BIOMARIN PHARMACEUTICAL INC
Form 8-K
February 26, 2002

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 25, 2002

BioMarin Pharmaceutical Inc.
(Exact name of registrant as specified in its charter)

Delaware	000-26727	68-0397820
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification No.)

371 Bel Marin Keys Boulevard, Suite 210, Novato, California (Address of principal executive offices)	94949 (Zip Code)

Registrant's telephone number, including area code: (415) 884-6700

Not Applicable
(Former name or former address, if changed since last report)

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Item 5. Other Events.

On February 25, 2002, BioMarin Pharmaceutical Inc. (the "Registrant") announced financial results for its fourth quarter and the full year ended December 31, 2001. The Registrant's press release issued on February 25, 2002 is attached hereto as Exhibit 99.1.

Item 7. Financial Statements, Pro Forma Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

Not Applicable.

(b) Pro Forma Financial Information.

Not Applicable.

(c) Exhibits.

Exhibit 99.1 Press Release of the Registrant dated February 25, 2002

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BioMarin Pharmaceutical Inc.,
a Delaware corporation

Date: February 25, 2002 By: _/s/ Fredric D. Price_____
Fredric D. Price
Chairman and Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Description
Exhibit 99.1	Press Release of the Registrant dated February 25, 2002

Exhibit 99.1

BioMarin Announces Fourth Quarter and Year-end 2001 Financial Results

NOVATO, Calif., Feb 25, 2002 /PRNewswire-FirstCall via COMTEX/ -- BioMarin Pharmaceutical Inc. (Nasdaq and Swiss SWX New Market: BMRN) today announced financial results for its fourth quarter and the full year ended December 31, 2001.

Fourth Quarter 2001 Financial Results

Revenues for the fourth quarter of 2001 were $3.6 million compared to $3.1 million in the fourth quarter of 2000. Fourth quarter 2001 revenues included $2.7 million for services provided to the Company's joint venture with Genzyme compared to $2.5 million in the fourth quarter of 2000. The net loss was $34.9 million ($0.77 per share, both basic and diluted) in the fourth quarter of 2001 compared to $10.4 million ($0.28 per share, both basic and diluted) for the fourth quarter of 2000.

The net loss in the fourth quarter of 2001 included three non-routine charges that total approximately $19.8 million as follows:

(1) Approximately $11.6 million as an in-process research and development expense to account for the costs related to the October 2001 acquisition of the pharmaceutical assets of IBEX Technologies Inc. This amount includes the purchase price as well as expenses associated with the transaction.

(2) Approximately $7.8 million to write down goodwill and other intangible assets associated with Glyko, Inc., the Company's diagnostics business. Glyko, Inc.'s catalog business is being discontinued, and certain operating assets may be offered for sale.

(3) Approximately $0.4 million in expenses related to the recently announced planned acquisition of Glyko Biomedical Ltd. (a separate entity and unrelated to Glyko, Inc.). Additional expenses related to the planned acquisition of Glyko Biomedical Ltd. will be recorded in 2002 as they are incurred.

Year-end 2001 Financial Results

For the year, revenues were $14.4 million compared to $12.3 million in 2000. Year 2001 revenues included $11.3 million for services provided to the Company's joint venture with Genzyme, compared to $9.7 million in 2000. The net loss in 2001 was $67.6 million ($1.65 per share, both basic and diluted) compared to $37.4 million ($1.04 per share, both basic and diluted) in 2000 and includes the three one-time charges noted above.

Recent Achievements

Fredric D. Price, BioMarin's Chairman and Chief Executive Officer, commented, "During the last year, we made substantial progress in three clinical development programs, completed a commercial manufacturing facility, completed a clinical manufacturing facility, acquired two new product candidates, signed definitive agreements for two additional acquisitions, and strengthened the financial position of the Company.

"I am pleased to highlight the following recent achievements from the fourth quarter of 2001 and early 2002:"

- In an effort to solidify BioMarin's share structure, earlier this month we entered into an agreement to acquire all of the outstanding shares of Glyko Biomedical Ltd., whose principal asset is the ownership of approximately 11.4 million shares of BioMarin. As a result of this transaction, Glyko Biomedical Ltd.'s shareholders will become direct stockholders of BioMarin, and the total number of BioMarin common shares outstanding will remain the same.

- In January 2002, we entered into a definitive agreement to acquire Synapse Technologies Inc., a privately held biopharmaceutical company based in Vancouver, British Columbia. BioMarin intends to use Synapse's proprietary p97 technology to treat disorders of the brain by delivering lysosomal enzymes and other therapeutics across the blood-brain barrier by means of traditional intravenous injections. We expect this deal to close by the end of the first quarter.

- In December 2001, we completed a $96.6 million public offering of common stock. In total, BioMarin raised approximately $156 million of equity financing in 2001 through a public offering, a private placement, and an equity line. We ended 2001 with approximately $131

million in cash, cash equivalents, and short-term investments.

- In November 2001, we announced positive results from the Phase 3 trial of Aldurazyme (TM), an investigational enzyme replacement therapy for the treatment of MPS I. Aldurazyme is being developed in partnership with Genzyme.

- In October 2001, we acquired the Neutralase (TM) and Phenylase product programs from IBEX Technologies, Inc. Neutralase is an injectable heparinase that is targeted to reverse heparin and other new heparin- like anticoagulants during open heart and other surgeries. Phenylase is an early development stage, orally active enzyme with the potential to treat Phenylketonuria (PKU), a genetic disease caused by an enzyme deficiency.

BioMarin specializes in the development and commercialization of therapeutic enzyme products to treat serious, life-threatening diseases and other conditions.

This press release contains forward-looking statements about the business prospects of BioMarin Pharmaceutical Inc., including the following potential future products: Aldurazyme for the treatment of MPS I, Neutralase for the reversal of anticoagulants, and Phenylase for the treatment of PKU. These forward-looking statements are predictions and involve risks and uncertainties such that actual results may differ materially from these statements. Results may differ materially depending on the progress of BioMarin's product programs, the actual results of the current and planned clinical trials, actions of regulatory authorities, the closing of planned acquisitions, availability of capital, future actions in the pharmaceutical market and developments by competitors, and those factors detailed in BioMarin's filings with the Securities and Exchange Commission such as 10Q, 10K and 8K reports. Stockholders are urged not to place undue reliance on forward-looking statements, which speak only as of the date hereof. BioMarin is under no obligation, and expressly disclaims any obligation, to update or alter any forward-looking statement, whether as a result of new information, future events or otherwise.

Aldurazyme is a trademark of BioMarin/Genzyme LLC. All rights reserved.

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BioMarin Pharmaceutical Inc.
Consolidated Balance Sheets
($ Thousands, Unaudited)

	December 31, 2001	Decem
Assets		
Current assets:		
Cash and cash equivalents	$ 12,528	
Short-term investments	118,569	
Accounts receivable, net	343	
Due from BioMarin/Genzyme LLC	744	
Inventories	325	
Interest receivable	759	
Prepaid expenses	1,163	
Total current assets	134,431	
Property, plant and equipment, net	32,560	
Goodwill and other intangibles, net	-	
Investment in BioMarin/Genzyme LLC	3,497	
Note receivable from officer	889	
Deposits	434	
Total assets	$ 171,811	
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 4,375	
Accrued liabilities	2,336	
Current portion of capital lease obligations	66	
Notes payable - short-term	1,525	
Total current liabilities	8,302	
Long-term portion of notes payable	3,864	
Long-term portion of capital lease obligations	97	
Total liabilities	12,263	
Stockholders' equity:		
Common stock	52	
Additional paid in capital	305,230	
Common stock warrants	5,134	
Deferred compensation	(699)	
Notes from stockholders	(2,037)	
Foreign currency translation	(13)	
Deficit accumulated during development stage	(148,119)	
Total stockholders' equity	159,548	
Total liabilities and stockholders' equity	$ 171,811	

Note: These financial statements do not include any adjustments that may be required to reflect the accounts of Glyko, Inc. as a discontinued operation. At the time of this press release, the Company is researching whether such presentation is appropriate.

BioMarin Pharmaceutical Inc. and Subsidiaries
Consolidated Statements of Operations
($ Thousands, except per share data)

	Three Months Ended December 31,		
	2001 (Unaudited)	2000	2001 (Unaudited)
Revenues:			
Revenues - products	$ 622	$ 596	$ 2,382
Revenues - services	88	73	333
Revenues from BioMarin/Genzyme LLC	2,709	2,469	11,330
Revenues - other	187	-	369
Total revenues	3,606	3,138	14,414
Operating Costs and Expenses:			
Cost of products and services	544	180	1,404
Research and development	13,233	10,685	45,389
Selling, general and administrative	3,149	2,297	10,340
In-process research and development	11,647	-	11,647
Closure of Glyko, Inc.	7,761	-	7,761
Carson Street closure	-	-	-
Total operating costs and expenses	36,334	13,162	76,541
Loss from operations	(32,728)	(10,024)	(62,127)
Interest income	437	698	1,871
Interest expense	(6)	(1)	(17)
Loss from BioMarin/Genzyme LLC	(2,625)	(1,067)	(7,333)
Net loss	$(34,922)	$(10,394)	$(67,606)
Net loss per share, basic and diluted	$(0.77)	$(0.28)	$(1.65)
Weighted average common shares outstanding, basic and diluted	45,515	36,888	41,083

Note: These financial statements do not include any adjustments that may be required to reflect the accounts of Glyko, Inc. as a discontinued operation. At the time of this press release, the Company is researching whether such presentation is appropriate.

SOURCE BioMarin Pharmaceutical Inc.

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