

## **Othera Pharmaceuticals Completes \$16 Million Venture Capital Financing**

*Funding Will Support Company's Continuing Development Efforts for Potential New Treatments for  
Cataracts, Age-Related Macular Degeneration, and Glaucoma*

**Exton, PA, October 22, 2004 – Othera Pharmaceuticals, Inc.**, a privately-held pharmaceutical company developing proprietary therapies for a range of ophthalmic disorders, announced today that it has completed its \$16 million Series B financing with a second closing of \$3 million. Participants in the second closing included NJTC Venture Fund, Fletcher Spaght Ventures and Liberty Venture Partners.

In August, Othera announced that it had closed on \$13 million to fund further clinical development of its ophthalmic drug pipeline in a financing led by NewSpring Ventures and Commerce Health Ventures, with additional participants including Johnson & Johnson Development Corporation, Liberty Venture Partners, private investors and members of Othera management.

"The completion of this \$16 million financing round positions Othera to move forward aggressively in all areas of development for our lead product candidates, OT-511 and OT-730. The participation of NJTC and all of our investment partners represents a strong validation of Othera's proprietary technology and the clear opportunity we have to play a lead role in the development of new therapies to treat many common and devastating causes of blindness," said David S. Joseph, Othera's chairman and CEO.

Othera's lead drug in development is OT-551, an eye drop formulation that is being developed to prevent or delay cataract formation. The company plans to file an investigational new drug application (IND) for this indication in Q4 2004. The company is also currently conducting additional pre-clinical studies in anticipation of filing a supplemental IND to pursue development of OT-551 for the dry form of age-related macular degeneration (AMD). Othera's next lead product candidate, OT-730, is currently in preclinical development as a potential treatment for glaucoma. The company anticipates that it will file an IND and begin clinical trials for OT-730 in 2005.

"Othera's research focus continues to show tremendous promise in the treatment of different causes of blindness that affect millions of people in the U.S. and worldwide. In addition to advancing our current development efforts, the additional funding from this final closing will allow us to explore some new potential indications for OT-551 in the years ahead," Mr. Joseph added.

According to Prevent Blindness America and the National Eye Institute, more than 9 million Americans suffer from intermediate and advanced forms of AMD, 2.2 million people have glaucoma, and more than 20 million people are affected by cataracts. In addition, the number of people affected by age-related eye diseases is expected to double in the next 30 years.

### About the Company

Othera Pharmaceuticals, Inc. ([www.othera.com](http://www.othera.com)) is a privately-held, ophthalmic pharmaceutical company based in Exton, Pennsylvania. Othera is developing proprietary drugs to treat or prevent the three leading causes of blindness and vision impairment in the world - cataracts, age-related macular degeneration (AMD) and glaucoma. The Company's lead drug, OT-551, is a potent antioxidant eyedrop formulation to prevent the development of cataracts and AMD. Othera's novel beta-blocker drug, OT-730, is an eyedrop treatment for glaucoma that is designed to provide the same efficacy as current glaucoma therapies, but without the systemic side effects normally associated with this drug class.

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