



Contact:
Philip Heifetz
Othera VP Finance and Business Development
phone: 484-879-2805
pheifetz@othera.com

FOR IMMEDIATE RELEASE

OTHERA Announces Positive Interim Phase 2 Results of OT-551 Eye Drop Treatment for Dry AMD

EXTON, PA., April 8, 2009 - Othera Pharmaceuticals, Inc., a specialty pharmaceutical company focused on treatments for ophthalmic diseases, has today announced positive interim data results from its Phase 2 trial of OT-551 in treating geographic atrophy (GA), an advanced form of dry age-related macular degeneration (AMD) for which there is no FDA-approved treatment. The 12-month findings from the 2-year OMEGA trial suggest an emerging trend for reducing moderate vision loss (i.e., 15 letters or more on the ETDRS chart) in patients with GA who were treated with OT-551 compared with placebo. This numeric trend was more pronounced in subgroups based on GA characteristics or level of visual acuity at baseline.

OT-551 is a topically-dosed, patented small molecule that acts on oxidative stress and disease-induced inflammation. A number of scientific publications from leading researchers in ophthalmology have linked both oxidative stress and inflammation to the progression of GA and the ensuing vision loss in patients. OT-551 has demonstrated a dose-dependent protective effect on photoreceptor activity in an animal model of AMD, and has been shown to reach the back of the eye after topical dosing in multiple species. This profile supports the rationale for studying the drug in patients with degenerative retinal conditions, such as GA. OT-551 is the first eye drop to ever be tested in a clinical trial as a treatment for dry AMD.

"It is encouraging that Othera's interim analysis of the OMEGA study suggests a promising effect of OT-551 on visual acuity in patients with GA associated with dry AMD. We are in great need of improved treatments for this condition and I look forward to longer term follow-up from the patients enrolled in this study," commented Paul Sternberg, Jr., MD, Professor and Chairman of the Vanderbilt Eye Institute and Chairman of the OMEGA study.

"I am particularly excited about these results in light of the absence of any approved treatment today for this slowly progressing, advanced form of dry AMD," commented Al Reaves, PhD, Othera's Senior Vice President of Clinical Development. "These initial clinical results confirm preclinical findings showing that OT-551 can be administered as an eye drop to affect photoreceptors in the retina. Based on these preliminary results, OT-551 continues to exhibit the excellent safety profile seen in prior studies. Given OT-551's safety profile and the positive trend on visual acuity, continued follow-up of this elderly population with GA should allow us to profile the drug's effect on visual acuity and better understand its long term safety."

The analysis of drug safety and effectiveness for the entire study population and in subgroups is still in progress. An independent Data and Safety Monitoring Committee is scheduled to review the interim results later this month. In May, a summary of the top-line results will be discussed at the annual meeting of the Association for Research in Vision and Ophthalmology (ARVO) in Fort Lauderdale, Florida.

About The OT-551 Phase 2 OMEGA Trial

The OMEGA (OT-551 Multi-center Evaluation of Geographic Atrophy) study is a randomized, double-masked, dose-ranging, multi-center, Phase 2 study of topical OT-551 in patients with GA associated with AMD. One hundred and thirty-seven (137) patients were enrolled at 20 leading retinal disease treatment centers across the U.S. in this 2-year study.

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About Geographic Atrophy

There are currently no FDA-approved drug treatments for dry AMD, which affects over 14 million Americans in this aging demographic population. Of these, roughly 1 million Americans have GA, the most advanced and severe form of dry AMD, and many of these cases will progress to legal blindness. Geographic atrophy is caused by the gradual loss of the retinal cells that are primarily responsible for central vision, and which are necessary for important tasks such as driving, reading, and identifying faces. Unlike other forms of AMD, the damage to the retina from GA is irreversible.

About Othera Pharmaceuticals, Inc.

Founded in 2002, Othera Pharmaceuticals, Inc. is a specialty pharmaceutical company focused on developing treatments for ophthalmic diseases.

In addition to OT-551, Othera is developing a second product, OT-730, a novel topical ocular treatment with the promise of improved safety over current therapies for lowering intraocular pressure (IOP). A recently completed Phase 1 - 2 proof-of-concept study showed a peak IOP-lowering effect comparable to that of timolol, the most widely prescribed beta blocker. There was no observed effect on pulse rate with OT-730.

For information please visit Othera's website at www.othera.com.

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