation of PharmaMar, versus our previous out-licensing scenario.

PharmaMar looks to be playing the long game with lurbinectedin development. Its clinical studies to date have produced strong evidence of efficacy in a range of cancers, including reports of high response rates and substantial reductions in the risk of disease progression or death. Initial development is targeting niche conditions with relatively small patient populations - ~15% of ovarian cancers, ~15% of lung cancers and 2-4% of breast cancers.

Targeting niche conditions will help justify higher pricing for lurbinectedin, and is likely to drive high uptake for the approved indications. In the case of BRCA2 breast cancer it is also expected to allow a smaller Phase III trial size (proposed Phase III trial design is a 116-patient single arm trial).

We suspect that lurbinectedin will eventually be used much more broadly than in the niche indications that are the subject of the current Phase III programme; however, in our valuation model we currently only include the three indications where there are Phase III trials underway or in preparation.

In order to capture a small portion of the potential additional sales from label expansion or off-market use of lurbinectedin we have modified our assumed sales growth curve to include growth of 5% per annum (previously 2%) from the time of peak uptake in the approved indication in the sixth year after launch until the expiry of IP protection/market exclusivity, with sales declining at 25% per annum thereafter. Broader uptake of lurbinectedin beyond this modest additional growth represents potential upside from our revised valuation.

Lurbinectedin manufacturing patent extends US IP protection until at least 2032

Records at the US patent and trademarks office (PTO) show that PharmaMar was awarded additional patent protection for lurbinectedin in the US in August 2016, with the grant of US patent 9,428,524 covering the method of manufacturing the drug. The patent has a priority date of May 2011, and was granted a 19-month patent term adjustment in recognition of delays at the US PTO so it would expire in December 2032. PharmaMar would also be eligible for further patent term extension from the US FDA to allow for the time taken for clinical development and regulatory review of the drug. We assume that patent protection or market exclusivity for the drug will extend to at least the end of 2033, and we now extend our cash flow forecasts for PharmaMar out to 2035 vs 2030 previously.

PharmaMar is pursuing additional patents to strengthen the IP protection for lurbinectedin. For example, US patent application 13/884,874 which covers the use of lurbinectedin in combination

with a range of anticancer drugs including anticancer antibiotics such as doxorubicin (the combination of lurbinectedin and doxorubicin is being tested in the ATLANTIS SCLC trial). Lurbinectedin has orphan drug designation for ovarian cancer and SCLC in both the US and Europe, which would ensure market exclusivity for the lung cancer indication (assuming 2020 approval) until at least 2027 in the US and 2030 in Europe independently of the patent protection.

Strong newsflow expected in 2017

We expect PharmaMar to reach a number of potentially significant milestones in 2017. The key anticipated events are summarised below.

Aplidin EU approval decision expected in H217

We expect a decision in H217 on PharmaMar's marketing application for Aplidin (plitidepsin) to treat relapsed/refractory multiple myeloma in Europe, which could potentially allow a launch in late 2017 or early 2018. In March 2016, the company announced positive top-line results from the 255-patient ADMYRE Phase III trial of Aplidin in relapsed/refractory multiple myeloma. The trial met its primary end point, showing a statistically significant 35% reduction in the risk of disease progression or death (hazard ratio [HR]=0.65, p=0.0054).

Separately, in June 2016 the company initiated a pivotal Phase II trial of Aplidin for the rare angioimmunoblastic T-cell lymphoma. We expect the initial approval for Aplidin in the US to be for this ultra-orphan indication, which accounts for 2% of non-Hodgkin's lymphomas. The single-arm, open-label trial will recruit 60 patients from ~25 sites in Europe and the US. Given the ultra-orphan nature of the disease, we conservatively allow three years for the trial to complete and assume a US launch for Aplidin in H121. We expect Aplidin to reach global peak sales of US$300m, including US$115m in Europe. Aplidin has orphan drug designation in Europe and the US.

PharmaMar has an Aplidin co-promotion agreement with Chugai Pharma Europe covering certain European countries (France, Germany, the UK, Benelux, Ireland and Austria). PharmaMar earned a €4m milestone from Chugai for filing the Marketing Authorisation Application to the European Medicines Agency. PharmaMar intends to sell Aplidin through its existing European sales infrastructure, in the regions where it retains sole rights, with only modest expansion of the sales team required.

Lurbinectedin: Pivotal results and new Phase III in 2017

Ovarian cancer results H217

The lurbinectedin (PM1183) CORAIL Phase III trial in platinum-resistant ovarian cancer is expected to report results in H217. The 443-patient study, which completed recruitment in October 2016, passed an interim futility analysis on the first 210 patients in August 2016.

The CORAIL study is comparing lurbinectedin as a monotherapy in platinum-resistant ovarian cancer to a control arm with topotecan or liposomal doxorubicin. The trial is powered to detect a 30% improvement in the PFS primary end point (ie HR of 0.70).

BRCA2 breast cancer Phase III on track to start this year

The regulation strategy for a Phase III trial of lurbinectedin in BRCA2-associated breast cancer was agreed with the FDA at a meeting in December 2016. The company's January 2017 corporate presentation outlines a proposed 116-patient single arm trial in BRCA2-mutated metastatic breast cancer patients, with objective response rate (ORR) as the primary endpoint. The trial would recruit subjects who have undergone one or two prior lines of chemotherapy (ie using lurbinectedin as

second or third line chemotherapy treatment), but patients who have undergone prior treatment with a PARP inhibitor will not be eligible to participate.

The relatively small number of subjects in this pivotal trial reflects the strong 61% ORR observed in Phase II and the relatively small addressable patient population; it is variously estimated that 2-4%[1] of breast cancer patients carry a BRCA2 mutation, implying an addressable population of between 13,000 and 25,000 new patients each year in the US and Europe. PharmaMar is working with breast cancer patient advocacy groups to help choose trial sites and educate patients and clinicians about the plans for the trial, in order to facilitate patient recruitment.

We are not aware of any other late-stage trials specifically targeting BRCA2 patients, although several, including the marketed PARP inhibitor olaparib (Lynparza), are targeting the combined BRCA1 and BRCA2 patient populations.

PARP inhibitors prevent the PARP (poly[ADP-ribose] polymerase) enzyme from repairing DNA damage in cancer cells. When this DNA repair pathway is blocked in BRCA1/2 mutated breast cancers, which are already lacking the homologous recombination DNA pathway, the simultaneous loss of both pathways results in cancer cell deaths.

In February 2017 AstraZeneca reported positive results in the 302-patient OlympiAD Phase III trial of single-agent olaparib in metastatic breast cancer patients carrying germline BRCA1 or BRCA2 mutations; the PFS primary endpoint was met, but no detailed data have been disclosed. The trial recruited patients with metastatic breast cancer who had undergone no more than two prior lines of chemotherapy. Olaparib is already FDA-approved for ovarian cancer.

The breastcancertrials.org website lists three ongoing Phase III trials of other PARP inhibitors in BRCA1/2 mutated breast cancer. All three of these trials are targeting advanced breast cancer – either metastatic or locally advanced unresectable cancer: Veliparib in first to third line in combination with carboplatin and paclitaxel; talazoparib as a single agent in second to fourth line; and niraparib as a single agent in second to fourth line.

The 61% ORR for lurbinectedin-treated BRCA2 BC patients is much higher than the response rates reported for PARP inhibitors used as single agents. The response rates for PARP inhibitor monotherapy in BRCA 1/2 BC in trials with at least 10 subjects has ranged from 0-44%[2]. Looking at just the subjects with BRCA2 mutations in the two largest studies, both involving olaparib, the ORR was 12% (3/16)[3] and 25% (5/20)[4]. If the high ORR for lurbinectedin in BRCA2 BC is confirmed in the Phase III trial then we would expect it to gain significant market share even in the face of competition from PARP inhibitors (if they are approved for use in breast cancer)

Lung cancer trial expected to complete recruitment next year

The 600-patient ATLANTIS Phase III trial of lurbinectedin in combination with doxorubicin in small cell lung cancer (SCLC), which commenced in August 2016, is expected to complete recruitment in 2018. In a Phase I trial involving 21 patients, the overall response rate was 67%, including 10% complete responses. Guidance in the company's January 2017 corporate presentation is for data to be reported in 2019; however, given that median PFS in the Phase I trial was 4.6 months, we believe that if recruitment is completed in Q118 then the top-line results for the PFS primary end point could be reported before the end of 2018. A futility analysis is planned after approximately 150 subjects have experienced disease progression events.

1 Neuhausen et al, *Breast Cancer Res Treat,* (2009) 116:379–386 DOI 10.1007/s10549-008-0153-8

2 Livraghi and Garber *BMC Medicine* (2015) 13:188 DOI 10.1186/s12916-015-0425-1

3 Kaufman et al *J Clin Oncol* (2015) 33:244-250.

4 Tutt et al *Lancet* (2010); 376: 235–44

Yondelis – US Phase III progressing well

Management commented at the 2016 results presentation that the US-based Phase III trial of Yondelis led by J&J is well underway. The study is believed to be approaching the recruitment target of 672 ovarian cancer patients.

Small Phase III for dry eye product planned

PharmaMar is working to initiate a small Phase III trial of its RNA interference (RNAi) technology drug, SYL1001, in treating eye pain associated with dry eye syndrome. A partner will be sought to fund a larger, confirmatory Phase III trial if the results of the smaller trial are positive.

PharmaMar reported positive results from a Phase II study of SYL1001 for treating dry eye discomfort in March 2016; the dose of 1.125% significantly reduced pain scores ($P<0.016$) and redness (also known as hyperaemia, $P<0.0134$).

Valuation

Our valuation of PharmaMar has increased to €1.29bn (vs €1.01bn), or €5.79/share (vs €4.55/share). The main changes to our forecast assumptions are that we have:

- Adopted co-promotion of lurbinectedin in the US as our base case scenario (earning a profit margin equivalent to 35% of net sales) versus our previous base-case assumption that lurbinectedin would be out-licensed in the US and earn a 25% royalty;
- Extended cash flow forecasts out to 2035 vs 2030 previously;
- Extended period of market exclusivity for lurbinectedin until end 2033 (previously 2030);
- Modified our assumed sales growth curve for each indication to include growth of 5% per annum (previously 2%) from the time of peak uptake in the sixth year after launch until the expiry of IP protection/market exclusivity, with sales declining at 25% per annum thereafter;
- Amended the chemicals business sales growth profile to a steady 3% annual growth versus our prior assumption of rapid near-term growth followed by a 2% growth rate after 2019;
- Increased forecast R&D expenditure for 2017-19 to reflect the 25% increase in 2016 and guidance for low double-digit growth in 2017;
- Lowered forecast tax rate for 2017-19 to account for accumulated losses of €24.7m at the end of 2016.

We have rolled forward the DCF model to 2017 and updated net debt to reflect the 31 December 2016 balance of €62.0m. The 2016 Yondelis cash flows have dropped out of the model, which sees the value of Yondelis Europe fall from €567m to €530m. The €30m Chugai upfront is included in the valuation in the “Lurbinectedin upfront and milestones” line (rNPV €43.7m).

Our valuation is based on a sum-of-the-parts DCF model (project-based rNPV for the biopharma business; free cash flow [FCF] for the chemicals division to 2026), as shown in Exhibit 1.

Exhibit 1: PharmaMar sum-of-the-parts DCF

Product	rNPV (€m)	rNPV/ share (€)	Assumptions
Chemicals business FCF	96.8	0.44	7.5% WACC, 3% growth rate from 2019 onwards, accounts for 45% of group capex.
Yondelis (Europe)	529.6	2.38	Second-line STS peak sales of €93m with 40% penetration; third-line ovarian cancer peak sales of €37m with 8% penetration into addressable platinum sensitive market. First potential generics in 2022. 10% WACC.
Yondelis (US)	134.7	0.61	STS (second-line) peak sales of $130m, launched 2016; peak sales in platinum-sensitive ovarian cancer of $50m, 65% risk adjustment, 2020 launch; both assume 15% royalty from J&J and 47% gross margin on sales of raw materials.
Yondelis (Japan)	22.4	0.10	STS only: peak sales of €34m; 15% royalty from Taiho. 10% WACC.
Aplidin (multiple myeloma)	207.9	0.94	Global peak sales of $300m assuming 40% of MM patients ultimately receive fourth-line therapy and 25% penetration; pricing of $25k in EU with 25% US premium; 90% success probability in Europe, 65% in the US; launch 2018 in Europe, 2021 in the US; sold by Chugai in eight European territories (assume effective royalty of 25%) and direct in other EU regions, assume 25% royalty in US; includes €20m of near-term regulatory milestones out of €30m total Chugai milestones. No milestones included for other territories at this stage.
Lurbinectedin (resistant ovarian cancer)	283.8	1.28	Third-line, platinum-resistant ovarian cancer: peak sales of €193m; US and EU: 65% success probability, 2019 launch - sold direct in Europe with co-promotion in US (post Phase III); Japan: 50% success probability, 2021 launch, 20% royalty.
Lurbinectedin (SCLC)	392.3	1.77	Peak sales of €680m; US and EU: 65% success probability, 2020 launch sold direct in Europe with US co-promotion; Japan: 50% success probability, 2022 launch, 20% royalty.
Lurbinectedin (breast – BRCA2 mutated)	79.6	0.36	Peak sales of €250m; 45% success probability; US and EU: 2021 launch - sold direct in Europe with co-promotion in US; Japan: 50% success probability, 2023 launch, 20% royalty.
Lurbinectedin upfront and milestones	43.7	0.20	Chugai upfront €30m, plus Chugai Japan development milestones assumed to be €35m of ~€70m total potential Chugai milestone payments (assumed to average €7m/year over 2017-21), risked at 50-90%; no Chugai sales-based milestones or milestones for other territories included in our forecasts at this stage.
Sylentis	6.8	0.03	Cumulative peak sales of $200m, with 20% probability of success, potential launch 2021, 10% royalty.
Genomica	55.8	0.25	Conservative 2% growth rate.
R&D	(274.7)	(1.24)	12.5% WACC.
SG&A	(217.3)	(0.98)	10% WACC.
Capex	(12.7)	(0.06)	55% of group capex for biopharma business.
Net debt	(62.0)	(0.28)	At end-FY16.
Total	**1,286.8**	**5.79**	

Source: Edison Investment Research. Note: WACC of 12.5% used except where indicated otherwise.

As mentioned above, we have now adopted co-promotion of Lurbinectedin in the US as our base case valuation scenario. We now consider out-licensing of lurbinectedin in the US to be a low-case scenario (total valuation €1,191m or €5.36/share). Alternatively, if PharmaMar self-commercialised lurbinectedin in the US at an operating margin of 45% (subject to obtaining funding to set up a salesforce), our valuation would increase to €1,383m (€6.22 per share).

Financials

The company's marketed anti-cancer drug, Yondelis, achieved solid 10.5% volume growth in 2016 in European territories where PharmaMar leads commercialisation, which was in line with our forecasts; however, currency movements and price reductions in Poland, Greece and Portugal saw commercial sales revenue grow by a lesser 7.4% to reach €86.7m. Sales of Yondelis raw materials to partners Janssen (J&J) and Taiho were €1.5m in 2016 compared to €7.8m the previous year when the partners were building stocks ahead of market launches in the US and Japan. The lower Yondelis raw materials sales saw total biopharmaceutical sales fall slightly to €94.4m vs €94.6m the previous year.

Yondelis royalties from partners J&J in the US and Chugai in Japan totalled €5.8m, slightly ahead of our forecast of €5.2m, with ~90% of royalties coming from the US. If the current trajectory is maintained, US peak sales could exceed our forecast of US$130m. At this stage, we leave our US forecasts unchanged until we have a few more quarters of data to confirm the sales trajectory.

We have further trimmed our near-term forecasts for Yondelis sales in Europe to account for the price reductions, but maintain our projection for Yondelis commercial sales by PharmaMar to grow on average by ~8% pa and peak at €130m in 2021. We forecast net commercial sales of Yondelis in Europe of €93.9m in 2017 versus our prior forecast of €95.9m.

We have increased forecast gross R&D expenditure in 2017 to €88.4m versus €71.6m previously, reflecting 30% growth in 2016 and guidance for low double-digit growth in 2017.

Only €6m of the €30m Chugai upfront payment was recognised as revenue in 2016, although the full €30m cash payment was received in January 2017. We expect a further €10m to be recognised as revenue in 2017. Note that we had previously assumed that the full €30m of the Chugai upfront would be recognised as revenue in 2017.

The net effect of these changes is that we now forecast a modest €17.8m profit at the EBITDA level in 2017 versus our previous forecast of €56.5m EBITDA.

The company had €32.4m cash and financial assets and total net debt of €62.0m at the end of December 2016. Pro forma net debt after including the €30 Chugai upfront received in January 2017 was €32m which, combined with anticipated revenue growth flowing from recent Yondelis launches in the US and Japan, puts PharmaMar in a robust financial position to fund its clinical trial programme and pursue self-commercialisation or co-promotion of lurbinectedin in the US market (if approved).

Exhibit 2: Financial summary

€'000s	2014	2015	2016	2017e	2018e
Year end 31 December	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS					
Revenue	149,652	161,992	164,035	176,370	195,263
Cost of Sales	(40,765)	(45,705)	(43,971)	(46,817)	(49,231)
Gross Profit	108,887	116,287	120,064	129,553	146,032
R&D Expenses (gross)	(52,456)	(63,549)	(79,780)	(88,443)	(79,416)
Capitalised in-house R&D	5,979	3,258	1,357	2,024	1,800
Sales, General and Administrative Expenses	(57,043)	(74,067)	(71,550)	(62,552)	(64,698)
Other (milestones and royalties)	28,060	31,825	16,913	43,284	28,627
EBITDA	25,704	17,578	(11,463)	17,844	26,263
Operating Profit (before GW and except.)	22,095	11,297	(18,706)	10,384	18,579
Depreciation & Amortisation	(5,467)	(6,281)	(7,243)	(7,460)	(7,684)
Exceptionals	0	0	0	0	0
Operating Profit	20,237	11,297	(18,706)	10,384	18,579
Net Interest	(5,762)	(5,388)	(5,993)	(4,576)	(4,533)
Other	0	0	0	0	0
Profit Before Tax (norm)	16,333	5,909	(24,699)	5,808	14,046
Profit Before Tax (as reported)	14,475	5,909	(24,699)	5,808	14,046
Tax	(1,304)	654	592	0	0
Deferred tax	0	0	0	0	0
Profit After Tax (norm)	15,029	6,563	(24,107)	5,808	14,046
Profit After Tax (FRS 3)	13,171	6,563	(24,107)	5,808	14,046
Minority interests	20	25	25	0	0
Discontinued operations	(76)	0	0	(48)	0
Net income (normalised)	15,049	6,588	(24,082)	5,808	14,046
Net income (FRS3)	13,115	6,588	(24,082)	5,760	14,046
Average Number of Shares Outstanding (m)	222.2	222.2	222.2	222.2	222.2
EPS - normalised (c)	6.8	3.0	(10.8)	2.6	6.3
EPS - FRS 3 (c)	0.06	0.03	(0.11)	0.03	0.06
Dividend per share (c)	0.00	0.00	0.00	0.00	0.00
Gross Margin (%)	72.8%	71.8%	73.2%	73.5%	74.8%
EBITDA Margin (%)	17.2%	10.9%	-7.0%	10.1%	13.4%
Operating Margin (before GW and except.) (%)	14.8%	7.0%	-11.4%	5.9%	9.5%
BALANCE SHEET					
Fixed Assets	99,473	99,804	100,145	98,237	96,062
Intangible Assets	28,836	29,377	27,448	29,472	31,272
Tangible Assets	29,218	30,624	31,141	27,208	23,234
Other	41,419	39,803	41,556	41,556	41,556
Current Assets	101,916	112,135	120,992	111,592	119,342
Stocks	24,404	22,990	22,158	25,653	26,976
Debtors	36,989	40,200	62,652	41,073	45,472
Cash and current financial assets	35,511	45,625	32,367	41,052	43,079
Other	5,012	3,320	3,815	3,815	3,815
Current Liabilities	(82,626)	(70,623)	(87,164)	(79,043)	(79,487)
Creditors	(38,160)	(41,994)	(59,258)	(51,137)	(51,581)
Short term borrowings	(44,466)	(28,629)	(27,906)	(27,906)	(27,906)
Long Term Liabilities	(58,694)	(68,280)	(85,478)	(76,478)	(68,688)
Long term borrowings	(47,003)	(64,973)	(67,583)	(67,583)	(67,583)
Other long term liabilities	(11,691)	(3,307)	(17,895)	(8,895)	(1,105)
Net Assets	60,069	73,036	48,495	54,307	67,230
CASH FLOW					
Operating Cash Flow	23,475	10,195	(3,040)	18,813	12,070
Net Interest	(1,000)	252	(5,000)	(4,576)	(4,533)
Tax	(366)	654	(374)	0	0
Capex	(10,179)	(9,221)	(6,093)	(5,552)	(5,510)
Acquisitions/disposals	4	0	129	0	0
Financing	(2,905)	6,169	(632)	0	0
Other	0	0	0	0	0
Net Cash Flow	9,029	8,049	(15,010)	8,685	2,028
Opening net debt/(cash)	64,585	54,886	46,910	61,984	53,299
Exchange rate movements	0	0	0	0	0
Other	670	(73)	-64	0	0
Closing net debt/(cash)	54,886	46,910	61,984	53,299	51,272

Source: Edison Investment Research, PharmaMar accounts

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