Zacks Small-Cap Research

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Galena Biopharma Inc. (GALE-NASDAQ)

Galena: Balance sheet boosted, clinical programs are on track to advance --- Outperform

Current Recommendation	**Outperform**
Prior Recommendation	N/A
Date of Last Change	11/14/2011
Current Price (02/07/13)	$1.85
Twelve-Month Target Price	**$4.00**

OUTLOOK

Galena recently raised $24.3 million in equity financing, which boosted its balance sheet. With the final spin-off of its subsidiary RXi Pharma, GALE is now more focused on cancer targeted immunotherapy and will have less cash burn. The Company also strengthened IP for its FBP asset with the US patent allowance.

Currently, the Company has 5 programs in clinic including Phase III NeuVax for breast cancer, Phase I/II FBP for gynecological cancers. This is quite unusual for a small cap biotech company.

We continue rate GALE Outperform based on recent progress the Company has made.

SUMMARY DATA

52-Week High	**$2.77**
52-Week Low	**$0.93**
One-Year Return (%)	**68.18**
Beta	**0.66**
Average Daily Volume (sh)	**1,357,350**
Shares Outstanding (mil)	**83**
Market Capitalization ($mil)	**$153**
Short Interest Ratio (days)	**4.25**
Institutional Ownership (%)	**17**
Insider Ownership (%)	**6**
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	**High,**
Type of Stock	**Small-Growth**
Industry	**Med-Biomed/Gene**
Zacks Rank in Industry	**N/A**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2011	0.00 A	0.00 A	0.00 A	0.00 A	0.00 A
2012	0.00 A	0.00 A	0.00 A	0.00 E	0.00 E
2013					0.00 E
2014					0.00 E

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

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2011	-$0.26 A	-$0.12 A	-$0.13 A	-$0.13 A	-$0.58 A
2012	-$0.12 A	-$0.09 A	-$0.09 A	-$0.09 E	-$0.39 E
2013					-$0.36 E
2014					-$0.38 E

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

WHAT'S NEW

Balance Sheet Boosted by New Equity Financing

On December 18, 2012, Galena Biopharma (GALE) priced an underwritten public offering of 15,156,250 units at a public offering price of $1.60 per unit with total gross proceeds of $24.25 million.

Each unit consists of one share of common stock, and a warrant to purchase 0.5 share of common stock at an exercise price of $1.90 per share. The warrants are immediately exercisable and expire on the fifth anniversary of the date of issuance. The shares of common stock and warrants are immediately separable and will be issued separately.

Galena intends to use the net proceeds from the offering to conduct its ongoing Phase III clinical trial for NeuVax, its Phase I/II clinical trial for Folate Binding Protein-E39 (FBP), the planned Phase II clinical trial for NeuVax in combination with trastuzumab (Herceptin®), as well as for general corporate purposes.

Although the equity financing dilutes existing shareholder base, it greatly boosts the Company's balance sheet.

As of September 30, 2012, Galena had cash and cash equivalents of $15.4 million. We estimate cash burn for the 4Q12 will be about $6 million. With this new financing, current cash balance should be around $35 million, which could last into the second quarter of 2014.

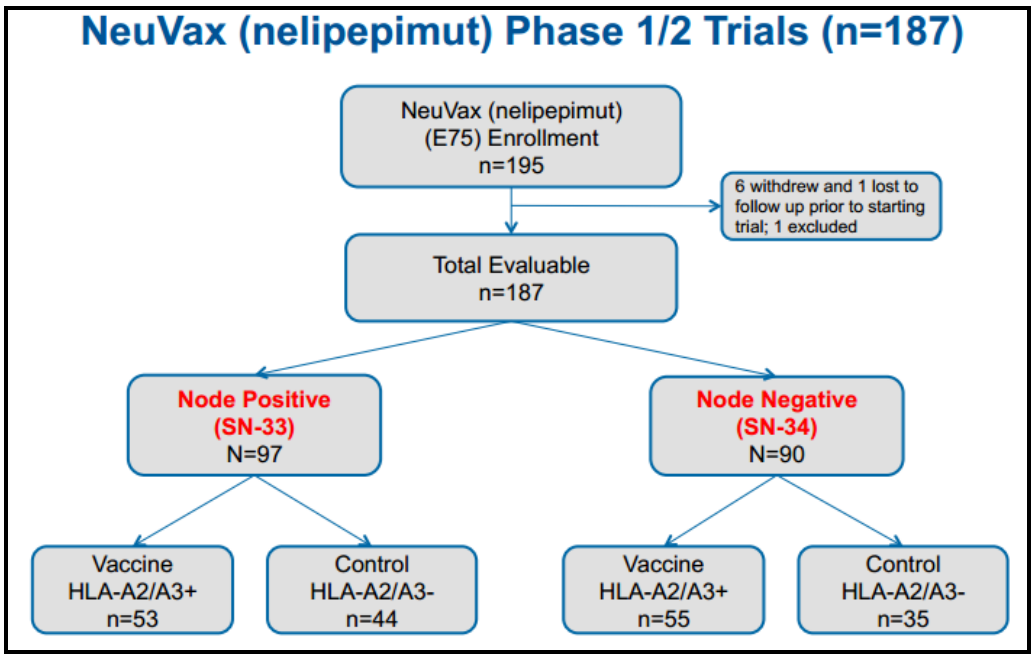
Also, in connection with the RXi spin-off on April 27, 2012, approximately 67.0 million shares of RXi common stock were distributed as a dividend to the Galena shareholders, representing a net liability position of $2.2 million at historical cost. GALE retained a 4% interest in RXi, or approximately 32.7 million shares of RXi common stock, which is carried at historical cost, effectively zero, at June 30, 2012. The market value of the RXi shares held by Galena at Jan 8, 2013 was approximately $3.0 million.

GALE Presents Final Landmark 60-Month Results From NeuVax Phase I/II Trials

On December 7, 2012, Galena Biopharma (GALE) presented data from the completed SN-33 trial and final results from the Phase I/II trials of NeuVax (nelipepimut-S or E75) for breast cancer at the 35th Annual CTRC-AACR San Antonio Breast Cancer Symposium.

Overview of the Phase I/II Trails

The Phase I/II trials of NeuVax included SN-33 (Node Positive, n=97) and SN-34 (Node Negative, n=90), which evaluated a combined 187 patients with 108 in the vaccine group (VG) and 79 in the unvaccinated control group (CG).



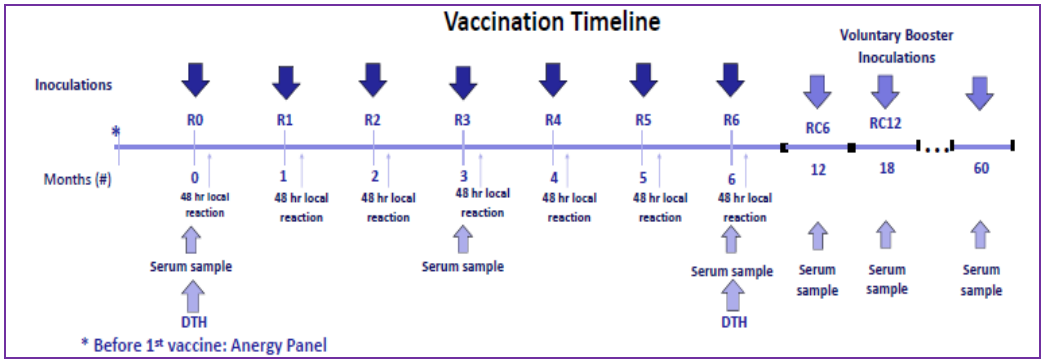
In terms of patient demographics, we think the vaccine and control groups were generally well-matched. Although there were some imbalances between VG and CG, they were not significant. The only statistically significant difference was ER-/PR- status (31.1% in VG vs 17.7% in CG, p=0.04).

E75 Demographics			
	Vaccine	Control	p value
n=	108	79	
Age (median)	57	53	0.26
Node Positive (%)	49.1	55.7	0.38
Tumor Size (T2-T4) (%)	34.3	46.2	0.13
Histologic Grade 3 (%)	40.0	39.5	1.00
ER/PR negative (%)	31.1	17.7	0.04
HER2/*neu* overexpression (%)	31.7	26.8	0.50
Hormonal Therapy (%)	66.7	76.9	0.14
Chemotherapy (%)	75.0	72.2	0.74
XRT (%)	72.2	81.0	0.17
Trastuzamab Therapy (%)	11.1	3.8	0.10

The Rational for Booster Inoculation

Patients were initially given a series of up to six inoculations of NeuVax once a month. As the trials progressed, the physicians noticed that E75-specific immunity waned after this initial monthly primary vaccine series (PVS) and translated to late recurrences of cancer in some patients. As a result of this finding, a voluntary booster program was added to the trials to maintain long-term immunity following the initial monthly PVS.

The booster program offered patients an additional inoculation every six months with a maximum of six boosters. Because the booster program was voluntary, not all women chose to receive the full six additional doses.



The Combined SN-33 and SN-34 Results

Trials SN-33 (NP) (n=97) and SN-34 (NN) (n=90) enrolled clinically eligible patients who were rendered disease-free after completion of standard of care multi-modality therapy (n=187). Treatment assignment was then based on HLA type, with HLA-A2/A3 patients vaccinated and HLA-A2/A3 negative patients followed prospectively as controls for recurrence. NeuVax exhibited an excellent safety and tolerability profile, and demonstrated a durable response out to 60 months:

- Maximum toxicity for all inoculations produced primarily Grade 1 and some Grade 2 toxicities, with injection site reactions and fatigue most common. No serious adverse events (SAEs) or cardiotoxicity were reported.

- At 24-month: 94.3% of NeuVax patients were disease-free versus 86.8% of patients on the control arm (p=0.08).

- At 60-month: 89.7% of NeuVax patients remain disease-free versus 80.3% of patients on the control arm (p=0.077)--a recurrence reduction of 47.7% among all patients at any dose. Multiple dose response analyses underscore the efficacy of the vaccine with statistical significance being achieved among the optimally-dosed and boosted patients.

The SN-33 HER2 Negative Booster Results

SN-33 was conducted in node positive patients, and was well balanced between the two arms: Vaccine HLA-A2/A3 positive (n=53) vs Control HLA-A2/A3 negative (n=44). During the conduct of this trial, Herceptin® (trastuzumab; Genentech/Roche) became commercially available for HER2 IHC Positive (3+) patients, and the trial was modified accordingly to allow these patients to receive Herceptin, and exclude this patient group from future enrollment and analysis.

Below are the summary results from the SN-33 trial. SN-33 Intent-to-treat (ITT) population (n=97); NeuVax (n=53) vs. Control (n=44):

- At 24-month: 90.6% of NeuVax patients (n=53) were disease-free versus 79.5% of patients on the control arm (n=44) (p=0.1155).

- At 60-month: 84.7% of NeuVax patients (n=53) remain disease-free versus 77.1% of patients on the control arm (n=44).

SN-33 HER2 Negative IHC 1+/2+ patients who received **boosters** (n=45). NeuVax (n=18) vs. Control (n=27):

- At 24-month: 0% recurrences for patients treated with NeuVax: statistically significant DFS for NeuVax at 100% vs. 77.8% Control (p=0.0358).

- At 36-month: 0% recurrences for patients treated with NeuVax for a statistically significant DFS for NeuVax at 100% vs. 77.8% Control (p=0.035). Of note, no patients receiving booster inoculations had a recurrence through 36 months, which is the Phase III PRESENT study endpoint.

- At 60-month: 5.6% recurrence rate with NeuVax versus 25.9% recurrence rate in the control arm. DFS for NeuVax at 94.4% vs. 74.1% Control--a recurrence reduction of 78.4% in the target patient population.

This new, 60-month data analysis shows that breast cancer recurrence is greatly reduced for patients treated with NeuVax and that these results are both clinically relevant and durable over time.

Our assessment of the booster inoculations from the data presented: the booster inoculations are well-tolerated and don't increase any side effects compared to the primary vaccine series. Further, booster inoculations appear to assist in the maintenance of long-term peptide-specific immunity. In terms of efficacy, boosted patients have better recurrence rates and improved DFS compared to patients who did not receive vaccine. This may be attributed to increased immunity induced by the booster inoculations.

As a result of these findings, booster inoculations have been incorporated into the design of the ongoing Phase III PRESENT study.

Additional Positive Phase I/II NeuVax Data Presented

In October 2012, GALE reported additional, positive data from its **Phase I/II trial** of NeuVax at the 27th Annual Meeting of the Society for Immunotherapy of Cancer (SITC).

The poster presentation entitled: "Trends in Circulating Tumor Cells (CTCs) in Multiple Adjuvant Trials of HER2-Directed Peptide Vaccines (PVs)" measured CTCs from blood samples from NeuVax patients using the CellSearch® system (Veridex). CTCs are cells that have detached from the primary breast tumor and circulate in the bloodstream, and may then cause the growth of additional tumors (metastases) in different tissues. These recurrences may occur soon after the original cancer or many years after the initial treatment. Increased presence of CTCs predicts the likelihood of a recurrence of the cancer resulting in poor disease-free survival (DFS) and overall survival (OS), suggesting a dormancy of isolated micrometastases.

Results showed a total of 26 patients receiving NeuVax (E75) had at least two CTC measurements made during the vaccine treatment. In 16/26 NeuVax treated patients, the CTCs decreased during the time of treatment, corresponding with an increase in the patients' E75-specific CD8+ cytotoxic T-lymphocytes (killer T-cells) and an increase in their delayed type hypersensitivity (DTH) reactions. DTH is the measurable signal on the skin that the patient is immunologically responding to treatment. None of these patients had a recurrence of their cancer during the five year follow-up period.

Data presented indicate that NeuVax treated patients were more likely to show a decrease in CTCs than control patients. Furthermore, the use of NeuVax boosters appears to provide long-term benefit from the return of CTC. As a result, investigators concluded that these results lend credence to the notion that breast cancer is a chronic disease and that monitoring CTC trends may be clinically useful in the adjuvant setting as a surrogate for response to vaccine treatment.

The Phase III PRESENT Trial is Underway

Based on the SN-33 booster data, on Jan. 20, 2012, GALE initiated the **Phase III PRESENT** trial for NeuVax (E75 peptide plus GM-CSF) vaccine in HER2 1+ and 2+ breast cancer patients in the adjuvant setting to **prevent recurrence**.

The PRESENT (**P**revention of **R**ecurrence in **E**arly-**S**tage, Node-Positive Breast Cancer with Low to Intermediate HER2 **E**xpression with **N**euVax **T**reatment) study is a randomized, multicenter, multinational clinical trial that will enroll approximately 700 breast cancer patients. The trial design has been updated to include current National Comprehensive Cancer Network guidelines and recently received **Special Protocol Assessment (SPA)** concurrence from the FDA. Based on a successful Phase II trial, which achieved its primary endpoint of disease-free survival (DFS), the FDA has agreed that the design and planned analysis of the Phase III study adequately address the objectives necessary to support an acceptable regulatory submission for marketing approval.

The NeuVax Phase III trial will be conducted in adjuvant breast cancer patients who are node positive, have an HLA status of A2/A3+, and have low or intermediate HER2 expression (IHC 1+, 2+, sometimes referred to as HER2 negative). These patients are not eligible to receive Herceptin (trastuzumab, marketed by Roche-Genentech) therapy that is currently approved only for patients with high HER2, or 3+ expression.

According to the protocol, once qualified patients have achieved a complete response from current standard-of-care treatment (surgery, radiation and/or chemotherapy), they will be randomized and dosed with either NeuVax (E75 + GM-CSF) or control (placebo plus GM-CSF). Patients will receive one intradermal injection every month for six months, followed by a booster inoculation every six months thereafter. **The primary endpoint is disease-free survival at three years** or 139 events (recurrence of cancer). A data safety monitoring board will conduct an interim analysis for safety and futility after 70 events.

To date, 70 sites are approved globally, with continued expansion to over 100 sites planned.

We think the Phase III trial design is prudent based on the existing data from the Phase I/II trials. This Phase III trial is well designed and better controlled one compared to the Phase I/II trials.

We believe NeuVax has a blockbuster potential if it finally reaches the market.

Two Partnerships Established to Expedite NeuVax Development and Commercialization

On December 4, 2012, GALE signed an agreement with a subsidiary of **Teva Pharmaceutical Industries Limited** for the commercialization of NeuVax (nelipepimut-S or E75) in Israel.

Under the agreement, Teva Israel will assume responsibility for regulatory registration in Israel, provide financial support for local development, and will commercialize the product in the region. Specific financial terms were not disclosed, but the agreement allows for significant royalty payments to Galena Biopharma on future sales.

Israel will be the location of at least four clinical trial sites for the NeuVax **Phase III PRESENT** study.

On December 6, 2012, GALE announced a partnership with **Leica Biosystems** to develop a **companion diagnostic** for Galena's NeuVax (nelipepimut-S or E75) breast cancer therapeutic.

Leica Biosystems is a global leader in workflow solutions and laboratory automation for anatomic pathology, bringing clinicians and researchers high workflow efficiency and confidence in cancer diagnostics. Leica Biosystems provides a comprehensive product range with easy-to-use and consistently reliable solutions for the entire laboratory.

Leica's Bond Oracle™ HER2 IHC System companion diagnostic will be used to support the selection of the appropriate patients for the NeuVax Phase III PRESENT study. Bond Oracle™ HER2 IHC System is an FDA cleared semi-quantitative immunohistochemical (IHC) assay to determine HER2 (Human Epidermal Growth Factor Receptor 2) oncoprotein status in breast cancer tissue processed for

histological evaluation. NeuVax targets HER2 negative patients (IHC 1+, or 2+ and FISH < 2.2) who achieve remission with current standard of care, but have no available HER2-targeted adjuvant treatment options to maintain their disease-free status.

We think the two partnerships established will accelerate the development and commercialization of NeuVax in the US and around the world.

The agreement with Teva Israel is the first piece of GALE's global commercialization strategy. Teva is a world-class pharmaceutical company and a major pharmaceutical company in Israel. Their financial support, as well as market leadership will help accelerate NeuVax development and commercialization in the region.

The agreement with Leica also marks a significant milestone for Galena. By partnering with Leica, GALE will be able to ensure the proper and accurate assessment of breast cancer patients considering participation in the NeuVax PRESENT trial. Galena strengthens its NeuVax personalized medicine and regulatory pathway with companion diagnostic development.

IP Further Expanded for NeuVax and Folate Binding Protein

The U.S. Patent and Trademark Office (USPTO) recently issued a patent for NeuVax (nelipepimut-S or E75). The patent covers the use of NeuVax for inducing immunity to breast cancer recurrence in HER2 negative patients (low-to-intermediate IHC levels of 1+ or 2+ and a FISH rating of less than 2.0). This is the patient population targeted for Galena's ongoing Phase III PRESENT trial. The patent provides NeuVax exclusivity for this indication until 2028, not including any patent term extensions.

These patients represent a significant unmet medical need, with as much as 80% of breast cancer patients who do not qualify for Herceptin® therapy.

- The patent strengthens NeuVax Intellectual Property position for treating Phase III target population of low-to-intermediate (IHC 1+/2+) HER2 patients;

- The patent provides NeuVax exclusivity for this indication until 2028, not including any patent term extensions.

On August 13, 2012, GALE announced the issuance of a patent from the Japan Patent Office (JPO) for a Composition of Matter and Method of Treatment patent covering Folate Binding Protein (FBP) peptide variants for use either alone or in combination with the FBP cancer vaccine, E39. The Japanese patent provides exclusivity in the country until 2022, with additional worldwide patent filings pending.

- Composition of Matter and Treatment patent covers Folate Binding Protein (FBP) peptide variants for individual or expanded use in combination with the novel FBP vaccine, E39.

- The patent provides exclusivity in Japan until 2022, with additional worldwide patent filings pending.

- Folate Binding Protein Phase 1/2 trial on track for results in 2013.

GALE's current FBP vaccine, E39, is in an ongoing **Phase I/II** clinical trial in **two gynecological cancers**: ovarian and endometrial adenocarcinomas. The Company has already designed a new **Phase Ib** trial studying the benefit of these FBP peptide variants in combination with E39 that is awaiting Institutional Review Board (IRB) approval.

The market for FBP vaccine is big. Ovarian cancer occurs in over 22,000 patients per year in the U.S. alone and is the most lethal gynecologic cancer. Endometrial cancer is the most common gynecologic

cancer and occurs in over 43,000 women in the US annually. If developed successfully, FBP vaccine could be an important option for physicians to target ovarian and endometrial cancers.

The Spin-off of RXi Pharmaceuticals Will Create Shareholder Value

In April, 2012, GALE completed the spin-off of its subsidiary RXi Pharmaceuticals Corporation. Galena paid a dividend of one share of RXi Pharmaceuticals common stock for each outstanding share of Galena common stock.

Galena is now focused on the development of targeted cancer therapies; and RXi Pharmaceuticals will focus on the development of RNAi-based therapeutics.

Galena retains a 4% equity position in RXi after the spin-off. Galena also is to receive up to $45 million in milestones.

After the spin-off, RXi Pharmaceuticals operates as an independent, publicly-traded company. RXi Pharmaceuticals common stock is currently trading under the symbol "RXII" on the OTC Bulletin Board.

We think the spin-off will create shareholder value in the following aspects:

- This spin-off will transform GALE into a late clinical stage, targeted cancer therapeutics company;
- Galena will continue focusing on development-stage, targeted oncology pipeline, led by NeuVax™, which recently commenced a pivotal, Phase III clinical trial for low-to-intermediate HER2 breast cancer patients;
- With the spin-off of RXi, GALE will be more focused cancer programs and will have less cash burn for its operations.
- Both companies will have greater flexibility to focus on and pursue their respective growth strategies, while potentially providing shareholders with greater value over the longer term.

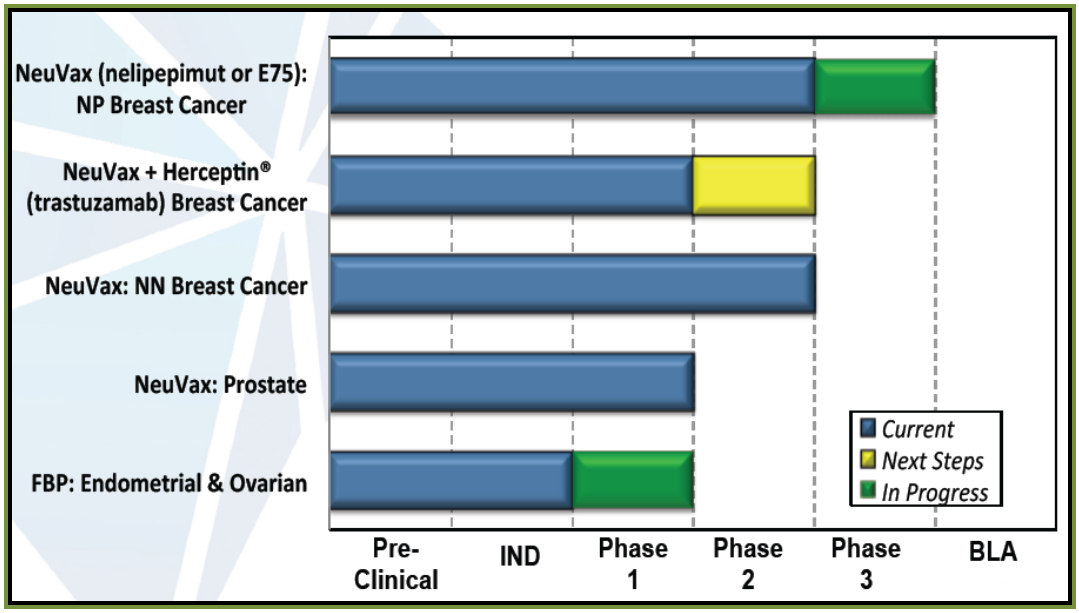
VALUATION AND RECOMMENDATION

We are still bullish on GALE based on the recent progresses the Company has made. Therefore, we maintain an Outperform rating on Galena shares and reiterate our 12-month price target of $4.0 per share.

Apparently, Galena has made great progress in the past few months in its clinical programs, IP protection and strengthening its balance sheet. The Company has become stronger than ever with the spin-off of RXi Pharmaceuticals with more focused cancer programs and less cash burn for its operations.

Galena's cancer program NeuVax and FBP provide significant leverage in cancer immunotherapy generally, as well as in "off the shelf" vaccines specifically.

Currently, the Company has 5 programs in clinic including Phase III NeuVax for breast cancer, Phase I/II FBP for gynecological cancers. This is quite unusual for a small cap biotech company.



We believe NeuVax has a blockbuster potential if it reaches the market. FBP also targets the relatively large gynecological cancer market, which is underserved and has unmet medical needs.

Based on the Company's strong fundamentals, we believe Galena's shares are undervalued compared to its peers. Currently, the Company's shares are trading at about $1.86 per share which values the Company at about $153 million in market cap based on 83 million shares outstanding. This is a discount compared to its peers. Most small biotech companies of development stage in the business of cancer are valued from $50 million to $500 million in market cap depending on how advanced the pipeline is and which indications the company is targeting. Galena is a late stage development biotech company, and its lead candidate NeuVax is already in Phase III clinical trials.

We believe Galena should be valued at $300 to $400 million in market cap. Our price of $4.0 per share corresponds to a $328 million in market cap based on 83 million outstanding shares.

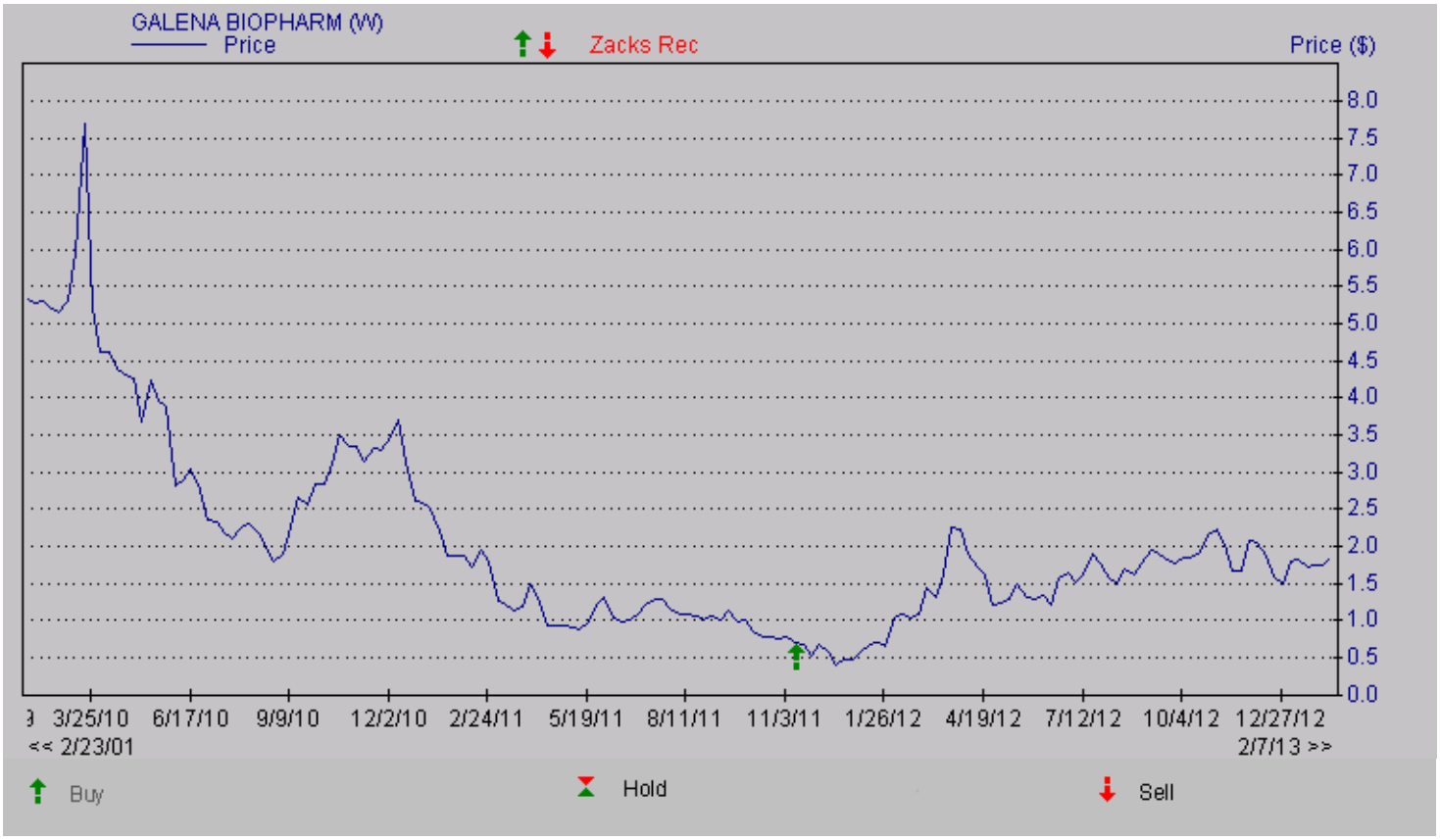
But keep in mind that cash burn is still a concern even with the new $24.3 million financing. Current cash balance will last into the second quarter of 2014. More financing is needed to fund its ongoing clinical trials. Equity financing is still the primary choice in our view, which will dilute existing shareholder base.

PROJECTED INCOME STATEMENT

	2011A (Dec)					2012E (Dec)					2013E (Dec)	2014E (Dec)	2015E (Dec)
$ in million except per share data	Q1A	Q2A	Q3A	Q4A	FYA	Q1A	Q2A	Q3A	Q4E	FYE	FYE	FYE	FYE
Total Revenues	**$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**
YOY Growth	-	-	-	-	-	-	-	-	-	-	-	-	-
CoGS	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
Gross Income	**$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**
Gross Margin	-	-	-	-	-	-	-	-	-	-	-	-	-
R&D	$2.16	$2.67	$1.37	$3.70	$9.90	$3.67	$3.72	$4.17	$4.20	$15.76	$17.50	$19.00	$22.00
% R&D	-	-	-	-	-					-	-	-	-
SG&A	$3.12	$1.95	$2.07	$2.11	$9.25	$1.94	$1.96	$1.36	$2.00	$7.26	$8.50	$10.00	$10.50
% SG&A	-	-	-	-	-	-	-	-	-	-	-	-	-
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
% Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Income	**($5.3)**	**($4.6)**	**($3.4)**	**($5.8)**	**($19.1)**	**($5.6)**	**($5.7)**	**($5.5)**	**($6.2)**	**($23.0)**	**($26.0)**	**($29.0)**	**($32.5)**
Operating Margin	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Net	$1.4	$3.2	($0.4)	$7.4	$11.7	($19.2)	$5.5	($0.7)	($0.2)	($14.6)	($0.8)	($1.0)	($1.0)
Pre-Tax Income	**($3.8)**	**($1.4)**	**($3.8)**	**$1.6**	**($7.5)**	**($24.8)**	**($0.2)**	**($6.3)**	**($6.4)**	**($37.6)**	**($26.8)**	**($30.0)**	**($33.5)**
Income taxes(benefit)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Tax Rate	-	-	-	-	-	-	-	-	-	-	-	-	-
Reported Net Income	**($3.8)**	**($1.4)**	**($3.8)**	**$1.6**	**($7.5)**	**($24.8)**	**($0.2)**	**($6.3)**	**($6.4)**	**($37.6)**	**($26.8)**	**($30.0)**	**($33.5)**
YOY Growth	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Margin	-	-	-	-	-	-	-	-	-	-	-	-	-
Shares Out	*20.3*	*38.6*	*42.0*	*44.2*	*36.3*	*48.0*	*67.2*	*67.3*	*67.5*	*62.5*	*75.0*	*80.0*	*85.0*
Reported EPS	**($0.19)**	**($0.04)**	**($0.09)**	**$0.04**	**($0.21)**	**($0.52)**	**($0.00)**	**($0.09)**	**($0.09)**	**($0.60)**	**($0.36)**	**($0.38)**	**($0.39)**
YOY Growth	-	-	-	-	-	-	-	-	-	-	-	-	-
One time charge	*($1.40)*	*($3.24)*	*$0.00*	*($7.40)*	*($12.04)*	*$19.15*	*($5.90)*	*$0.00*	*$0.00*	*$13.25*	*$0.00*	*$0.00*	*$0.00*
Non GAAP Net Income	**($5.2)**	**($4.6)**	**($3.8)**	**($5.8)**	**($19.5)**	**($5.6)**	**($6.1)**	**($6.3)**	**($6.4)**	**($24.4)**	**($26.8)**	**($30.0)**	**($33.5)**
Non GAAP EPS	**($0.26)**	**($0.12)**	**($0.09)**	**($0.13)**	**($0.54)**	**($0.12)**	**($0.09)**	**($0.09)**	**($0.09)**	**($0.39)**	**($0.36)**	**($0.38)**	**($0.39)**

Source: Company filings and Zacks estimates

HISTORICAL ZACKS RECOMMENDATIONS



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