

December 18, 2018 02:52 PM GMT

AVROBIO Inc | North America

# AVROBIO Expands Leadership Team

📈 Stock Rating	👁 Industry View	🎯 Price Target
Overweight	In-Line	\$40.00

## AVROBIO hires R&D President, new CFO, General Counsel, and Regulatory

**Affairs Head:** The company announced four senior additions to the leadership team to be in place for early 2019 (see PR [here](#)), being Birgitte Volck, M.D., Ph.D. as President of Research and Development, Erik Ostrowski as Chief Financial Officer, Steven Avruch as General Counsel, and Josie Yang, Ph.D., as Vice President and Head of Regulatory Affairs. With these changes, Katina Dorton and Nerissa Kreher, M.D. will relinquish their responsibilities as CFO and CMO, respectively. On the backgrounds of the new members, Dr. Volck once lead R&D in Rare Disease at GSK in UK. Importantly, Dr. Volck was responsible for the ex-vivo gene therapy program at GSK. Mr. Ostrowski previously was the CFO at Summit Therapeutics and had previously worked with CEO Geoff MacKay at Organogenesis. Mr. Avruch was Chief Corporation Counsel and Assistant Secretary at Biogen. Dr. Yang has over 25 years of experience in biomedical research in the FDA.

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AVROBIO Inc ( AVRO.O, AVRO US )	
Biotechnology / United States of America	
Stock Rating	Overweight
Industry View	In-Line
Price target	\$40.00
Shr price, close (Dec 17, 2018)	\$21.76
Mkt cap, curr (mm)	ND
52-Week Range	\$53.70-20.30

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## Valuation Methodology & Risks

**AVRO.O**

We derive our \$40 PT from a discounted cash flow analysis that assumes a WACC of 15% and a 0% terminal growth rate. The revenue drivers in our model are risk adjusted sales in the Fabry disease and Gaucher disease markets as well as underlying gene therapy platform value. Risk Include poor clinical data on any pipeline or gene therapy product, the high bar for success, and competing technologies.

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(as of November 30, 2018)

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STOCK RATING CATEGORY	COVERAGE UNIVERSE		INVESTMENT BANKING CLIENTS (IBC)			OTHER MATERIAL INVESTMENT SERVICES CLIENTS (MISC)	
	COUNT	% OF TOTAL	COUNT	% OF TOTAL IBC	% OF RATING CATEGORY	COUNT	% OF TOTAL OTHER MSC
<b>Overweight/Buy</b>	<b>1156</b>	<b>37%</b>	<b>295</b>	<b>40%</b>	<b>26%</b>	<b>541</b>	<b>38%</b>
<b>Equal-weight/Hold</b>	<b>1405</b>	<b>44%</b>	<b>342</b>	<b>47%</b>	<b>24%</b>	<b>641</b>	<b>45%</b>
<b>Not-Rated/Hold</b>	<b>46</b>	<b>1%</b>	<b>7</b>	<b>1%</b>	<b>15%</b>	<b>7</b>	<b>0%</b>
<b>Underweight/Sell</b>	<b>555</b>	<b>18%</b>	<b>85</b>	<b>12%</b>	<b>15%</b>	<b>226</b>	<b>16%</b>
<b>TOTAL</b>	<b>3,162</b>		<b>729</b>			<b>1415</b>	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

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Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

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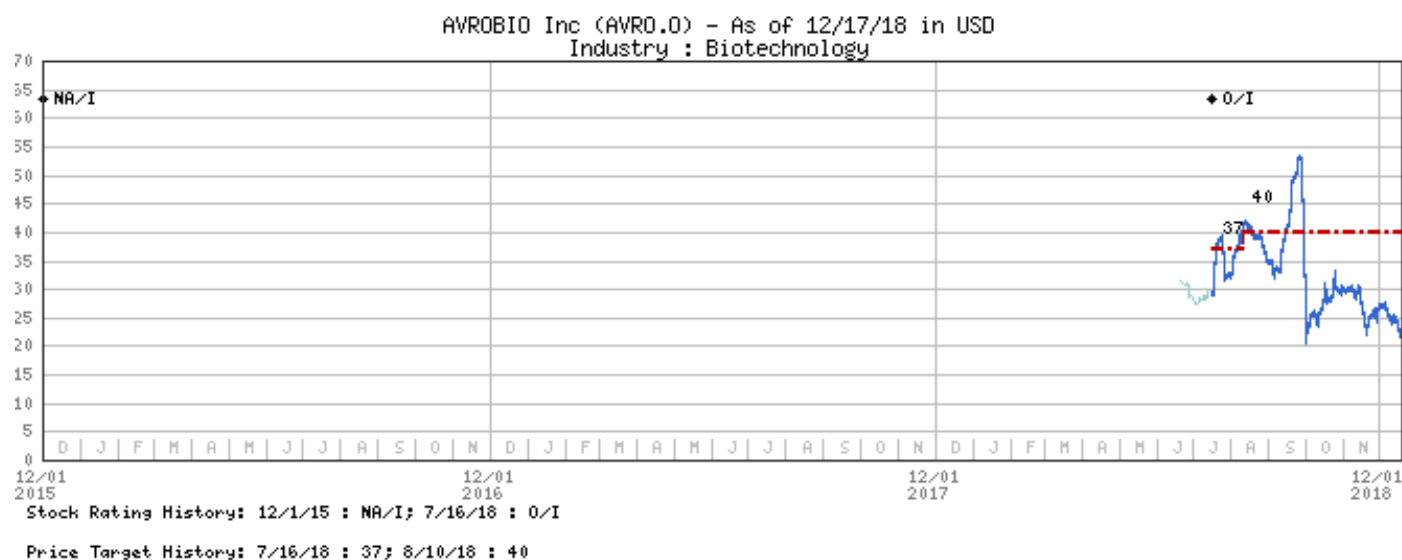
Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.

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Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.

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Source: Morgan Stanley Research      Date Format : MM/DD/YY      Price Target —      No Price Target Assigned (NA)

Stock Price (Not Covered by Current Analyst) —      Stock Price (Covered by Current Analyst) —

Stock and Industry Ratings (abbreviations below) appear as ♦ Stock Ratings/Industry View

Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)

Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

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COMPANY (TICKER)	RATING (AS OF)	PRICE* (12/17/2018)
<b>David N Lebowitz, MPH, CFA</b>		
Akebia Therapeutics Inc (AKBA.O)	E (09/07/2018)	\$7.07
Anylam Pharmaceuticals Inc (ALNY.O)	E (10/07/2016)	\$74.30
AVROBIO Inc (AVRO.O)	O (07/16/2018)	\$21.76
Chimerix Inc (CMRX.O)	U (08/10/2016)	\$3.00
Clementia Pharmaceuticals Inc (CMFA.O)	O (08/28/2017)	\$11.53
Epizyme Inc (EPZM.O)	E (09/07/2018)	\$5.94
Ionis Pharmaceuticals Inc (IONS.O)	E (08/02/2016)	\$51.87
Ironwood Pharmaceuticals, Inc. (IRWD.O)	U (05/09/2018)	\$11.43
MacroGenics Inc (MGNX.O)	E (03/01/2017)	\$13.40
Nabriva Therapeutics PLC (NBRV.O)	O (09/07/2018)	\$1.77
Rhythm Pharmaceuticals Inc (RYTM.O)	O (09/07/2018)	\$27.77
Syndax Pharmaceuticals Inc (SNDX.O)	E (10/29/2018)	\$4.80
Zealand Pharma AS (ZEAL.O)	O (09/12/2018)	\$12.61
<b>Jeffrey Hung</b>		
Acceleron Pharma Inc (XLRN.O)	E (09/10/2018)	\$43.36
Alder Biopharmaceuticals Inc (ALDR.O)	U (09/10/2018)	\$10.83
Cytokines Inc (CYTK.O)	E (09/10/2018)	\$7.26
Exelixis Inc. (EXEL.O)	U (09/10/2018)	\$20.84
MyoKardia Inc (MYOK.O)	O (09/10/2018)	\$51.06
Neurocrine Biosciences Inc (NBIX.O)	O (09/10/2018)	\$71.77
Ultragenyx Pharmaceutical Inc (RARE.O)	E (09/10/2018)	\$44.43
Voyager Therapeutics Inc (VYGR.O)	E (09/10/2018)	\$9.80
<b>Matthew Harrison</b>		
Alexion Pharmaceuticals (ALXN.O)	O (05/25/2017)	\$109.53
Amgen Inc. (AMGN.O)	O (12/14/2015)	\$190.08
BeiGene Ltd (BGNE.O)	O (02/29/2016)	\$133.44
Biogen Inc (BIIB.O)	O (10/05/2017)	\$313.10
Biohaven Pharmaceutical Holding Company (BHAVN.N)	O (05/30/2017)	\$37.27
Biomarin Pharmaceutical Inc (BMRN.O)	O (02/07/2017)	\$92.45
Bluebird Bio Inc (BLUE.O)	E (11/03/2017)	\$104.57
Celgene Corp (CELG.O)	E (04/13/2018)	\$68.13
DBV Technologies SA (DBVT.O)	E (10/23/2017)	\$14.76
Denali Therapeutics Inc (DNLI.O)	O (01/02/2018)	\$19.70
Editas Medicine (EDIT.O)	E (02/29/2016)	\$27.64
Evelo Biosciences Inc (EVL.O)	O (06/04/2018)	\$11.70
Forty Seven Inc. (FTSV.O)	O (07/23/2018)	\$21.11
Galapagos NV (GLPG.O)	O (06/08/2015)	\$101.78
Gilead Sciences Inc. (GILD.O)	E (10/01/2015)	\$65.12
Global Blood Therapeutics Inc (GBT.O)	E (03/21/2018)	\$41.57
ImmunoGen Inc. (IMGN.O)	U (09/21/2015)	\$5.18
Immunomedics Inc (IMMU.O)	O (11/05/2018)	\$17.86
Incyte Corp (INCY.O)	E (07/13/2018)	\$64.82
Innoviva Inc (INVA.O)	U (08/14/2014)	\$16.62
Insmid Inc (INSM.O)	O (03/21/2018)	\$13.98
Kodiak Sciences Inc (KOD.O)	O (10/29/2018)	\$6.66
Loxo Oncology Inc (LOXO.O)	O (04/16/2018)	\$135.48
Neon Therapeutics Inc (NTGN.O)	O (07/23/2018)	\$5.36
Portola Pharmaceuticals Inc (PTLA.O)	E (03/01/2018)	\$18.44
Radius Health Inc (RDUS.O)	O (01/29/2018)	\$15.30
Regeneron Pharmaceuticals Inc. (REGN.O)	E (10/01/2015)	\$375.50
Regenxbio Inc (RGNX.O)	O (11/09/2017)	\$45.81
Rubius Therapeutics Inc. (RUBY.O)	O (08/13/2018)	\$17.63
SAGE Therapeutics Inc (SAGE.O)	O (02/26/2018)	\$101.33
Sarepta Therapeutics Inc (SRPT.O)	O (08/01/2018)	\$115.70
Unity Biotechnology Inc. (UBX.O)	O (05/29/2018)	\$15.11
Unum Therapeutics Inc (UMRX.O)	O (04/23/2018)	\$5.09
Vertex Pharmaceuticals (VRTX.O)	O (10/01/2015)	\$166.17

Stock Ratings are subject to change. Please see latest research for each company.

\* Historical prices are not split adjusted.

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