



Intercept Pharmaceuticals Announces Pricing of Offerings of Common Stock and Convertible Senior Notes due 2026

May 10, 2019

NEW YORK, May 10, 2019 (GLOBE NEWSWIRE) -- Intercept Pharmaceuticals, Inc. (Nasdaq:ICPT), a biopharmaceutical company focused on the development and commercialization of novel therapeutics to treat progressive non-viral liver diseases, today announced that it has priced its underwritten public offering of 2,400,000 shares of its common stock at a price to the public of \$83.50 per share. Concurrent with the public offering of common stock, Intercept will sell, subject to the consummation of such offering and other customary conditions, in a private placement exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), 119,760 shares of its common stock to Samsara BioCapital, L.P., one of its existing stockholders, at a sale price equal to the price to the public in such offering. In connection with the public offering of common stock, Intercept has granted to the underwriters a 30-day option to purchase up to an additional 360,000 shares of its common stock at the same price as the initial shares sold to the underwriters.

Intercept also announced that it has priced its underwritten public offering of \$200 million aggregate principal amount of convertible senior notes due 2026 (the "Notes"). The Notes will bear interest at a fixed rate of 2.00% per year, payable semi-annually in arrears on May 15 and November 15 of each year, beginning on November 15, 2019. The Notes will be senior unsecured obligations of Intercept and will mature on May 15, 2026, unless earlier converted, redeemed or repurchased. Prior to February 15, 2026, the Notes will be convertible at the option of the holders only upon satisfaction of certain conditions and during certain periods. Holders may convert their Notes at their option at any time on or after February 15, 2026 until the close of business on the business day immediately preceding the maturity date. The Notes will be convertible into cash, shares of Intercept's common stock or a combination of cash and shares of Intercept's common stock, at Intercept's election. Intercept may not redeem the Notes prior to May 20, 2023; on or after May 20, 2023, Intercept may redeem the Notes at its option, subject to certain conditions. The initial conversion rate of the Notes is 9.2123 shares of Intercept's common stock per \$1,000 principal amount of Notes, which is equivalent to an initial conversion price of approximately \$108.55 per share of Intercept's common stock. The initial conversion price represents a premium of approximately 30% above the initial price to the public in the concurrent public offering of common stock, which was \$83.50 per share. The conversion rate will be subject to adjustment upon the occurrence of certain events. In connection with the public offering of the Notes, Intercept has granted to the underwriters a 30-day option to purchase up to an additional \$30 million aggregate principal amount of the Notes.

Intercept anticipates that the aggregate gross proceeds from the public offerings and concurrent private placement, before deducting underwriting discounts and commissions related to the public offerings and other offering expenses, will be approximately \$410,399,960, excluding any exercise of the underwriters' options to purchase additional securities. In the event that such options are exercised in their entirety, the aggregate gross proceeds from the public offerings and concurrent private placement will be approximately \$470,459,960. The public offerings are expected to close on or about May 14, 2019, subject to customary closing conditions. The public offering of common stock and the public offering of the Notes are not contingent upon one another. The concurrent private placement is expected to close on or about May 14, 2019, subject to the consummation of the public offering of common stock and other customary conditions.

Intercept intends to use the net proceeds from the public offerings and concurrent private placement for working capital and general corporate purposes, which may include, among other things, funding launch preparation activities associated with the potential approval and commercialization of obeticholic acid for nonalcoholic steatohepatitis, the on-going commercialization of Ocaliva in primary biliary cholangitis and the continued advancement of Intercept's clinical and research and development programs.

Goldman Sachs & Co. LLC, Credit Suisse Securities (USA) LLC and Jefferies LLC are acting as joint book-running managers for each of the underwritten public offerings. Cantor Fitzgerald & Co. and UBS Investment Bank are acting as lead managers for the public offering of common stock, with Robert W. Baird & Co. Incorporated, Needham & Company, LLC, Oppenheimer & Co. Inc., and Roth Capital Partners, LLC acting as co-managers. RBC Capital Markets, LLC is acting as lead manager for the public offering of the Notes, with JMP Securities LLC acting as co-manager.

Intercept has filed an automatic shelf registration statement, including a prospectus dated May 10, 2017, with the Securities and Exchange Commission (the "SEC") on Form S-3 pursuant to which the securities in the public offerings are being offered (the "Registration Statement"). Before you invest in the public offering of common stock and/or the public offering of the Notes, you should read the preliminary prospectus supplement(s) relating to and describing the terms of such public offering(s) and the related Registration Statement and other documents that Intercept has filed with the SEC for more complete information about Intercept and such public offering(s). You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, copies of the preliminary prospectus supplements and accompanying prospectus relating to the public offerings may be obtained, when available, from: Goldman Sachs & Co. LLC, Attention: Prospectus Department, 200 West Street, New York, New York 10282, telephone: 1-866-471-2526 or by emailing prospectus-ny@ny.email.gs.com; Credit Suisse Securities (USA) LLC, Attention: Prospectus Department, Eleven Madison Avenue, New York, New York 10010, telephone: 1-800-221-1037 or by emailing usa.prospectus@credit-suisse.com; or Jefferies LLC, Attention: Equity Syndicate Prospectus Department, 520 Madison Avenue, New York, New York 10022, telephone: 1-877-547-6340 or by emailing Prospectus_Department@jefferies.com.

The shares of common stock to be sold in the concurrent private placement have not been registered under the Securities Act or under any state securities laws and unless so registered may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities being offered, nor shall there be any sale of the securities being offered in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

About Intercept

Intercept is a biopharmaceutical company focused on the development and commercialization of novel therapeutics to treat progressive non-viral liver diseases, including primary biliary cholangitis (PBC) and nonalcoholic steatohepatitis (NASH). Founded in 2002 in New York, Intercept has operations in the United States, Europe and Canada.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements, including, but not limited to, statements related to the closing of the public offerings and concurrent private placement and Intercept's intended use of proceeds from the public offerings and concurrent private placement. These statements constitute forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "possible," "continue," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release, and Intercept undertakes no obligation to update any forward-looking statement except as required by law. These forward-looking statements are based on estimates and assumptions by Intercept's management that, although believed to be reasonable, are inherently uncertain and subject to a number of risks. There can be no assurance that Intercept will be able to complete either or both of the proposed public offerings or the concurrent private placement on acceptable terms, or at all. Actual results may differ materially from historical results or those anticipated or predicted by Intercept's forward-looking statements as a result of various important factors, including, but not limited to, the terms of the public offerings and concurrent private placement, the risks and uncertainties related to whether or not Intercept will consummate the public offerings and concurrent private placement, the impact of general U.S. and foreign economic, industry, market, regulatory or political conditions and the other risks and uncertainties identified in Intercept's periodic filings filed with the SEC, including Intercept's Annual Report on Form 10-K for the year ended December 31, 2018 and Intercept's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, as well as in the prospectus supplements related to the public offerings.

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